Dear Chairman Pai, Commissioner O’Reilly, Commissioner Carr, Commissioner Rosenworcel and Commissioner Starks:

We write to express our concerns with the proposed rule “Universal Service Contribution Methodology” and urge you not to establish an overall cap for the Universal Service Fund (USF) or combine the cap of any USF programs, consistent with the recent unanimous vote in the House of Representatives.

The Federal Communications Commission (FCC) is charged with advancing access to voice and broadband services. 47 U.S.C. §254(b) requires the FCC to ensure “[c]onsumers in all regions of the Nation, including low-income consumers and those in rural, insular, and high cost areas [...] have access to telecommunications and information services” and to ensure that schools and health care providers have access to advanced telecommunications services. To that end, the FCC established the four USF programs: the Connect America Fund; the Low Income Support program (also known as Lifeline); the Rural Health Care Support program; and the Schools and Libraries program (also known as E-Rate). By design, each serves a distinct and critical purpose, which would be undermined by imposing an overall or sub-cap on the USF.

Imposing an overall cap on the USF would unnecessarily cut funding to USF programs. As you acknowledge in your Notice of Proposed Rulemaking, the programs currently operate with caps or targeted budgets. Furthermore, USF funds are collected based on demand, meaning that when
demand declines, a program may come in under its cap or budget. Imposing a cap would restrict access to these funds when demand increases, undermining the purpose of the USF.

Furthermore, we believe it is detrimental to the goal of universal service to put the various USF programs in direct competition for USF funds. The proposed rulemaking states that you seek to "promote a robust debate on the relative effectiveness of the programs." Each USF program addresses an important, but different, principle of universal service as described in 47 USC §254. Their "relative effectiveness" cannot be easily compared because each program serves its own purpose and group of consumers. The USF programs were not intended to compete against each other for funding and pitting them against each other for funding does nothing to advance the goal of achieving universal service.

For all these reasons, the House of Representatives on June 25, 2019 unanimously adopted House Amendment 483 to H.R. 3351, the FY2020 Financial Services and General Government Appropriations Act that would prohibit implementation of this proposed rule. We urge you not impose a cap on USF or place any USF programs under a shared cap. Thank you for your attention in this matter.

Sincerely,

Mark Pocan
Member of Congress

Cindy Axne
Member of Congress

Sanford D. Bishop, Jr.
Member of Congress

Cheri Bustos
Member of Congress

G. K. Butterfield
Member of Congress

James E. Clyburn
Member of Congress

TJ Cox
Member of Congress

Angie Craig
Member of Congress
Ro Khanna
Member of Congress

Ron Kind
Member of Congress

Ann Kirkpatrick
Member of Congress

James P. McGovern
Member of Congress

Ilhan Omar
Member of Congress

Peter Welch
Member of Congress
Dear Congressman Kind:

Thank you for your letter regarding the proposal to establish a cap on the Universal Service Fund (USF or Fund), which could enable the Commission to evaluate the overall financial health of the Fund and its four component programs more comprehensively.

In May, the Commission released a Notice of Proposed Rulemaking (NPRM) seeking comment on possible changes to the budget structures of the four universal service programs, and to promote efficiency, fairness, and sustainability. We initiated this proceeding mindful of our obligation to safeguard the USF funds ultimately paid by consumers, and to ensure that these important programs are funded appropriately. Each of the USF programs is currently capped or operating under a targeted budget, and an overall cap could help limit the overall contributions burden, provide regulatory and financial certainty to both recipients of and contributors to these important programs, and simply promote good government. Additionally, and notably, the NPRM seeks comment on a proposed overall annual budget of $11.42 billion, a figure more than $3 billion greater than current USF program disbursements and one that would be adjusted for inflation.

Please let me know if I can be of any further assistance.

Sincerely,

Ajit V. Pai
Dear Congresswoman Craig:

Thank you for your letter regarding the proposal to establish a cap on the Universal Service Fund (USF or Fund), which could enable the Commission to evaluate the overall financial health of the Fund and its four component programs more comprehensively.

In May, the Commission released a Notice of Proposed Rulemaking (NPRM) seeking comment on possible changes to the budget structures of the four universal service programs, and to promote efficiency, fairness, and sustainability. We initiated this proceeding mindful of our obligation to safeguard the USF funds ultimately paid by consumers, and to ensure that these important programs are funded appropriately. Each of the USF programs is currently capped or operating under a targeted budget, and an overall cap could help limit the overall contributions burden, provide regulatory and financial certainty to both recipients of and contributors to these important programs, and simply promote good government. Additionally, and notably, the NPRM seeks comment on a proposed overall annual budget of $11.42 billion, a figure more than $3 billion greater than current USF program disbursements and one that would be adjusted for inflation.

