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AS CONGRESS RETURNS, CALLS CONTINUE FOR URGENT FCC ACTION TO TEMPORARILY CAP CETCs

Congressman Rogers (MI) Joins Growing Bipartisan Effort to Protect Consumers, Financial Integrity of the Universal Service Fund

Arlington, Va. – With Congress returning from the August recess period, the Coalition to Keep America Connected today pledged to intensify its efforts to convince the Federal Communications Commission to take action needed to protect the Universal Service Fund (USF) program from the escalating costs of payments to competitive eligible telecommunications carriers (CETCs).

Failure to control growing payments to CETCs threatens the financial integrity of the USF program and imperils consumer access to affordable telecommunications services. The FCC should immediately implement the temporary cap on payments to CETCs that was recommended earlier this year by the Federal-State Joint Board on Universal Service.

“The Coalition to Keep America Connected will be expanding our efforts to protect consumers and advance the telecommunications network that is central to America’s future economic competitiveness,” said Paul Raak, ITTA director of legislative affairs and a coalition spokesperson.

The USF ensures reliable access to affordable telecommunications services for millions of U.S. consumers in high-cost service areas. Between 2002 and 2006, however, USF payments to CETCs increased by more than 100 percent annually. This exploding growth threatens the financial integrity of the entire USF program, which also provides support for schools, libraries, and rural health care. The temporary cap is recommended by a panel of federal and state regulators, and is needed to avert a crisis that could affect millions of consumers.

During the recess period, Energy and Commerce Committee Member, Congressman Mike Rogers (R-MI) joined the growing, bipartisan group of House and Senate members supporting an interim cap. In an August 9 letter to FCC Chairman Kevin J. Martin released this week, Rogers states: “I write to request swift action by the Commission to impose a temporary, emergency cap on universal service funding for competitive eligible telecommunications carriers (CETCs). This action, recently recommended by the Federal-State Joint Board on Universal Service, would represent an important first step toward comprehensive reform.”
Rogers adds: “I am concerned that without an interim solution, Americans will continue to face rising phone bills.”

Other members of Congress who have written to the FCC in support of the proposed interim cap on CETCs include: Sens. Bob Casey (D-PA), Tom Coburn (R-OK), Larry Craig (R-ID), Charles Grassley (R-IA), Chuck Hagel (R-NE), Tim Johnson (D-SD), Mary Landrieu (D-LA), Ben Nelson (D-NE), John Thune (R-SD) and Reps. Barbara Cubin (R-WY), Lloyd Doggett (D-TX), Eliot Engel (D-NY), Vito Fossella (R-NY), Baron Hill (D-IN), Collin C. Peterson (D-MN), George P. Radanovich (R-CA), Stephanie Herseth Sandlin (D-SD), Zack Space (D-OH), Lee Terry (R-NE), Edolphus Towns (D-NY) and Robert Wexler (D-FL). Additionally, more than 800 telecommunications providers from 47 states recently sent a petition to the FCC and Members of Congress in support of the cap.

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The Coalition to Keep America Connected is dedicated to ensuring that all consumers have access to affordable telecommunications services and the latest technologies—no matter where they live. The effort is organized by four rural telecom associations, whose memberships include more than 800 small and midsize communications companies. Together these companies serve millions of consumers and 40% of the landmass across America. Visit us at www.keepamericaconnected.org.