

**STATEMENT OF
CHAIRMAN JULIUS GENACHOWSKI**

Re: *High-Cost Universal Service Support, Federal-State Joint Board on Universal Service, Request for Review of Decision of Universal Service Administrator by Corr Wireless Communications, LLC, WC Docket No. 05-337, CC Docket No. 96-45.*

Today, the Commission takes another step in implementing the National Broadband Plan and reforming the Universal Service Fund (USF). To help broadband become our 21st century engine for economic growth and job creation, and to ensure that the benefits of high-speed Internet extend to all Americans, it is vital that we transform USF from a program that helped achieve universal telephone service to one that will deliver universal broadband. And it is vital that we do so in a financially responsible manner, protecting consumers as we do the work of reform.

Today's decision ensures that USF support for mobile voice that Verizon Wireless and Sprint had previously agreed to relinquish will be used as a down payment on broadband universal service reform.

Transformation of USF won't be easy, but it's underway, with important enhancements of USF's E-rate program scheduled for a vote later this month. This will expand broadband opportunities for schools and libraries, providing more access and flexibility for these anchor institutions to empower teachers, and serve children and their communities. Our rural Health Connect initiative will improve patient care and reduce medical costs through greater broadband investment for medically underserved communities. Our Mobility Fund will fill in gaps in 3G and 4G wireless coverage. Reformed Lifeline and Link-Up programs will more efficiently connect more Americans to broadband. And our Connect America Fund will catalyze private investment in broadband in rural areas of the country.

An essential part of reform will be driving greater and greater efficiency through USF, ensuring that the funds are spent wisely, and continuing to employ caps and other incentive structures to maximize the return on USF's investment and limit the financial burden on consumers. Today's action is one step to help ensure the Fund will have the needed resources without increasing its rate of growth. I look forward to building on today's action as we move forward with comprehensive, fiscally sensible universal service reform.