Please let me know if I can be of any further assistance.

Sincerely,

Ajit V. Pai

Ajit V. Pai
December 2, 2019

The Honorable Ann Kirkpatrick  
U.S. House of Representatives  
309 Cannon House Office Building  
Washington, D.C. 20515

Dear Congresswoman Kirkpatrick:

Thank you for your letter regarding the proposal to establish a cap on the Universal Service Fund (USF or Fund), which could enable the Commission to evaluate the overall financial health of the Fund and its four component programs more comprehensively.

In May, the Commission released a Notice of Proposed Rulemaking (NPRM) seeking comment on possible changes to the budget structures of the four universal service programs, and to promote efficiency, fairness, and sustainability. We initiated this proceeding mindful of our obligation to safeguard the USF funds ultimately paid by consumers, and to ensure that these important programs are funded appropriately. Each of the USF programs is currently capped or operating under a targeted budget, and an overall cap could help limit the overall contributions burden, provide regulatory and financial certainty to both recipients of and contributors to these important programs, and simply promote good government. Additionally, and notably, the NPRM seeks comment on a proposed overall annual budget of $11.42 billion, a figure more than $3 billion greater than current USF program disbursements and one that would be adjusted for inflation.

Please let me know if I can be of any further assistance.

Sincerely,

Ajit V. Pai
December 2, 2019

The Honorable Cheri Bustos  
U.S. House of Representatives  
1009 Longworth House Office Building  
Washington, D.C. 20515

Dear Congresswoman Bustos:

Thank you for your letter regarding the proposal to establish a cap on the Universal Service Fund (USF or Fund), which could enable the Commission to evaluate the overall financial health of the Fund and its four component programs more comprehensively.

In May, the Commission released a Notice of Proposed Rulemaking (NPRM) seeking comment on possible changes to the budget structures of the four universal service programs, and to promote efficiency, fairness, and sustainability. We initiated this proceeding mindful of our obligation to safeguard the USF funds ultimately paid by consumers, and to ensure that these important programs are funded appropriately. Each of the USF programs is currently capped or operating under a targeted budget, and an overall cap could help limit the overall contributions burden, provide regulatory and financial certainty to both recipients of and contributors to these important programs, and simply promote good government. Additionally, and notably, the NPRM seeks comment on a proposed overall annual budget of $11.42 billion, a figure more than $3 billion greater than current USF program disbursements and one that would be adjusted for inflation.

Please let me know if I can be of any further assistance.

Sincerely,

Ajit V. Pai

Ajit V. Pai
The Honorable Cindy Axne  
U.S. House of Representatives  
330 Cannon House Office Building  
Washington, D.C. 20515

Dear Congresswoman Axne:

Thank you for your letter regarding the proposal to establish a cap on the Universal Service Fund (USF or Fund), which could enable the Commission to evaluate the overall financial health of the Fund and its four component programs more comprehensively.

In May, the Commission released a Notice of Proposed Rulemaking (NPRM) seeking comment on possible changes to the budget structures of the four universal service programs, and to promote efficiency, fairness, and sustainability. We initiated this proceeding mindful of our obligation to safeguard the USF funds ultimately paid by consumers, and to ensure that these important programs are funded appropriately. Each of the USF programs is currently capped or operating under a targeted budget, and an overall cap could help limit the overall contributions burden, provide regulatory and financial certainty to both recipients of and contributors to these important programs, and simply promote good government. Additionally, and notably, the NPRM seeks comment on a proposed overall annual budget of $11.42 billion, a figure more than $3 billion greater than current USF program disbursements and one that would be adjusted for inflation.

Please let me know if I can be of any further assistance.

Sincerely,

Ajit V. Pai
The Honorable G.K. Butterfield  
U.S. House of Representatives  
2080 Rayburn House Office Building  
Washington, D.C. 20515  

Dear Congressman Butterfield:

Thank you for your letter regarding the proposal to establish a cap on the Universal Service Fund (USF or Fund), which could enable the Commission to evaluate the overall financial health of the Fund and its four component programs more comprehensively.

In May, the Commission released a Notice of Proposed Rulemaking (NPRM) seeking comment on possible changes to the budget structures of the four universal service programs, and to promote efficiency, fairness, and sustainability. We initiated this proceeding mindful of our obligation to safeguard the USF funds ultimately paid by consumers, and to ensure that these important programs are funded appropriately. Each of the USF programs is currently capped or operating under a targeted budget, and an overall cap could help limit the overall contributions burden, provide regulatory and financial certainty to both recipients of and contributors to these important programs, and simply promote good government. Additionally, and notably, the NPRM seeks comment on a proposed overall annual budget of $11.42 billion, a figure more than $3 billion greater than current USF program disbursements and one that would be adjusted for inflation.

