BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

In the Matter of	)	
	)	
Amendment of Part 54 of the Commission's Rules	)	CC Docket No. 02-60
to Further Modernize the Rural Health Care	)	
Program	)	

COMMENTS OF THE UNITED STATES TELECOM ASSOCIATION

Kevin Rupy
Jonathan Banks

United States Telecom Association
607 14th Street, N.W.
Suite 400
Washington, D.C. 20005
(202) 326-7271

January 14, 2016

Table of Contents

I. Introduction and Summary 1

II. Any Data Transparency Mechanism Should also Focus on Identification of Existing Fiber Platforms. 3

III. The Commission Should Not Increase the Rural Health Care Fund Discount. 4

IV. RHC Subsidized Networks Should not be Used to Support Resale of Excess Capacity in Today's Open, Competitive Market. 6

V. RHC Funding Should not be Used to Support Consortia Administrative Expenses. 8

VI. There is no Need for the Commission to Promulgate an Annual Funding Cap in the RHC Program. 9

VII. There is no Need for the Commission to Establish a Mechanism to Provide Short-Term Funding Relief. 10

VIII. The RHC Should not be Expanded to Included Non-Eligible Entities. 12

IX. Conclusion. 13

Summary

The proposals set forth in the Petition filed by the Schools, Health & Libraries Broadband Coalition seeking changes to rules governing the Rural Health Care (RHC) program should be rejected by the Federal Communications Commission. The RHC program, as managed today, is likely already pushing the boundaries of what is allowable under the Act, and the proposals set forth in the Petition would go far beyond that. Many of the proposals were already considered and denied by the Commission in 2012, and others are matters best left for consideration by Congress.

The Commission must be mindful of the increasing financial strains on the Universal Service Fund (USF) as well as the limits of its statutory authority for the RHC program. However worthwhile some of the Petitioners' individual proposals may be, the controlling sections of the Act make clear that the USF cannot be utilized as a limitless resource to support the connectivity needs of health care providers (HCPs). It does not authorize the use of USF funding for many of the proposals set forth in the Petition, including self-construction of private networks, the use of the USF for administrative expenses, or supporting health care providers serving non-rural areas.

The Petitioners recommend that the Commission direct the Universal Service Administrative Company (USAC) to report on the number of fiber projects proposed, funded, under construction or completed in the Health Care Fund (HCF). To the extent USAC reports on HCF-supported fiber projects, it should also identify existing fiber platforms in areas that have received or will receive HCF funding. The identification of such platforms – whether publicly or privately funded – will ensure that USAC, the Commission and other HCF stakeholders do not overlook existing fiber platforms in their deployment plans.

The Commission should reject Petitioners' proposal to sharply increase the RHF discount rate from its current level of 65%, to an even higher 85%. Adoption of the proposal would lead to an unsustainable and unprecedented increase in program costs. In the absence of much needed USF contributions reform, the significant increase in RHC program spending that would result from the substantial upward adjustment of the discount fund is simply not realistic, and should be rejected by the Commission. Petitioners also failed to demonstrate that Commission's earlier analysis establishing the current 35% HCP contribution is no longer correct.

RHC subsidized networks should not be used to support resale of excess capacity in the open, competitive market. Resale of capacity is prohibited by the Act, and that restriction has long been a statutory cornerstone of the E-Rate and RHC programs. The RHC program is not designed or intended to put medical providers or representatives thereof in a position to build and operate competitive communications networks through the use of public funds. Given the limits of the program's statutory authority and the growing demand for USF support through other programs such as E-Rate and Lifeline, the Commission should exercise restraint in program design and be prudent in how it administers and distributes RHC funds.

The Commission should not expand the RHC to include funding support for administrative expenses. Such an unprecedented funding expansion of the RHC is unwarranted, and would only further strain the fund through its support for non-broadband related activities. The

Petitioners fail to refute the Commission's sound reasoning for rejecting such support when it last considered the issue in 2012.

The Commission should also reject Petitioners' calls for the promulgation of an annual funding cap in the RHC program. The Petitioners provide no evidence to show that the RHC program is currently in any way underfunded. Indeed, there is simply no need for the Commission to revise the funding cap, given that the Commission's own data shows that the current $400 million annual cap has never been exceeded and is more than sufficient to support the program.

