



February 17, 2022

**Via Electronic Submission**

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

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

Dear Ms. Dortch:

The U.S. Chamber of Commerce's Technology Engagement Center ("C\_TEC") appreciates the opportunity to comment on the Federal Communications Commission's ("the Commission") Notice of Inquiry on the above referenced proceeding ("Notice") to study the future of Universal Service Fund ("USF") and to identify policy solutions for Congress and the Commission to take to close the digital divide for all Americans.

America's communications networks play an essential role in connecting Americans and are revolutionizing the way that people work, learn, seek medical care, and communicate with friends and family. The private sector plays a leading role in building and maintaining these communications networks, investing \$1.7 trillion in broadband deployment since 1996. Industry sectors ranging from healthcare to financial services rely on communications networks to effectively function and connect with consumers. Unfortunately, over 14 million Americans lack access to high-speed broadband, preventing them from participating in the internet economy and using critical internet-based services.

The Infrastructure Investment and Jobs Act ("IIJA") directed the Commission to evaluate the impact of the IIJA on the USF and, more broadly, to submit a report to Congress on policy options to achieve universal service for broadband. The Chamber supports the goal of achieving universal service to ensure that all Americans are

connected and benefit from the internet economy. Universal service for broadband should be achieved through incentives to the private sector to deploy broadband where a need for improved services exist, including in unserved locations. Moreover, the USF should not be the policy mechanism to effectuate this objective. Instead, the Congressional appropriations process should provide government support for broadband deployment. The Chamber believes there are several reasons the Commission and policymakers should pursue this approach.

First, the COVID-19 pandemic demonstrated the critical nature of broadband access to fully participate in the American economy and society, including online learning, telehealth, and remote work. Moreover, businesses across all sectors benefit from broadband access to support e-commerce applications and operational efficiencies such as the Internet of Things (“IoT”). Broadband access is also important for the use of online productivity tools, and of course, to businesses whose business model relies on consumer access to broadband. Moreover, the economic implications are substantial; IoT is expected to provide a total economic impact of \$14.4 trillion by 2025. The digital economy already provides \$2 trillion in annual value to the U.S. economy. Consequently, it would not be an understatement to say that the benefits of internet access are broad-based and impact nearly every individual and business. Considering that the appropriations process is intended to address broad societal objectives, such as broadband, it is the only viable solution that recognizes the realities in today’s communications marketplace.

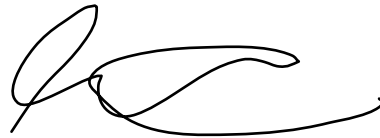
Second, as the Commission and many commentators have noted, the USF is facing a shrinking tax base, leading to increased taxes on telecommunication service providers and reflected in higher phone bills for consumers. A primary cause of this trend is the rise of internet-based services that fall outside of the USF derived from technological innovations in the marketplace. Moving forward, the Chamber expects that the private sector will continue to make rapid advancements in communications technologies. Adopting a general appropriations process for broadband programs will help “future proof” these programs to account for new technologies to provide communications services for consumers and businesses. The appropriations process allows Congress to better tailor broadband programs on a regular basis to account for changes in the marketplace and new communications technologies. It will also avoid the challenges currently facing the USF.

Third, in response to the COVID-19 pandemic, and in addition to the IJA, Congress has established and strengthened numerous broadband-related programs through legislation including the Coronavirus Aid, Relief, and Economic Security (“CARES”) Act, the Consolidated Appropriations Act, and the American Rescue Plan. These broadband programs were all financed through general appropriations. This indicates that Congress is able, and readily willing, to finance broadband programs

through the appropriations process. Moreover, even before the COVID-19 pandemic, Congress established and funded a number of broadband programs across the federal government. Examples include the U.S. Department of Agriculture's Broadband ReConnect Program and the Commission's Rural Digital Opportunity Fund.

Thank you for the opportunity to participate in this proceeding. The Chamber looks forward to collaborating with the Commission as this proceeding advances. If you require any additional information, I may be reached at (202) 463-5973 or by e-mail at [mfurlow@uschamber.com](mailto:mfurlow@uschamber.com).

Sincerely,

A handwritten signature in black ink, appearing to read 'Matt Furlow', with a stylized flourish extending to the right.

Matt Furlow  
Policy Director  
Chamber Technology Engagement Center  
U.S. Chamber of Commerce