Please let me know if I can be of any further assistance.

Sincerely,

Ajit V. Pai
The Honorable James E. Clyburn  
U.S. House of Representatives  
242 Cannon House Office Building  
Washington, D.C. 20515

Dear Congressman Clyburn:

Thank you for your letter regarding the proposal to establish a cap on the Universal Service Fund (USF or Fund), which could enable the Commission to evaluate the overall financial health of the Fund and its four component programs more comprehensively.

In May, the Commission released a Notice of Proposed Rulemaking (NPRM) seeking comment on possible changes to the budget structures of the four universal service programs, and to promote efficiency, fairness, and sustainability. We initiated this proceeding mindful of our obligation to safeguard the USF funds ultimately paid by consumers, and to ensure that these important programs are funded appropriately. Each of the USF programs is currently capped or operating under a targeted budget, and an overall cap could help limit the overall contributions burden, provide regulatory and financial certainty to both recipients of and contributors to these important programs, and simply promote good government. Additionally, and notably, the NPRM seeks comment on a proposed overall annual budget of $11.42 billion, a figure more than $3 billion greater than current USF program disbursements and one that would be adjusted for inflation.

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Sincerely,

Ajit V. Pai
Dear Congressman McGovern:

Thank you for your letter regarding the proposal to establish a cap on the Universal Service Fund (USF or Fund), which could enable the Commission to evaluate the overall financial health of the Fund and its four component programs more comprehensively.

In May, the Commission released a Notice of Proposed Rulemaking (NPRM) seeking comment on possible changes to the budget structures of the four universal service programs, and to promote efficiency, fairness, and sustainability. We initiated this proceeding mindful of our obligation to safeguard the USF funds ultimately paid by consumers, and to ensure that these important programs are funded appropriately. Each of the USF programs is currently capped or operating under a targeted budget, and an overall cap could help limit the overall contributions burden, provide regulatory and financial certainty to both recipients of and contributors to these important programs, and simply promote good government. Additionally, and notably, the NPRM seeks comment on a proposed overall annual budget of $11.42 billion, a figure more than $3 billion greater than current USF program disbursements and one that would be adjusted for inflation.

Please let me know if I can be of any further assistance.

Sincerely,

Ajit V. Pai

Ajit V. Pai
December 2, 2019

The Honorable Mark Pocan  
U.S. House of Representatives  
1421 Longworth House Office Building  
Washington, D.C. 20515

Dear Congressman Pocan:

Thank you for your letter regarding the proposal to establish a cap on the Universal Service Fund (USF or Fund), which could enable the Commission to evaluate the overall financial health of the Fund and its four component programs more comprehensively.

In May, the Commission released a Notice of Proposed Rulemaking (NPRM) seeking comment on possible changes to the budget structures of the four universal service programs, and to promote efficiency, fairness, and sustainability. We initiated this proceeding mindful of our obligation to safeguard the USF funds ultimately paid by consumers, and to ensure that these important programs are funded appropriately. Each of the USF programs is currently capped or operating under a targeted budget, and an overall cap could help limit the overall contributions burden, provide regulatory and financial certainty to both recipients of and contributors to these important programs, and simply promote good government. Additionally, and notably, the NPRM seeks comment on a proposed overall annual budget of $11.42 billion, a figure more than $3 billion greater than current USF program disbursements and one that would be adjusted for inflation.

Please let me know if I can be of any further assistance.

Sincerely,

[Signature]
Ajit V. Pai
The Honorable Peter Welch  
U.S. House of Representatives  
2303 Rayburn House Office Building  
Washington, D.C. 20515  

Dear Congressman Welch:

Thank you for your letter regarding the proposal to establish a cap on the Universal Service Fund (USF or Fund), which could enable the Commission to evaluate the overall financial health of the Fund and its four component programs more comprehensively.

In May, the Commission released a Notice of Proposed Rulemaking (NPRM) seeking comment on possible changes to the budget structures of the four universal service programs, and to promote efficiency, fairness, and sustainability. We initiated this proceeding mindful of our obligation to safeguard the USF funds ultimately paid by consumers, and to ensure that these important programs are funded appropriately. Each of the USF programs is currently capped or operating under a targeted budget, and an overall cap could help limit the overall contributions burden, provide regulatory and financial certainty to both recipients of and contributors to these important programs, and simply promote good government. Additionally, and notably, the NPRM seeks comment on a proposed overall annual budget of $11.42 billion, a figure more than $3 billion greater than current USF program disbursements and one that would be adjusted for inflation.

