

October 21, 2011

Chairman Julius Genachowski
Commissioner Michael Copps
Commissioner Mignon Clyburn
Commissioner Robert McDowell
Federal Communications Commission
445 12th Street SW
Washington, DC 20554

Re: Letter, WC Docket Nos. 10-90, 07-135, 05-337, 03-109; GN Docket Nos. 09- 51; CC Docket Nos. 01-92, 96-45

Dear Chairman Genachowski and Commissioners,

It is undeniable that rural, Tribal, and low-income communities lag the rest of the nation in access to fast, affordable, and reliable broadband infrastructure and services. As a result, rural and low-income residents are missing out on opportunities for jobs, education, telemedicine, economic development, and civic participation. The Universal Service Fund was designed to “advance the availability of [advanced telecommunications] services to all consumers, including those in low income, rural, insular, and high cost areas.” It is no understatement that the Universal Service Fund is critical to the future of rural, Tribal, and low-income communities across our country. Paradoxically, as advances in broadband applications accelerate, these communities are increasingly left behind.

We commend you for your arduous work and dedication to re-assess the ways in which USF can most effectively extend the tools necessary to participate in today’s economy, culture, society, and democracy to all Americans.

Reforming the Universal Service Fund presents an invaluable opportunity to draft and implement effective policies that grant all communities the chance to participate in the digital present and plan for their digital future. That is why, as consumers, innovators, entrepreneurs, Internet Service providers, digital literacy educators, policy advocates, and architects of our national digital future, we feel compelled to express our disappointment with the proposed reforms that have been shared with the public, and we respectfully ask that you include our recommendations in the USF Reform Plan to be discussed at the upcoming October 27th meeting.

Local Ownership and Investment in Community are priorities.

Members and allies of the Rural Broadband Policy Group hold “local ownership and investment in community” as a core principle in broadband deployment. We believe that local ownership of broadband infrastructure can address problems such as lack of service, limited provider choice, affordability, slow speeds, and also enforce strong consumer protections. Policies that encourage local ownership create opportunities and wealth in communities. For example, local broadband networks employ IT professionals who live

and work in the local community. When communities own their communications infrastructure, not only do they boost their local economies and create jobs, but are also held accountable to ensure that broadband is accessible to every resident. Moreover, the 70-year history of rural electric and telephone cooperatives proves that locally owned networks are vital stewards of public subsidies.

We are disappointed that the proposed USF/CAF reforms ignore the advantages of local ownership and prohibit community broadband networks, anchor institutions and Tribal governments from receiving USF/CAF support. The proposed reforms do not create avenues for local ownership in rural, Tribal, and low-income communities. This is a lamentable flaw in the proposal, and we respectfully request that the Commission include the following recommendations:

Communities that self-provision should be eligible for funds.

Currently, proposed USF reforms exclude community-based networks that have done the most to build out broadband infrastructure to provide essential services in underserved areas. These self-provisioning projects range from municipal networks to private sector nonprofit networks, and play a critical role in the future of their communities. Yet, they are not eligible for the proposed Connect America Fund. Self-provisioning communities have invested their social and financial capital in broadband infrastructure and services because incumbent carriers refused to make these investments. We are innovators, entrepreneurs, digital literacy educators, and Internet Service providers – it is essential that our communities have all the available options to build the networks we need, and to advocate for network ownership and operation that connects us to today’s economy, culture, society, and democracy.

Consumer protections must stay in place.

In most cases, a carrier receiving high-cost subsidies is the only company providing service in a particular area, a de-facto monopoly. This is painfully true in rural, Tribal, and low-income communities. Yet the industry proposals urge elimination of all consumer protection obligations for such companies. Consumer protection is essential in situations where providers have a virtual monopoly, particularly in areas with already limited access to all forms of technology, and are critically important to provide redress even when competition is present.

Carriers that receive public subsidies must be required to interconnect their networks and fulfill public interest obligations.

Any company that receives subsidies from the Connect America Fund (CAF) must be obliged to offer interconnection to its network at reasonable rates and terms. This modest obligation is vital to preserving the ability of communities to self-provision broadband in remaining unserved areas that will not be covered by the CAF, as well as keep open the door for competition in high-cost areas.

The draft order must be made available to the public before being voted on.

The agenda for the Commission’s upcoming October 27, 2011 meeting includes several major policy changes to USF. Yet details on these policies have yet to be made available

to the public. We ask the Commission to publish the text of the proposed rules immediately so that interested parties can comment on whether they advance the public interest.

We commend you for your arduous work and dedication to reform the Universal Service Fund in a way that truly advances the availability of advanced telecommunications services to all Americans. We strongly encourage you to help us implement the principle of Universal Service by incorporating the recommendations we respectfully presented in this letter. We look forward to collaborating with you in connecting rural, Tribal, and low-income communities to the tools necessary to participate in our nation's economy, society, culture, and democracy.

Respectfully,

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Members of the **Rural Broadband Policy Group**:

Access Humboldt
Akaku: Maui Community Television
Alliance for Community Media
Appalshop
Center for Media Justice
Center for Rural Strategies
Highlander Research and Education Center
Housing Assistance Council
Institute for Local Self Reliance
Main Street Project
Media Justice League
Media Literacy Project
Mountain Area Information Network
Otra Tech
Partnership of African American Churches
RS Fiber

The **Rural Broadband Policy Group** is a growing national coalition of rural broadband advocates with two goals: 1) to articulate national broadband policies that provide opportunities for rural communities to participate fully in the nation's democracy, economy, culture, and society, and 2) to spark and kindle collaboration among rural advocates for fast, affordable, and reliable Internet.