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*** * * PRESS STATEMENT * * ***

FairPoint Communications Testifies before Congress on How the Broadband Stimulus Program is Undermining Private Investment

(Washington) Today, Mike Smith, Vermont State President for ITTA member FairPoint Communications, testified before the House Subcommittee on Communications and the Internet in a hearing entitled, "Is Broadband Stimulus Working?"

The following statement was released by the Independent Telephone & Telecommunications Alliance (ITTA), and may be attributed to Genny Morelli, President of ITTA.

"In 2009, ITTA called on the Administration and Congress to add funding for the expansion of broadband to unserved parts of our country. ITTA members saw the opportunity that the American Recovery and Reinvestment Act of 2009 (ARRA) created to expand broadband service to Americans without access to broadband while reinvigorating our struggling economy.

The majority of the funds made available under ARRA, over \$5 billion, went to the National Telecommunications and Information Administration (NTIA) which, in turn, has funded dozens of government-owned or sponsored projects that directly compete with private sector telecommunications businesses.

Over the last four years, ITTA member companies, including FairPoint Communications, have seen their private investment compromised by government-owned networks that were created by ARRA. Unfortunately, this government-subsidized competition through the broadband stimulus program has had a negative impact on ITTA member companies, their employees, and customers.

ITTA commends Chairman Greg Walden and Ranking Member Anna Eshoo for holding today's hearing and is pleased that FairPoint Communications was asked to represent mid-size telecommunications carriers' concerns with the broadband stimulus program."

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ITTA represents mid-size communications companies that provide a broad range of high quality wireline and wireless voice, broadband, Internet, and video services to more than 23 million access lines in 44 states. For more information, please visit www.itta.us.