



N A R U C
National Association of Regulatory Utility Commissioners

December 2, 2009

The Honorable Rick Boucher
Chairman
Committee on Energy and Commerce
Subcommittee on Communications,
Technology & the Internet
2125 Rayburn HOB
Washington, D.C. 20515

The Honorable Cliff Stearns
Ranking Member
Committee on Energy and Commerce
Subcommittee on Communications,
Technology & the Internet
2322 Rayburn HOB
Washington, D.C. 20515

Re: The Broadband Affordability Act of 2009 (H.R. 3646)

Dear Chairman Boucher and Ranking Member Stearns:

On behalf of the National Association of Regulatory Utility Commissioners, I am writing to express our support for the Broadband Affordability Act of 2009 (H.R. 3646) sponsored by Representative Matsui. At our 2009 Annual Convention in Chicago, Illinois, NARUC adopted a resolution encouraging enactment of “legislation, to implement a broadband Lifeline/Link-Up program, in consultation with the Federal-State Joint Board on Universal Service, and encourages the FCC to act expeditiously to implement said program”. Representative Matsui’s legislation does just that.

NARUC represents the government agencies in all 50 States, U.S. Territories, and the District of Columbia responsible for oversight of all critical infrastructures – including telecommunications utilities. NARUC’s member commissions, along with other State agencies, have the same interests in assuring adequate telecommunications service to all of their constituents as each member of Congress. We share with Congress a deep concern for sustained economic development in every U.S. State and territory.

While the deployment and adoption of advanced data services continues to grow, policymakers at all levels of government continue to look for ways to ensure that more Americans enjoy the vast benefits of the Internet. Data shows that adoption of advanced services continues to lag behind deployment. According to the Federal Communications Commission (FCC) between 83% and 96% of households with phone service have broadband service available.¹ However, according to the most recent survey by the Pew Internet and American Life Project only 63 percent of adult Americans actually subscribe to broadband service.² And only 35% of households with incomes of \$20,000 or less subscribe to broadband.

Representative Matsui’s legislation will expand the Universal Service Fund’s (USF) Lifeline Assistance program to cover broadband adoption. Specifically, the bill would direct the

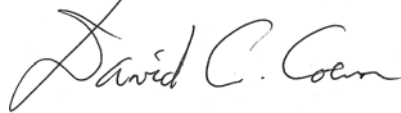
¹ Federal Communications Commission Releases Data on High-speed Services, July 23, 2009, http://hraunfoss.fcc.gov/edocs_public/attachmatch/DOC-292194A1.pdf.

² Home Broadband Adoption 2009, Pew Internet and American Life Project, April 2009, <http://www.pewinternet.org/Reports/2009/10-Home-Broadband-Adoption-2009.aspx?r=1>.

FCC to consult with the Federal-State Joint Board on Universal Service to establish a broadband program that provides low-income Americans living in urban and rural areas with subscription assistance to broadband internet service.

NARUC is committed to working with Members of Congress and other stakeholders to ensure that the benefits of broadband services are available to all Americans; passage of this legislation is a positive step in reaching that goal. NARUC urges Congress to adopt the Broadband Affordability Act. Thank you and please contact NARUC Legislative Director Brian O'Hara at (202)898-2205, bohara@naruc.org or NARUC General Counsel Brad Ramsay at (202)898-2207, jramsay@naruc.org if you would like to discuss this issue further.

Sincerely,

A handwritten signature in cursive script that reads "David D. Coen". The signature is written in black ink and is positioned above the printed name and title.

David D. Coen
President, NARUC

CC: Members of the Committee on Energy and Commerce

Resolution on Legislation to Establish a Broadband Lifeline Assistance Program

WHEREAS, The Board of Directors of the National Association of Regulatory Utility Commissioners (NARUC), convened at its February 2008 Winter Meetings in Washington, D.C., adopted a resolution that urged “Congress to support the designation of broadband services as eligible to receive support under the Lifeline and Link-Up programs, so that individuals with disabilities who qualify under these programs are given the choice of directing their subsidies to either PSTN-based or broadband-based communication services;” *and*

WHEREAS, The NARUC Board of Directors, convened at its July 2008 Summer Meetings in Portland, Oregon, adopted a resolution that “supports programs and initiatives which eliminate barriers to broadband technology access, adoption, availability, delivery, education and usage in low-income communities;” *and*

WHEREAS, The NARUC Board of Directors, convened at its February 2009 Winter Meetings in Washington, D.C., adopted a resolution that “strongly encourages the FCC to declare broadband Internet access service as a service eligible for the universal support mechanisms for the Lifeline and Link-Up programs;” *and*

WHEREAS, The Federal Communications Commission (FCC) has not responded favorably to the Federal-State Joint Board on Universal Service’s (“Joint Board”) *Recommended Decision* (FCC 07J-4), released on November 20, 2007, which concluded that broadband Internet access service satisfies the criteria in section 254(c) of the Telecommunications Act of 1996 and recommended to the FCC that it “revise the current definition of supported services to include broadband Internet service;” *and*

WHEREAS, The FCC has not yet acted on Comments and Reply Comments filed by several State Commissions and NARUC in support of proposals to establish a Broadband Lifeline/Link-Up Pilot Program as set forth in an *Order on Remand and Report and Further Notice of Proposed Rulemaking* (FCC 08-262), released on November 5, 2008; *and*

WHEREAS, On September 24, 2009, Congresswoman Matsui introduced “The Broadband Affordability Act of 2009” (HR 3646) that would require the FCC, within 270 days of enactment, to establish a broadband Lifeline program, in consultation with the Joint Board, which “enables qualifying low-income customers residing in urban and rural areas to purchase broadband service at reduced charges by reimbursing providers for each such customer served;” *now, therefore be it*

RESOLVED, That the National Association of Regulatory Utility Commissioners, convened at its 2009 Annual Convention in Chicago, Illinois, encourages Congress to enact legislation, to implement a broadband Lifeline/Link-Up program, in consultation with the Federal-State Joint Board on Universal Service, and encourages the FCC to act expeditiously to implement said program.

Sponsored by the Committee on Telecommunications

Recommended by the NARUC Board of Directors November 17, 2009

Adopted by the Committee of the Whole, November 18, 2009