

July 18, 2022

Marlene H. Dortch, Secretary
Federal Communications Commission
45 L Street, NE
Washington, DC 20554

Re: Report on the Future of the Universal Service Fund (Docket No. 21-476)

Dear Ms. Dortch:

Our diverse coalition of stakeholders appreciates the opportunity to offer comments in response to the Commission's Report on the Future of the Universal Service Fund.

As you are aware, Congress required the Commission to provide Congress with a comprehensive report on the future viability of the Universal Service Fund, accounting for the significant broadband funding programs adopted in the recently enacted Infrastructure Investment and Jobs Act (IIJA).

Our nation's ambitious connectivity goals demand bold new solutions. As active participants in the technology/telecommunications policy space, we would like to offer the following observations.

- 1. The FCC Should Begin to Reform the USF Contribution Mechanism and Make Broader Reform Recommendations for Congress to Undertake for Longer-term Sustainability.** Specifically, the Commission should consider broader solutions to reimagine the contribution mechanism for Universal Service Fund (USF) to reflect broadband's intrinsic importance to the Internet economy. One solution is to reform the Fund's contribution base to include revenues from Big Tech and to offset shrinking revenues from traditional telecommunications providers.
- 2. The FCC Must Urge Congress to Act Fast to Protect the Affordable Connectivity Program Before Funds Run Out.** Congress created the Affordable Connectivity Program (ACP) through the IIJA, and the take-up rate of the ACP benefit by eligible subscribers is growing. The White House recently announced that over 10 million households have enrolled in the ACP, but ACP funds won't last forever. By some estimates, based on existing take-up rates, ACP dollars could be exhausted as early as 2024 without additional funding from Congress or through USF.

We urge the Commission to take the opportunity presented by this Report to Congress to begin making needed reforms to the USF contribution mechanism and to impress upon Congress the importance of more fundamental reforms, including establishing more permanent funding for ACP. These programs have been critical to ensuring that minority groups are able to access broadband and help close the gap that exists between the groups we represent and the rest of America. Today, 8 in 10 white Americans report having a broadband connection at home compared to only 71% of black and 65% of Hispanic Americans. Adoption rates also lag among minority groups and too many members of our community are “smartphone-only” internet users; nearly a quarter of Hispanics are smartphone-only while 17% of Black adults are and only 12% of white adults are.

Our vision for an all-inclusive digital future hinges on having well-funded and well-resourced USF programs centered around the broadband Internet economy. The FCC must highlight the importance of these two critical issues in this Report to Congress or it will have missed a valuable opportunity to advance the digital equity agenda.

Thank you for offering our organizations the opportunity to comment on this matter. We eagerly await the outcome of this proceeding, and we look forward to hearing more on these topics in the Commission’s upcoming report to Congress.

Sincerely,

Robert Branson, President and CEO, Multicultural Media Telecom and Internet Council

Rosa Mendoza, Founder, President, and CEO, ALLvanza

Henry Chang, National Executive Director, Asian Pacific Islander American Public Affairs Association

Daisy Kim, Policy Manager, Asian & Pacific Islander American Health Forum

Bob Sakaniwa, Director of Policy and Advocacy, Asian and Pacific Islander American Vote

Sue Ann Hong, President & CEO, Center for Asian Pacific American Women

Marily Mondejar, CEO, Filipina Women's Network

Brent Wilkes, Senior Vice President for Institutional Development, Hispanic Federation

JudeAnne Heath, Nation Programs Director and Brent Wilkes, Board Chair, HTTP/ The National Latino Voice in Tech & Telecommunications Policy

Alvina Yeh, Executive Director, Institute for Asian Pacific American Leadership & Advancement

Linh Hoang, Executive Director, International Leadership Foundation

CiCi Rojas, President, The Latino Coalition

Christopher Wood, Executive Director, LGBT Tech

Amy Hinojosa, President and CEO, MANA, A National Latina Organization

Chiling Tong, President and CEO, National Asian/Pacific Islander American Chamber of Commerce & Entrepreneurship

Ashley Mack, Executive Director, National Association of Asian American Professionals

Nehanda Tankasala, Senior Fellow, National Council of Asian Pacific Americans

Kelly Ilagan Coldiron, Executive Director, National Federation of Filipino American Associations

Kenrick Ross, Executive Director, National Queer Asian Pacific Islander Alliance

Kiran Kaur Gill, Executive Director, Sikh American Legal Defense and Education Fund

Ramiro A. Cavazos, President and CEO, United States Hispanic Chamber of Commerce

CC: Jessica Rosenworcel, Chairwoman, Federal Communications Commission