October 2, 2017

The Honorable Ajit Pai
Federal Communications Commission
445 12th Street SW
Washington, D.C. 20554

Dear Chairman Pai:

We write to request that the Federal Communications Commission (FCC) take action to address the budget shortfall in certain parts of the High-Cost Universal Service Fund (USF). As outlined in a letter sent to you last May by 160 Members of Congress, this lack of sufficient funding puts the rural communities that we represent at a significant disadvantage.

The annual budget instructions through which the High-Cost USF is funded have not been fully utilized since their implementation in 2011. Despite the appearance of surplus funds in the overall budget in prior years, the Rate of Return (ROR) carriers that benefit from High-Cost USF programs have been subject to strict and separate budget caps under actual cost recovery mechanisms and cost model support. These caps limit broadband infrastructure investments in nearly 40 percent of rural America.

Pending comprehensive FCC review or adjustment of the High-Cost USF budget instructions, we strongly urge you to maintain level collections from telecommunications companies into the future. To the extent that the collected sum exceeds High-Cost USF spending obligations at the time, the FCC should directly apply funds to help mitigate or neutralize the budget constraints applied to these smaller, rural operators.

While it is currently unclear how funds that exceed High-Cost USF spending may be obligated under existing budget instructions, their continued collection has the potential to help provide rural communities with comparable broadband services for comparable rates relative to urban areas. In doing so, the country will move closer to the fund’s stated mission to provide all Americans with “accessible, affordable, and pervasive high-speed connectivity.”

Thank you for considering our request. We look forward to working with you to ensure that the “digital divide” does not exclude millions of rural Americans from the services that they, and our economy, depend on.

Sincerely,

Collin C. Peterson
Member of Congress

Kevin Cramer
Member of Congress
Mike Bost
Member of Congress

Doug Collins
Member of Congress

Rodney Davis
Member of Congress

Jeff Duncan
Member of Congress

John Garamendi
Member of Congress

Sam Graves
Member of Congress

Vicky Hartzler
Member of Congress

Ron Kind
Member of Congress

Adam Kinzinger
Member of Congress

Cheri Bustos
Member of Congress

Rick Crawford
Member of Congress

Sean P. Duffy
Member of Congress

Mike Gallagher
Member of Congress

Greg Gianforte
Member of Congress

Morgan Griffith
Member of Congress

Lynn Jenkins
Member of Congress

Steve King
Member of Congress

Dave Loebsack
Member of Congress
Roger Marshall
Member of Congress

Kristi Noem
Member of Congress

Steve Pearce
Member of Congress

Mark Pocan
Member of Congress

Hal Rogers
Member of Congress

Markwayne Mullin
Member of Congress

Rick Nolan
Member of Congress

Chellie Pingree
Member of Congress

Jared Polis
Member of Congress

Todd Rokita
Member of Congress

Austin Scott
Member of Congress

Lamar Smith
Member of Congress

Nydia Velázquez
Member of Congress

Peter Welch
Member of Congress