

Congress of the United States
Washington, DC 20515

October 19, 2011

Chairman Julius Genachowski
Commissioner Michael Copps
Commissioner Robert McDowell
Commissioner Mignon Clyburn
Federal Communications Commission
445 12th St. SW
Washington, D.C. 20554

Dear Mr. Chairman and Commissioners:

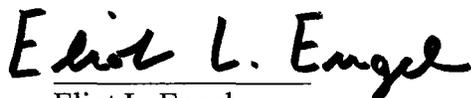
We understand that the Federal Communications Commission (FCC) plans to adopt an Order to reform the Universal Service Fund and to alter the Intercarrier Compensation regime later this month. It is important that these programs are reformed in a comprehensive manner so that all participants in the marketplace are able to adjust to the new rules and compete fairly and openly. Increasing the competitiveness of the telecommunications marketplace will bring about lower prices to consumers, more innovative technologies and services, and economic growth.

We are concerned, however, that the FCC may choose not to resolve some issues in this proceeding. In particular, we understand that the reform proposal does not include the issue of whether a call is rated as local for both retail and intercarrier compensation purposes when the consumer dials a local telephone number to reach a prepaid calling card provider. This issue has been pending since 2006. The issue was also raised in the Notice of Proposed Rulemaking that the FCC issued in February of this year, and several parties have submitted comments on the issue.

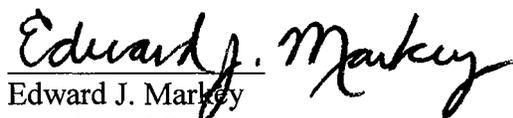
Because of the lack of clarification on this issue, at least one local telephone company has filed suit against some prepaid calling card companies attempting to collect interstate access charges on calls that appear to be local calls. If this issue is not resolved, it could lead to a multitude of potentially conflicting court decisions around the country.

Resolving this issue on a nationwide basis will eliminate inefficiencies and create a more level playing field. We thus urge you to resolve this issue in the upcoming reform decision so that companies may compete fairly without the uncertainty that could result from a variety of inconsistent court decisions.

Sincerely,



Eliot L. Engel
Member of Congress



Edward J. Markey
Member of Congress