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### **WTA Reviewing and Assessing FCC's USF Reform Order**

*Order Concludes Years-long Negotiations on Plan Reforming Universal Service Fund for Small, Rural Telecom Providers; Data-only Broadband to Be Supported Under Reform Plan*

**WASHINGTON, D.C. (March 31, 2016)** – WTA—Advocates for Rural Broadband is in the process of reviewing the details and assessing the impacts of the Federal Communications Commission's (FCC) USF Reform Order and FNPRM that was released late yesterday afternoon. The Order alters the process by which Universal Service Fund (USF) dollars are distributed to small, rural broadband providers. WTA is hopeful the Order will lead to more regulatory certainty and incent its member companies to continue building out broadband to rural residents and businesses.

"We appreciate the efforts the FCC Commissioners, their staff, and the staff at the Wireline Competition Bureau have made over the last year to work with the rural telco industry to modernize the Fund," said Derrick Owens, WTA's Vice President of Government of Affairs. Over the coming days and weeks we'll be carefully reviewing the details of the Order and talking with our members to help them better understand it and to get their feedback on what it means to their businesses and ability to continue investing in their networks.

WTA, along with its rural industry partners, had been in discussions with the FCC regarding the best way to replace the controversial quantile regression analysis USF distribution methodology, which FCC Chairman Tom Wheeler repealed shortly after being appointed to the FCC.

The impetus for reform was the data-only broadband problem, whereby telcos were unable to receive universal service support for lines over which customers chose to purchase broadband without traditional voice service. With fewer customers wanting voice lines, existing levels of universal service support were in question. The FCC's Order now allows telcos to receive support for broadband-only lines.

"It makes sense that as the USF transitions to a broadband fund that our member companies receive support for data-only lines," said Owens. "Going forward we need to make sure that the reform meets the needs of residents and businesses in rural America.

Sometimes the practical effects don't match up with the theory. We look forward to working with the FCC to ensure broadband networks in rural America are as affordable and robust as they are in urban and suburban America as mandated by the '96 Telecom Act."

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*WTA represents more than 300 small, rural telecommunications carriers providing voice, data and video-related services in the United States. WTA's members serve some of the most rural and hard-to-serve communities in the country and are on the forefront of bringing 21st Century telecommunications services to rural America. To learn more about WTA, visit [www.w-t-a.org](http://www.w-t-a.org).*