

WASHINGTON OFFICE:
2266 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-4155

DISTRICT OFFICE:
11717 BURT STREET, SUITE 106
OMAHA, NE 68154
(402) 397-9944
Talk2Lee@mail.house.gov
www.house.gov/terry



COMMITTEE:
ENERGY AND COMMERCE
SUBCOMMITTEES:
CHAIRMAN, COMMERCE, MANUFACTURING
AND TRADE
COMMUNICATIONS AND TECHNOLOGY
ENERGY AND POWER

Lee Terry
Congress of the United States
House of Representatives
2nd District, Nebraska

January 3, 2013

Julius Genachowski
Chairman, Federal Communications Commission
Room: 8-B201
445 12th Street, SW
Washington, D.C. 20554

Re: *In the Matter of Connect America Fund*, WC Docket No. 10-90, Further Notice
of Proposed Rulemaking (Released Nov. 19, 2012)

Dear Chairman Genachowski,

We applaud your efforts as the FCC has taken on the complex and difficult task in overhauling the Universal Service Fund (USF) and intercarrier compensation and creating the Connect America Fund (CAF). It is vital to rural America that the reforms we have worked so hard to put in place succeed. However, much of the capital set aside for CAF remains on the sidelines and the wait for broadband in rural areas continues.

As the FCC has noted, more than 18 million Americans are without broadband in rural areas and more than 80 percent of them are in price cap areas. CAF Phase I was designed to bring rapid broadband expansion to these areas, and if CAF-I lags, so will broadband deployment. As the Commission considers its options with respect to CAF-I, I remind you of the urgency of the situation. Applications relying on a robust broadband infrastructure are now essential installments in agricultural markets, for emerging small businesses, and for consumer access to online retailers. Carriers stand ready to provide this essential input to the least cost-effective areas, and they have pledged to invest their own money to match CAF funds.

I urge the Commission to ensure that CAF-I funds are available as soon as possible to allow these carriers to bring broadband to rural America. Rural areas contribute significantly to the economy, but they could be even more productive with broadband connectivity. As these areas wait for broadband, so does the broader economy for the growth that comes with broadband connections.

Sincerely,



LEE TERRY
Member of Congress