

Dear Chairman Genachowski:

I write today on a matter that I know is a top priority to you and your colleagues at the Commission: broadband deployment. I commend the FCC for taking on the challenge of bringing the Universal Service Fund into the 21st century by transforming it into the Connect America fund. Especially in non-urban areas, Americans are suffering from inadequate access to reliable broadband service in their homes and businesses; closing this communications gap is critical to allowing our citizens to participate in the modern economy.

I am gratified that the FCC has set aside \$600M for the first phase of this transition, CAF-I. I am concerned, however, about the rules the Commission has put into place concerning the deployment of the CAF-I funds. These rules are so restrictive that it is difficult for carriers to utilize them to deploy broadband in my home state of New York; but the problem is not localized to our region. There is clear evidence that more flexibility is needed because the rules have left and will continue to leave significant portions of the money on the table—and therefore not working on the ground to get broadband to the consumers and businesses who need it. It is imperative that the rules regarding the unclaimed \$185M from the 2012 CAF projects in addition to the \$300M set aside for this year be restructured so that the money can be quickly released for investment in broadband for rural communities.

I agree with the goal the FCC stated in its December 28th Notice of Proposed Rulemaking: the CAF rules should be refined to enable price cap carriers to bring service to unserved and underserved households as quickly as possible. I applaud the FCC for issuing the NPRM, making clear your willingness to reexamine the funding guidelines. In establishing its rules for the second round of CAF projects in 2013, the FCC should ensure enough flexibility that all of the funds remaining from the \$600M set aside for this purpose can and will be allocated.

I urge you to take seriously the concerns and comments of the carriers who would like to utilize the CAF-I funds immediately. The ability of non-urban Americans to compete in the digital age depends on access to reliable broadband; by improving CAF, you can and will play a significant role in our economic growth.

Senator Charles Schumer