

**STATEMENT OF
CHAIRMAN KEVIN J. MARTIN**

Re: Comprehensive Review of Universal Service Fund Management, Administration, and Oversight, WC Docket No. 05-195

Today's decision reaffirms the Commission's commitment to improve the management, administration, and oversight of the Universal Service Fund (USF).

I fully support the universal service program and the critical function it serves to ensure access for consumers in rural and high-cost areas, and to promote access to advanced services for schools, libraries, and health care service providers in rural areas.

Managing the USF in an efficient, effective manner is one of the Commission's core functions. It is incumbent upon us to take the steps necessary to improve the operational efficiency of the program while providing greater certainty to the recipients. We can thus achieve our mutual goal of protecting the continuing health and sustainability of the universal service fund.

This NPRM provides an opportunity for the Commission to explore the lessons learned through the operations of the High Cost and Low Income programs. In these programs, the Commission's rules specify formulae that are used to distribute universal service support. This type of formulaic approach may hold promise for improving the administration of the E-rate and Rural Healthcare programs. By using a formulaic approach to distribute support directly to schools, libraries, and rural healthcare providers, the Commission may be able to address the concerns raised by beneficiaries about the growing complexity of the application process while still ensuring that the programs' funds are used appropriately.