

The Federal Communications Commission  
445 12th Street, SW  
Washington, DC 20554

Dear The Federal Communications Commission,

I oppose the flat-fee Universal Service Fund proposal. I use a prepaid cellular phone, which means I would be taxed at a very high rate given my level of usage.

My guess is that what you're trying to do is to apply a tax that will distort as little as possible. However, you need to realize that a tax will cause a significant distortion away from prepaid cellular phone services.

In general, as an economist I oppose the entire Universal Service program. Every bit of research I've seen on the issue suggests that the subsidies to rural phone service should be eliminated, along with the taxes that fund the subsidies. I realize that it takes courage to take on such a large program and that doing so will create political losers along with winners, but it seems clear to me that doing so is the right thing to do.

I will be monitoring this issue. I hope that you'll do the right thing.

Mark Hoekstra

Sincerely,

Mark Hoekstra  
289 Corry Village, Apt. 3  
Gainesville, Florida 32603

cc:  
Representative Cliff Stearns  
Senator Bill Nelson  
Senator Mel Martinez

