

**STATEMENT OF
COMMISSIONER MEREDITH A. BAKER**

Re: Connect America Fund, WC Docket No. 10-90, A National Broadband Plan for Our Future, GN Docket No. 09-51, High-Cost Universal Service Support, WC Docket No. 05-337

As I have said many times, I believe that it is critical that we move toward comprehensive reform of the Universal Service Fund, targeted to broadband investment. As a nation, we need to transition to a support mechanism that is effective, efficient, and sustainable for areas where market forces are not sufficient to drive broadband services to America's consumers. The Notice before us is an important first step down that road. Universal service reform will be a challenging—and perhaps sometimes frustrating—endeavor. I have expressed concerns about the ballooning size of the Fund and I am convinced that some hard choices will have to be made to keep it under control. But I am convinced that we have a window of opportunity to finally make the changes that this program desperately needs. I also strongly support seeking comment on the possible implications of using a cost model in a new support mechanism for broadband and I hope to see active participation from all sectors of industry and the public. Building a strong record to be the foundation for reform is always important—but never more so than when we consider whether to adopt, and if so, how to structure a cost model. I look forward to working with the Chairman and my fellow commissioners to tackle universal service reform, and I would like to thank the staff for their thoughtful work on this item.