

United States Senate

WASHINGTON, DC 20510-3308

September 10, 2014

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FCC Mail Room

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The Honorable Tom Wheeler
Chairman
Federal Communications Commission
445 12th Street SW
Washington, DC 20554

Dear Chairman Wheeler:

Broadband Internet access has become an essential part of the economic and social fabric in many rural communities. With robust broadband service, even a small town can rely on its residents' talent and determination to compete with the world. Without it, the same community risks being left behind in today's technology-centric economy.

Phase II of the Connect America Fund ("CAF II") offers a tremendous opportunity to bring advanced, fiber-fed broadband connections to millions of Americans in rural areas. Thanks to the Commission's well-publicized efforts, thousands of rural communities are now counting on CAF II. Indeed, the June 10 Further Notice of Proposed Rulemaking ("NPRM") has raised hopes further by more than doubling the promised download speeds in the 2011 USF/ICC Transformation Order from 4 Mbps to 10 Mbps.

I am writing today to emphasize how important it is to ensure that the final details of CAF II live up to their promise. I appreciate the fact that the June 10 FNPRM identifies a number of constructive ideas that could help achieve the speedier network goals without exceeding the CAF II annual budget, including extending the term of support up to ten years and providing flexibility on the build-out parameters. I hope these ideas will be seriously considered.

I also encourage the FCC to be as precise as possible when targeting support to areas where broadband would not otherwise be available. It is my hope that the FCC will collect targeted, accurate data on existing service areas to ensure that all unserved customers have access to broadband. It is also important that this effort protects the interests of existing providers from overbuilding.

Thank you for taking the time to consider these issues and for your work provide rural broadband to Americans.

Sincerely,



Richard Burr

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OFFICE OF
THE CHAIRMAN

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

October 1, 2014

The Honorable Richard Burr
United States Senate
217 Russell Senate Office Building
Washington, D.C. 20510

Dear Senator Burr:

Thank you for your letter regarding the implementation of certain aspects of Phase II of the Connect America Fund (CAF II). Your views are very important and will be included in the record of the proceeding and considered as part of the Commission's review.

I agree with you that high-speed broadband access is an essential component for economic growth in rural communities. The universal service program is one of the most important tools at our disposal to ensure that consumers and businesses in rural America have the same opportunities as their urban and suburban counterparts to be active participants in the United States of the 21st century. We are focused on updating the universal service high-cost program to ensure that we are delivering the best possible voice and broadband experiences to rural America within the confines of our Connect America budget, while providing increased certainty and predictability for all carriers and a climate for increased broadband expansion.

In April, the Commission adopted a *Connect America Fund Phase II Report and Order* to move forward with Phase II of the Connect America Fund for price-cap carriers. In addition, in an associated *Further Notice of Proposed Rulemaking (FNPRM)*, the Commission sought comment on a number of the issues you raise, including revising the current broadband performance obligations to require minimum speeds of 10 Mbps downstream and applying the same performance obligations to all recipients of Phase II support and to rate-of-return carriers. The *FNPRM* also seeks comment on a proposal to allow CAF II recipients more flexibility in meeting their performance obligations, such as the ability to substitute locations in partially-served census blocks for locations in the unserved census block for which it received support. The record on these issues just closed and is under consideration by Commission staff.

One final step in the process before we can complete CAF II, which your letter references, is that we must finalize the list of census blocks that are eligible for support. We recently initiated the CAF II challenge process and received a total of 178,335 challenges from parties challenging the served/unserved status of a census block. Commission staff is currently reviewing these challenges, and we recently released a Public Notice giving parties 45 days to comment on these challenges. We intend to make sure that a fair challenge process is conducted to ensure that all eligible unserved areas qualify for funding.

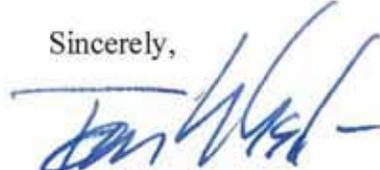
We expect a robust record on these topics and I welcome a dialogue with stakeholders as to how best to accomplish our shared objectives. I look forward to working with you as we

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continue reforming and modernizing the universal service fund high-cost program – as well as other components of the Universal Service Fund – to ensure that all Americans have access to robust voice and broadband services.

I appreciate your interest in this matter. Please let me know if I can be of any further assistance.

Sincerely,



Tom Wheeler