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Sincerely,

Ajit V. Pai

Ajit V. Pai
December 2, 2019

The Honorable Ro Khanna
U.S. House of Representatives
221 Cannon House Office Building
Washington, D.C. 20515

Dear Congressman Khanna:

Thank you for your letter regarding the proposal to establish a cap on the Universal Service Fund (USF or Fund), which could enable the Commission to evaluate the overall financial health of the Fund and its four component programs more comprehensively.

In May, the Commission released a Notice of Proposed Rulemaking (NPRM) seeking comment on possible changes to the budget structures of the four universal service programs, and to promote efficiency, fairness, and sustainability. We initiated this proceeding mindful of our obligation to safeguard the USF funds ultimately paid by consumers, and to ensure that these important programs are funded appropriately. Each of the USF programs is currently capped or operating under a targeted budget, and an overall cap could help limit the overall contributions burden, provide regulatory and financial certainty to both recipients of and contributors to these important programs, and simply promote good government. Additionally, and notably, the NPRM seeks comment on a proposed overall annual budget of $11.42 billion, a figure more than $3 billion greater than current USF program disbursements and one that would be adjusted for inflation.

Please let me know if I can be of any further assistance.

Sincerely,

Ajit V. Pai
December 2, 2019

The Honorable Sanford D. Bishop
U.S. House of Representatives
2407 Rayburn House Office Building
Washington, D.C. 20515

Dear Congressman Bishop:

Thank you for your letter regarding the proposal to establish a cap on the Universal Service Fund (USF or Fund), which could enable the Commission to evaluate the overall financial health of the Fund and its four component programs more comprehensively.

In May, the Commission released a Notice of Proposed Rulemaking (NPRM) seeking comment on possible changes to the budget structures of the four universal service programs, and to promote efficiency, fairness, and sustainability. We initiated this proceeding mindful of our obligation to safeguard the USF funds ultimately paid by consumers, and to ensure that these important programs are funded appropriately. Each of the USF programs is currently capped or operating under a targeted budget, and an overall cap could help limit the overall contributions burden, provide regulatory and financial certainty to both recipients of and contributors to these important programs, and simply promote good government. Additionally, and notably, the NPRM seeks comment on a proposed overall annual budget of $11.42 billion, a figure more than $3 billion greater than current USF program disbursements and one that would be adjusted for inflation.

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Ajit V. Pai

Ajit V. Pai
December 2, 2019

The Honorable TJ Cox
U.S. House of Representatives
1728 Longworth House Office Building
Washington, D.C. 20515

Dear Congressman Cox:

Thank you for your letter regarding the proposal to establish a cap on the Universal Service Fund (USF or Fund), which could enable the Commission to evaluate the overall financial health of the Fund and its four component programs more comprehensively.

In May, the Commission released a Notice of Proposed Rulemaking (NPRM) seeking comment on possible changes to the budget structures of the four universal service programs, and to promote efficiency, fairness, and sustainability. We initiated this proceeding mindful of our obligation to safeguard the USF funds ultimately paid by consumers, and to ensure that these important programs are funded appropriately. Each of the USF programs is currently capped or operating under a targeted budget, and an overall cap could help limit the overall contributions burden, provide regulatory and financial certainty to both recipients of and contributors to these important programs, and simply promote good government. Additionally, and notably, the NPRM seeks comment on a proposed overall annual budget of $11.42 billion, a figure more than $3 billion greater than current USF program disbursements and one that would be adjusted for inflation.

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Sincerely,

Ajit V. Pai

Ajit V. Pai
December 2, 2019

The Honorable Ilhan Omar  
U.S. House of Representatives  
1517 Longworth House Office Building  
Washington, D.C. 20515

Dear Congresswoman Omar:

Thank you for your letter regarding the proposal to establish a cap on the Universal Service Fund (USF or Fund), which could enable the Commission to evaluate the overall financial health of the Fund and its four component programs more comprehensively.

In May, the Commission released a Notice of Proposed Rulemaking (NPRM) seeking comment on possible changes to the budget structures of the four universal service programs, and to promote efficiency, fairness, and sustainability. We initiated this proceeding mindful of our obligation to safeguard the USF funds ultimately paid by consumers, and to ensure that these important programs are funded appropriately. Each of the USF programs is currently capped or operating under a targeted budget, and an overall cap could help limit the overall contributions burden, provide regulatory and financial certainty to both recipients of and contributors to these important programs, and simply promote good government. Additionally, and notably, the NPRM seeks comment on a proposed overall annual budget of $11.42 billion, a figure more than $3 billion greater than current USF program disbursements and one that would be adjusted for inflation.

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