Similarly, there is no need for the Commission to establish a mechanism to provide short term relief if the RHC program cap is met. Contrary to the Petitioners' assertions, there is no evidence to suggest the possibility that the RHC program funding cap will be hit within the next few years. The Commission's own data illustrates that funding disbursements for the RHC program have never exceeded the $400 million cap. Over the last ten years alone, disbursements under the RHC program have averaged just $107 million, while commitments have averaged approximately $133 million.

The Commission should not expand what constitutes an "eligible connection" for consortium networks under the HCF program. Petitioners propose that the Commission's rules governing the HCF program be restructured to permit non-eligible HCPs to benefit from USF funding. The Commission should reject this proposal, which runs counter to existing statutory authority and sound public policy.

BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20554

In the Matter of	)	
	)	
Amendment of Part 54 of the Commission's Rules to Further Modernize the Rural Health Care Program	)))	CC Docket No. 02-60

COMMENTS OF
THE UNITED STATES TELECOM ASSOCIATION

The United States Telecom Association (USTelecom)[1] submits these comments in response to the consolidated petition for rulemaking (Petition)[2] filed with the Federal Communications Commission (Commission) in the above referenced proceeding.[3] The Petition seeks to amend Part 54 of the Commission's rules with a series of reforms to the Rural Health Care (RHC) program. The Commission should reject the proposals contained in the Petition, many of which violate the Communications Act of 1934, as amended (the "Act").

I. Introduction and Summary

USTelecom strongly supports the expansion of broadband networks throughout the country, particularly in rural areas, and appreciates the demonstrated benefits of broadband for rural health care. USTelecom members are committed to rural America, and have invested billions of dollars in their networks to improve connectivity for rural Americans. The

---

[1] USTelecom is the premier trade association representing service providers and suppliers for the telecommunications industry. USTelecom members provide a full array of services, including broadband, voice, data and video over wireline and wireless networks.

[2] Petition for Rulemaking, Schools, Health & Libraries Broadband (SHLB) Coalition, et. al., CC Docket No. 02-60 (filed December 7, 2015) (*Petition*).

[3] Public Notice, *Wireline Competition Bureau Invites Comment on Petition for Rulemaking Filed By Schools, Health, & Libraries Broadband Coalition, et. al., Seeking Further Modernization of the Rural Health Care Program*, DA 15-1424, December 15, 2015.

Commission's implementation of funding for the Connect America Fund (CAF) has begun for Price Cap carrier locations, and will further contribute to this investment, bringing additional value to residences and businesses in many uneconomic areas.[4]

At the same time, the Commission must be mindful of the increasing financial strains on the Universal Service Fund (USF) as well as the limits of its statutory authority for the RHC program. Regarding the former, the contribution factor doubtless will be rising even further to account for the $1.5 billion increase in E-Rate funding, and the Lifeline program reforms underway could result in an increase in Lifeline related spending. In addition to these pressing fiscal concerns, the Petition's broad set of proposals go far beyond what is allowable under section 254 of the Act.[5]

However worthwhile some of the Petitioners' individual proposals may be, the controlling sections of the Act make clear that the USF cannot be utilized as a limitless resource to support the connectivity needs of health care providers (HCPs). At best, it authorizes funding for discounts on services provided by telecommunications carriers to rural HCPs, enabling them to realize rates comparable to urban areas. It does not authorize the use of USF funding for many of the proposals set forth in the Petition, including the self-construction of private

---

[4] Last year, USTelecom members pledged to provide broadband service to nearly 3.6 million rural locations with $1.5 billion in support from the Commission's Connect America Fund. *See e.g.*, Commission Press Release, *CenturyLink Accepts Nearly $506 Million in Annual Support from Connect America Fund to Expand and Support Broadband for Over 2.3 Million Consumers in 33 States*, August 27, 2015.

[5] Section 254(h)(1)(A) provides: "A telecommunications carrier shall … provide telecommunications services which are necessary for the provision of heath care services … to any public or nonprofit health care provider that serves persons who reside in rural areas … at rates that are reasonably comparable to rates charged for similar services in urban areas in that State. A telecommunications carrier … shall be entitled to have an amount equal to the difference, if any, between the rates for services provided to health care providers for rural areas in a State and the rates for similar services provider to other customers in comparable rural areas in that State treated as a service obligation as part of its obligation to participate in the mechanisms to preserve and advance universal service."

networks,[6] the use of the USF for administrative expenses of consortia, or supporting health care providers serving non-rural areas (even if in consortia that include otherwise eligible HCPs).

