For Immediate Release

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Rural Telecom Associations Send Letters to House and Senate Commerce Committee Leadership Requesting Their Recommendation to the Select Committee to Refrain From Considering Universal Service Fund Monies For Debt Reduction

USF Distinct From the U.S. Treasury, Therefore Not Public Monies Available for Debt Reduction

October 7, 2011 (Washington, DC) – The National Telecommunications Cooperative Association (NTCA), the Organization for the Promotion and Advancement of Small Telecommunications Companies (OPASTCO) and the Western Telecommunications Alliance (WTA) wrote letters to Senate Committee on Commerce Science and Transportation Chair John D. Rockefeller and Ranking Member Kay Bailey Hutchison and House Committee on Energy and Commerce Chair Fred Upton and Ranking Member Henry Waxman requesting that in their upcoming recommendations to the Select Committee they include specific language outlining why the Universal Service Fund (USF) is separate and distinct from the U.S. Treasury and why the panel should refrain from the further consideration of the privately held USF as a source of federal debt reduction.

In the joint letter, the three rural telecom associations further explained that legal precedents and guidance definitely confirm that the USF monies do not constitute “public monies” that are received for the use of the United States, but rather are private funds that are derived and distributed by federal statute. Both the General Counsel of the Federal Communications Commission and the General Counsel of the Office of Management and Budget have upheld this conclusion. Any taking of these monies would, therefore, be a new tax on the American people and curtail broadband deployment critical to our national and economic security today.

“Our nation must not take private monies to fund public debt,” OPASTCO President John Rose stated. “USF is used to build and sustain our country’s robust communications infrastructure. Greater economic damage will occur in the long run, in the attempt to cut the deficit in the short-term. Any taking of these monies will disrupt ongoing USF reform efforts and result in weakening a national infrastructure that is a significant driver of our country’s economy and job creation.”

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The **National Telecommunications Cooperative Association** is the premier association representing more than 570 locally owned and controlled telecommunications cooperatives and commercial companies throughout rural and small-town America. NTCA provides its members with legislative, regulatory and industry representation; meetings; publications; and educational programs; and an array of employee benefit programs. Visit us at [www.ntca.org](http://www.ntca.org).

The **Organization for the Promotion and Advancement of Small Telecommunications Companies** (OPASTCO) is the leading voice for rural telecommunications, representing approximately 460 small incumbent local exchange carriers serving rural areas of the United States. Its members include both commercial companies and cooperatives, which collectively serve more than 3 million customers. OPASTCO represents rural telecommunications interests before federal regulatory bodies and Congress, provides publications, and holds two conventions annually in January and July of each year, addressing the needs of the small telecommunications industry. The association has an affiliate 501(c)(3) nonprofit the foundation for Rural Education and Development (FRED). Visit us at [www.opastco.org](http://www.opastco.org).

**Western Telecommunications Alliance** (WTA) is a trade association whose membership is comprised of approximately 250 rural telecommunications carriers providing high-quality voice, video and data services throughout rural areas in the 24 states west of the Mississippi River. On average, WTA member companies serve fewer than 3,000 access lines with fewer than 500 customers in each exchange. 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. Visit us at [www.w-t-a.org](http://www.w-t-a.org).