September 25, 2012

Honorable Julius Genachowski
Chairman
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Dear Chairman Genachowski:

We are writing this letter to state our concerns with the Federal Communications Commission’s (FCC) alterations to the Universal Service Fund (USF) and Intercarrier Compensation (ICC) mechanisms, which enable rural areas to receive communication services that are comparable to those in urban areas. We thank the FCC for working to update these programs to provide broadband and to also increase efficiency and accountability, but are concerned the Commission’s changes do not provide a clear plan for broadband investment throughout all of rural Ohio.

As you know, the FCC in November 2011 adopted a series of rules that focus on providing broadband service to unserved areas. While we support this effort, the FCC’s order may also cause unintended consequences that threaten to undermine the broadband investments made by many of the 35 small, rural broadband service providers in Ohio. The changes mandated by the USF/ICC order and the FCC’s consideration of additional changes, as part of a Further Notice of Proposed Rulemaking, have created significant uncertainty for these small businesses that is already leading to higher consumer prices and decreased investments in rural broadband. Further, we are concerned about the potential unintended harm caused by the FCC’s reform plan to the economic development, the maintaining and attracting of jobs, and well-being of rural communities. Therefore, we ask the FCC to provide clear rules that will create regulatory certainty and investment in long-term broadband deployment.

Again, we appreciate your efforts to update these programs. We agree we must ensure all Americans without broadband service gain access to it, but we must also ensure broadband remains available to Americans in high-cost areas and that such long-term investments are not jeopardized. Even as they require updating, the USF and ICC systems have been remarkably successful in promoting the availability and affordability of voice and broadband services in rural America. As such, we urge the FCC to take the time to examine the impacts of its recent reforms on consumers and rural broadband investment, and to allow the rural telecommunications industry sufficient time to adapt to the recent reforms before undertaking further substantial changes in the near future.

We appreciate the FCC’s willingness to consider these concerns and look forward to your response.

Sincerely,

Steven LaTourette
Member of Congress

Sherrod Brown
U.S. Senator