The RHC program, as managed today, is likely already pushing the boundaries of what is allowable under the Act, and the proposals set forth in the Petition would go far beyond that – even reversing decisions the Commission already considered and denied when the program was expanded in 2012.[7] Ultimately, many of the proposals set forth in the Petition are matters for consideration by Congress, and not for a Commission rulemaking. Promoting access to health care services in rural, high-cost areas can best be achieved through responsible stewardship of the resources directed towards the RHC program.

II. Any Data Transparency Mechanism Should also Focus on Identification of Existing Fiber Platforms.

The Petitioners recommend that the Commission direct the Universal Service Administrative Company (USAC) to report on the number of fiber projects proposed, funded, under construction or completed in the Health Care Fund (HCF).[8] Petitioners assert that publication of this information by USAC would provide entities with an opportunity to identify obstacles to deployment of HCF supported projects.

USTelecom has long supported Commission initiatives related to data transparency. However, to the extent USAC is directed to report on HCF supported fiber projects, any such report should be expanded to include the identification of existing fiber platforms in areas that have received or will receive HCF funding. The identification of such platforms – whether

---

[6] *See*, Petition for Reconsideration and Clarification of the United States Telecom Association, WC Docket No. 02-60 (filed April 1, 2013).

[7] *See*, Report and Order, *Rural Health Care Support Mechanism*, 27 FCC Rcd 16678, FCC 12-150, ¶¶ 90 – 98 (2012) (*Rural Health Care Order*).

[8] *Petition*, pp. 16 – 17.

publicly or privately funded – will ensure that USAC, the Commission and other HCF stakeholders do not overlook existing fiber platforms in their deployment plans. While the Petitioners' proposed USAC report is focused on obstacles for HCPs, inclusion of existing fiber platforms would also identify possible opportunities and partnerships for HCPs and existing broadband providers. Facilitating such partnerships between HCPs and existing providers would help ensure that the limited funds available through the RHC fund are spent in a prudent and efficient manner.

III. The Commission Should Not Increase the Rural Health Care Fund Discount.

The Petitioners propose sharply increasing the RHF discount rate from its current level of 65%, to an even higher 85%.[9] The Commission should reject Petitioners' proposal, since it would lead to an unsustainable and unprecedented increase in program costs. In the absence of much needed USF contributions reform, the significant increase in RHC program spending that would result from the substantial upward adjustment of the discount fund is simply not realistic, and should be rejected by the Commission. Moreover, the Petitioners have failed to demonstrate that the analysis the Commission performed only a few years ago establishing the current 35% HCP contribution is no longer correct.[10]

When the Commission last considered the appropriateness of the current 65% discount rate, it stated that ensuring that HCPs had a financial stake in the infrastructure they were purchasing was one of the Commission's "core objectives."[11] The Commission appropriately concluded that such a stake would provide a "strong incentive for cost-effective decision-making

---

[9] *Id.*, pp. 19 – 20.

[10] *See, Rural Health Care Order*, ¶¶ 90 – 98.

[11] *Id.*, ¶ 96.

and promoting the efficient use of universal service funding."[12] The Petitioners provide no new information in the record that should compel the Commission to abandon one of its core objectives. Indeed, the Commission stated its expectation that "the 65 percent discount will be sufficient to induce many HCPs to participate in the Healthcare Connect Fund."[13] As reflected in the USAC's most recent data, the Commission's expectations have been met given that funding requests increased from 2,840 in 2013, to 6,425 in 2014.[14] The existing data refutes Petitioners' assertions that the 65 percent discount rate has impeded participation in the RHC program.[15]

The Commission's current 35% matching rate represents a balanced approach that directs adequate funding to RHC projects, while also ensuring that program beneficiaries make prudent financial decisions when contracting supported services. Because local, state and private entities must commit their own financial resources towards any project, the Commission's current structure ensures that sound financial decisions are made by all parties involved. Raising the rate higher, as Petitioners propose, would upend that healthy balance the Commission struck in the past, and threaten the financial health of the fund and the longer-term sustainability of the program.

Petitioners also assert that the increase in the discount rate should be adopted due to the "unique importance of consortia."[16] However, raising the discount rate for participants in large consortium would be unfair to all other existing or potential beneficiaries of the RHC fund that

---

[12] Id.

[13] *Id.*, ¶ 93.

