MASON CITY GLOBE GAZETTE

Guest View: Wrong time, wrong broadband plan

By Ronald J. Laudner Jr. CEO, OmniTel Communications Sunday, July 24, 2011

lowans have seen the benefits of the telecommunications revolution that is sweeping across our nation and the globe. Families, schools, health care facilities and businesses large and small have come to understand the importance of high-quality broadband access.

On Tuesday, Jonathan Adelstein, administrator of the Rural Utilities Services (RUS), will be visiting North Iowa to discuss the policy dimensions of that access.

His agency is well known to lowans, and in the most positive of ways. RUS plays an important role in this state as the arm of the U.S. Department of Agriculture that administers projects and programs that help build and maintain rural utilities including electric, water and, perhaps most importantly, telecommunications.

However, the reality is that Mr. Adelstein arrives at a time when the Obama administration is sending decidedly mixed signals about its view of telecom and broadband access in rural areas.

A new federal plan masquerading as reform threatens to bring higher rates and declining levels of telecom service to Iowa and rural America.

The Federal Communications Commission's National Broadband Plan (NBP) is the wrong plan at the wrong time.

The core of this so-called reform is the restructuring of the Universal Service Fund (USF). The fund, supported by a small surcharge on all telephone and cell phone bills, has aided local providers by helping to contain costs and maintain fair and equitable telecom service standards in rural areas.

Under the proposed new broadband plan, money from the USF would be shifted to a new entity and it is unclear whether rural providers would have the same support available to them.

Rural carriers are justly proud of their broadband service networks. The USF has worked and worked well, producing outstanding results. Providers have delivered unmatched benefits to millions of rural Americans and businesses.

If the FCC is successful in changing the rules on how these small providers are compensated, they will no longer be able to sustain the investments they have made in their networks.

Development will gravitate toward areas where infrastructure is less costly and away from parts of the country where it is more expensive. And consumer rates will rise substantially.

Overreaching reforms would abandon the principles of universal service and undermine decades of successful investment in critical broadband infrastructure.

It is enlightening to contrast the hasty, one-size-fits-all FCC approach now in the works with the approach consistently taken by the Rural Utilities Services.

Recently, the agency again demonstrated its capacity for understanding and responding to the needs of hard working lowans, in this case the citizens in Madison and Warren counties.

Families and businesses in these counties lived with slow download speeds and the economic consequences of that disadvantage were clear.

A \$7 million RUS loan was used to upgrade high-speed Internet access to towns and surrounding rural areas by installing a fiber-to-the-home network.

The significant economic benefits of the upgraded network quickly became evident, including opening up telecommuting options for local residents. In one instance, a large, international agricultural corporation that likely would have left the area opted to stay because the new network offers higher speeds and enhanced efficiency.

It would well serve the FCC to look at the many success stories generated by RUS, and at the self-evident benefits of helping residents of Madison and Warren counties navigate the telecommunications revolution.

We welcome Mr. Adelstein and trust he will listen to the views of concerned lowans about the NBP. And we hope the FCC will reconsider this ill-advised stab at reform. It is time to rethink and redraft the National Broadband Plan.

http://globegazette.com/news/opinion/editorial/guest-view-wrong-time-wrong-broadband-plan/article_6aca086eb5b7-11e0-ba22-001cc4c03286.html