



## The Reforming Broadband Connectivity Act of 2023 S. 975/H.R. 1812

### Background

The Communications Act established the Universal Service Fund (USF) to ensure that consumers in rural, insular and high-cost areas have access to communications services that are comparable to those available in urban areas at comparable prices. The USF doesn't just fund broadband network buildout in rural areas, however. In addition to supporting rural communications infrastructure (High-Cost Program), the USF also helps fund broadband connections for low-income consumers (Lifeline Program), schools and libraries (E-Rate Program), and rural health care providers (Rural Health Care Program).

USF is funded by an assessment on revenues from voice-based services. Over the last decade, the FCC modernized the *distributions* of funding for all four programs so that they support broadband access, but it has yet to modernize the *contributions* mechanism.

### The Problem

- Voice-based revenue has been steadily declining for decades while the demand on USF has been growing.
- To make up for this, the assessment on our phone bills has risen from less than **10% 15 years ago to around 30% in 2023.**
- Not only is this not sustainable, it is unfair to continue to assess voice customers to pay for a fund devoted to broadband.

### What Does the Reforming Broadband Connectivity Act Do?

S. 975/H.R.1812 are bipartisan bills introduced by Senator Amy Klobuchar (D-MN) and Representative Joe Neguse (D-CO) that require the FCC to, after submitting a study and report to Congress, complete a rulemaking within one year that modernizes the USF contribution system and expands the contribution base.

- The bills do not specify a particular USF contributions methodology, contributions rate, or revenue requirement.

The FCC has had years to address this problem, but has not done so. Support S. 975/H.R.1812 to require the FCC to act on this looming problem for American consumers!

### Original Cosponsors

S. 975	H.R. 1812
John Thune (R-SD)	Mike Gallagher (R-WI)
John Hickenlooper (D-CO)	Lizzie Fletcher (D-TX)
Jerry Moran (R-KS)	Angie Craig (D-MN)
	Harold Rodgers (R-KY)
	Glenn Grothman (R-WI)