[14] *See*, Universal Service Administrative Company website, *Rural Health Care Funding Information* (available at: http://www.usac.org/rhc/healthcare-connect/funding-information/default.aspx#FundingCommitments) (visited January 13, 2016).

[15] *Petition*, p. 19.

[16] *Id*.

choose to apply individually or via a different contractual arrangement. The Commission should reject Petitioners' invitation to insert itself into a broader issue regarding whether large consortia are the most efficient way for applicants to participate in the RHC program. Given that the use of consortia in the RHC program is a relatively new phenomenon, the Commission should leave it to the market to determine whether a consortium is the best conduit to provide value to applicants. The Commission should not be choosing winners and losers by granting artificial benefits to these consortia in the form of increased discount rates. Administration of the RHC fund should remain competitively neutral and let market conditions, not artificial rule constructs, identify the most prudent and cost-effective solutions. Where consortia impose administrative costs, those should be no more eligible for RHC support than the administrative costs of commercial providers, or salaries and administrative costs at HCPs.

IV. RHC Subsidized Networks Should not be Used to Support Resale of Excess Capacity in Today's Open, Competitive Market.

RHC subsidized networks should not be used to support resale of excess capacity in the open, competitive market. As USTelecom has explained previously, resale of capacity is prohibited by the Act, and that restriction has long been a statutory cornerstone of the E-Rate and RHC programs.[17] For these reasons, the Commission should reject the Petitioners proposals to allow resale of excess capacity for RHC-subsidized networks.[18]

Petitioners propose that the Commission delete or "substantially modify" its rules to permit the leasing of excess capacity.[19] However, resale of excess capacity is generally not

---

[17] *See*, Petition for Reconsideration and Clarification of the United States Telecom Association, WC Docket No. 02-60 (filed April 1, 2013); *see also*, Public Notice, *Wireline Competition Bureau Seeks Comment on United States Telecom Association Petition for Reconsideration and Clarification of the Healthcare Connect Fund Order*, DA 13-864 (released April 24, 2013).

[18] *Petition*, pp. 20 – 22.

[19] *Id.*, p. 21.

permitted under the statute. Section 254(h)(3) of the Act states that "[t]elecommunications services and network capacity provided to a public institutional telecommunications user under this subsection may not be sold, resold, or otherwise transferred by such user in consideration for money or any other thing of value."[20]

In the Rural Health Care Order, the Commission went so far as to allow HCPs to make available indefeasible rights of use arrangements with third parties in limited instances, subject to restrictions.[21] The restrictions require that such arrangements be at arms' length, and they exclude the vendor or affiliates. The restrictions were necessary to minimize manipulation of the program, avoid conflicts of interest or influence, and ward off waste, fraud and abuse. The Commission also emphasized they were necessary to avoid distorting the competitive bidding process, ensure cost-effective bid selections, and guard against inefficient use of program funds. Given the statute's prohibition on the leasing of excess capacity, the Commission's current rules – even with its restrictions – is already generous. The rule change proposed by the Petitioners should be rejected.

The RHC is designed to help ensure that rural HCPs have access to communications services at rates comparable to non-rural areas, ultimately for the benefit of rural Americans needing medical services in the high-cost areas of our nation. It is not designed or intended to put medical providers or representatives thereof in a position to build and operate competitive communications networks through the use of public funds. Given the limits of the program's statutory authority and the growing demand for USF support through other programs such as E-Rate and Lifeline, the Commission should exercise restraint in program design and be prudent in how it administers and distributes RHC funds.

---

[20] 47 U.S.C. §254(h)(3).

[21] *See Rural Health Care Order*, ¶¶ 99-103.

V. RHC Funding Should not be Used to Support Consortia Administrative Expenses.

The Commission should not expand the RHC program to include funding support for administrative expenses. Such an unprecedented funding expansion of the RHC program is unwarranted, and would only further strain the fund through its support for non-broadband related activities. As it did when it considered this issue in 2012,[22] the Commission should reject the proposal, given its negative impact on the overall program budget, its competitive distortions, and the lack of statutory authority.

The petitioner's own definition of consortia administrative costs describes activities inherently undertaken by communications service providers in the competitive market.[23] Others are comparable to services provided to HCPs by consultants, which are also properly ineligible. While consortia may be publicly owned entities or not-for-profit corporations, it does not change the fact that they are in fact specialized telecommunications carriers. The Petitioners' proposal is analogous to the use of USF support for the overhead expenses of a telecommunications carrier, the charges of the third party consultant, or the salary of HCP employees that manage connectivity purchases or IT.

