

**STATEMENT OF
COMMISSIONER JOHN D. BURKE**

In the Matter of High-Cost Universal Support, WC Docket No. 05-337; Federal-State Joint Board on Universal Service; CC Docket No. 96-45

The key universal service objectives of the 1996 Act are to provide rural areas with telecommunications services that are reasonably comparable to those available in urban areas, and to provide them at prices that are reasonably comparable to prices in urban areas. In recommending three separate high-cost funds, this Recommended Decision establishes a very different path to those goals. I support this change, believing that the proposed system would be more effective at achieving the objectives of the Act and more efficient at conserving resources.

I congratulate my fellow Joint Board members for their engagement in a collective process and their willingness to compromise. Each of us had to make substantial compromises, but the result is a stronger and more balanced recommendation. I also want to particularly thank the Joint Board state staff members who, near the end of our deliberations, were suddenly called upon to be responsible for drafting this document.

The most dramatic change we recommend is to support broadband deployment. Finding adequate funding for that program was our most difficult challenge. Since wireline and wireless voice services already receive support, one might anticipate that adding broadband would increase high-cost support by as much as one-half. I am pleased that we could find a way to offer substantial new funding for broadband deployment while still limiting the increase in fund size to about seven percent. I agree with Commissioner Baum's observation that, whenever the FCC ultimately chooses to impose a CETC cap, by setting that cap at a support level being distributed at an earlier date, it can make some of the existing support immediately available for the Broadband Fund.

I regret that the majority has not set forth more clearly the country's need for ubiquitous high quality mobility services. I applaud our statement that all consumers should have access to at least one carrier that provides a reliable signal. However, we also say that the primary goal of the Mobility Fund is to support new construction. There are many rural areas with weak and intermittent wireless service. I would have preferred to have included areas that have unreliable wireless voice service within the primary purpose of the Mobility Fund. If wireless service is indeed a substitute for wireline service, that wireless service should be, in all instances, reliable. Moreover, a broader definition may be more efficient. Providing support to improve weak signals may well provide more benefits to consumers and promote competition better than building new cell towers in remote unserved areas.

The states' role in this Recommended Decision becomes critical. The obligation to identify areas lacking wireless or broadband service is key to making our decision work. For states to authorize their own funding mechanisms, and thereby facilitate the matching grants proposal, will require effort. Solid models for such funding mechanisms exist in the Connect/Kentucky example and in Vermont's Act 79 of 2006. If adapted to each state's needs, this effort will create a partnership among the federal government, state governments and private industry that will, I believe, be the fastest and most cost efficient method of serving all of our citizens, even those in the areas that are hardest to serve.