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Congress of the United States House of Representatives

May 18, 2007

The Honorable Commissioner Tate
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Dear Commissioner Tate:

As an author of H.R. 2054, the Universal Service Reform Bill of 2007 I am pleased with the Joint Boards recent decision to control the growth in the fund by capping the competitive eligible telecommunication carrier (CETC) fund¹.

I share in your commitment to rural America and to ensuring that the Universal Service Fund (USF) remains functional, however, in the past 5 years the fund has experienced unprecedented growth and the stress of the fund has made reform mandatory. The Joint Board's recent decision to impose an interim emergency cap on the CETC fund recognizes the source of the growth. Imposing a cap on the CETC fund is a good first step in USF reform, however, the following measures which are part of H.R. 2054 must also be implemented in order for the fund to be sustainable for the 21st century:

- Remove the identical support rule which allows wireless carriers to receive USF support based on the incumbents cost.
- Impose stiffer ETC requirements to ensure that all telecommunication consumers are receiving the highest quality service regardless of technology.
- Broaden the base of contributors in order to prevent the contribution rate from increasing any further.
- Make broadband USF supported.

Once again, I applaud the Joint Board's decision and as a policy maker I recognize and appreciate your service.

Sincerely,

LEE TERRY
Member of Congress

¹ Action by the Federal-State Joint Board, May 1, 2007 by Public Notice (FCC 07J-2_