In order for the RHC program to remain competitively neutral, as required by the statute, granting the Petitioners' proposal would set a precedent that all telecommunications carriers' administrative costs should be covered by programs in which they participate (*e.g.*, Lifeline, E-Rate). It would also imprudently open the door to other claims for eligibility, in each of these programs, for costs of consultants and employees.

Moreover, the Petitioners fail to refute the Commission's sound reasoning for rejecting such support when it last considered the issue in 2012. The Commission recognized at the time

---

[22] *See, Rural Health Order*, ¶¶ 171 – 177.

[23] *Petition*, p. 18.

that administrative expenses associated with applying for USF support "can be substantial."[24] However, the Commission correctly concluded that if it were to provide direct support for administrative expenses, it would "necessitate additional and more complex application requirements, guidelines, and other administrative controls to protect such funding from waste, fraud, and abuse," and that in turn would "significantly increase the administrative burden on USAC and on applicants as well."[25] Petitioners provide no evidence to the Commission to disprove its earlier finding.

Adopting the Petitioners' proposal would increase overall program demand, discourage efficiency, and also unfairly discriminate against applicants that operate in a more administratively efficient manner. In several recent USF proceedings, the Commission appropriately has strived to implement mechanisms to reduce administrative overhead and costs, including in the RHC program.[26] By allowing the use of USF for administrative costs, the Commission would only be undercutting its laudable administrative streamlining goals.

VI. There is no Need for the Commission to Promulgate an Annual Funding Cap in the RHC Program.

The Commission should also reject Petitioners' calls for the promulgation of an annual funding cap in the RHC program. The basis for Petitioners' recommendation is their assertion that the Commission "grossly undercount[s] the number of potentially-eligible rural HCPs."[27] However, at no point do the Petitioners provide any evidence to show that the RHC program is in any way underfunded. Indeed, there is simply no need for the Commission to revise the funding

---

[24] *Rural Health Care Order*, ¶ 174.

[25] *Id*.

[26] *Id.* (discussing the various streamlining procedures adopted by the Commission to minimize the administrative burden of participating in the Healthcare Connect Fund).

[27] *Petition*, p. 24.

cap, given that the Commission's own data shows that the current $400 million annual cap has never been exceeded and is more than sufficient to support the program.

In fact, according to the Commission's most recent data, since 2010, USAC has disbursed an average of just $104 million of the $400 million in funds available.[28] The same data shows that in 2014, USAC committed $181 million in RHC funds and disbursed only $74.4 million. Regardless of the Petitioners' focus on the number of the potentially-eligible rural HCPs, the Commission's own data shows that the funding cap for the RHC program is more than sufficient.

The Petitioners lengthy argument on the accuracy of data reflecting the exact number of HCPs is misplaced.[29] While the Petitioners assert that the Commission's most recent estimate of approximately 10,000 HCPs rests on "shaky data,"[30] the exact number is irrelevant given the sufficiency of the current $400 million cap. Moreover, USAC's most recent Annual Report shows that for 2014, only 4,735 HCPs received support from the RHC fund.[31] Ultimately, the exact number of HCPs is irrelevant since the funding available to interested HCPs is more than sufficient to meet program demand.

VII. There is no Need for the Commission to Establish a Mechanism to Provide Short-Term Funding Relief.

In light of the above discussion, there is simply no need for the Commission to establish a mechanism to provide short term relief if the RHC program cap is met. Contrary to the Petitioners' assertions, there is no evidence to suggest the possibility that the "RHC program

---

[28] *See*, Federal-State Joint Board Monitoring Report, *Universal Service Monitoring Report, 2015* (available at: http://transition.fcc.gov/Daily_Releases/Daily_Business/2015/db1222/DOC-337019A1.pdf) (visited January 13, 2016).

[29] *Petition*, pp. 24 – 30.

[30] *Id.*, p. 27.

[31] *See*, Universal Service Administrative Company, *2014 Annual Report*, p. 11 (available at: http://www.usac.org/_res/documents/about/pdf/annual-reports/usac-annual-report-2014.pdf) (visited January 13, 2016).

funding cap will be hit within the next few years."[32] As discussed above, and as reflected in the Commission's own data, funding disbursements have never come close to exceeding the cap. As such, no need exists for the Commission to adopt measures for such a mechanism.

The Commission's own data illustrates that funding disbursements for the RHC program have *never* exceeded the $400 million cap. Over the last ten years alone, disbursements under the RHC program have averaged just $107 million, while commitments have averaged approximately $133 million. These averages constitute 27% and 33%, respectively, of the $400 million cap.

Moreover, the Petitioner's proposed solutions to this non-existent problem misconstrues the nature of the RHC funding mechanism. Petitioners' consistently refer to non-disbursed funds in a variety of ways to suggest that such funding exists somewhere, remains available and is simply "unspent."[33] That is not the way this program works.

Such non-disbursed funds from prior years were never collected from rate payers and are therefore not available for use in subsequent years, as Petitioners propose. Petitioners essentially equate the annual RHC funding cap with an ongoing financial entitlement. The confusion over this accounting reality is evident in Petitioners' proposal where they identify non-disbursed funds – which were never collected from USF contributors – as both "unspent" and "available."[34]

The Petitioners nevertheless propose a variety of creative – but unworkable – accounting mechanisms for the Commission to recoup such funds. Among other things, the Petitioners

---

[32] *Petition*, p. 30.

[33] For example, Petitioners state that "committed but un-invoiced funding is de-committed but remains available," and that invoicing should be allowed to occur "up to six years from the date of the relevant funding commitment." *Petition*, p. 31. Petitioners assert this would create "an available supply of de-committed funds each year." *Petition*, pp. 31 – 32. The Petitioners also propose utilizing "undisbursed funds from prior years." *Petition*, p. 32.

[34] *Petition*, p. 32, Table 4.

recommend accessing "undisbursed funds from prior years."[35] Left unanswered by the Petitioners is how exactly the Commission should go about distributing these funds to qualifying HCPs, since they were never collected from contributors in the first place.

VIII. The RHC Should not be Expanded to Included Non-Eligible Entities.

The Commission should not expand what constitutes an "eligible connection" for consortium networks under the HCF program.[36] Petitioners propose that the Commission's rules governing the HCF program be restructured to permit non-eligible HCPs to benefit from USF funding. The Commission should reject this proposal, which runs counter to existing statutory authority and sound public policy.

As directly acknowledged by the Petitioners,[37] the Commission lacks the necessary statutory authority to expand eligible connections beyond those identified in the statute. Specifically, Petitioners state that HCPs that are not identified in Section 254(h)(7) of the Act, could nevertheless be funded, so long as "those connections were being used for eligible purposes pursuant to Section 54.602(d) of the Rules."[38] The Petitioners' bootstrapping of HCF funding to the "purposes" criteria in the Commission's regulations does not obviate the narrowly defined criteria established by Congress. The Commission should therefore reject Petitioners' proposed end-run around the precise eligibility criteria listed in the statute.

There is no defensible rationale for USF funds to be used to potentially support non-rural HCPs as proposed by the Petitioners. Given the growing strain on the USF, it is imperative that the Commission ensure such funds are directed towards underserved and unserved rural areas.

---

[35] *Id.*, p. 32.

[36] *Petition*, pp. 40 – 42.

[37] *Id.*, p. 42 (discussing the utilization of HCF support to connect HCPs "that are not identified in Section 254(h)(7).").

[38] *Id.*

This sensible policy approach should not be undermined by misdirecting limited RHC funds to non-rural areas, contrary to clear congressional intent and an explicit statutory requirement.

Moreover, providing universal service subsidies through the health care fund to compete with broadband service already offered in marginally profitable high-cost areas can diminish the ability of existing providers to serve residential customers. Commercial providers would be reluctant to enter any market where many of the most attractive customers have access to highly subsidized service from consortia.

IX. Conclusion.

The RHC program, as managed today, is likely already pushing the boundaries of what is allowable under the Act, and the proposals set forth in the Petition would go far beyond that. Many of the proposals set forth in the Petition were already considered and denied by the Commission in 2012, and others are matters best left for consideration by Congress. For all these reasons, the Commission should reject the proposals set forth in the Petition.

Respectfully submitted,
UNITED STATES TELECOM ASSOCIATION

By: _____

Kevin Rupy
Jonathan Banks

Its Attorneys
607 14th Street, NW, Suite 400
Washington, D.C. 20005
202-326-7300

January 14, 2016