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HENRY A. WAXMAN, CALIFORNIA
RANKING MEMBER

ONE HUNDRED THIRTEENTH CONGRESS
Congress of the United States
House of Representatives

COMMITTEE ON ENERGY AND COMMERCE

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Majority (202) 225-2927
Minority (202) 225-3641

March 26, 2013

The Honorable Julius Genachowski
Chairman
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

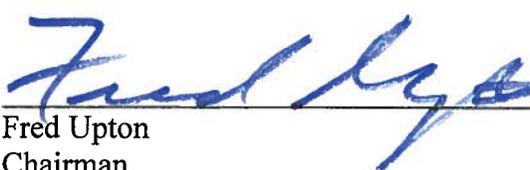
Dear Chairman Genachowski:

We are writing in response to the growth, waste, and abuse that has occurred in the Universal Service Fund's Lifeline program. The program nearly tripled in size from \$800 million in 2009 to \$2.2 billion per year in 2012. While reforms the FCC adopted starting in 2011 may be slowing growth, they do not appear to be containing the absolute size of the fund. We remain concerned that the trajectory is still unsustainable. Since the American people ultimately pay for the program through a surcharge on their phone bills, and because many of those footing the bill face their own challenges in this economy, we want to make sure ratepayer funds are being spent wisely. And since waste and abuse will divert funds from helping those who truly need it, we want to make sure the funds are being appropriately targeted.

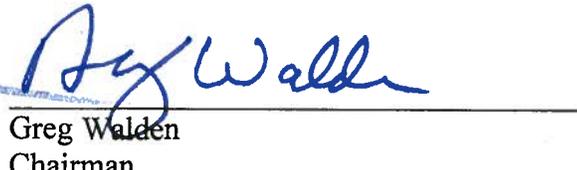
What additional measures might achieve those two goals? Should the program be frozen until the pending and additional reforms are fully in place? Should the waiver allowing carriers offering pre-paid service to receive funding even if they deploy no facilities of their own be reconsidered? Should the program be put on a budget or placed under a cap, like other programs within the Universal Service Fund? Is a consumer co-payment in order?

We have scheduled a hearing for April 25, 2013 on these and other issues and look forward to working with you. Please contact Committee staff Neil Fried or Ray Baum at (202) 225-2927 if you have any questions.

Sincerely,



Fred Upton
Chairman



Greg Walden
Chairman
Subcommittee on Communications
and Technology



Joe Barton
Chairman Emeritus



Robert F. Latta
Vice Chairman
Subcommittee on Communications
and Technology



Marsha Blackburn
Vice Chairman



Tim Murphy
Chairman
Subcommittee on Oversight and Investigations

cc: The Honorable Robert M. McDowell, Commissioner
The Honorable Mignon Clyburn, Commissioner
The Honorable Jessica Rosenworcel, Commissioner
The Honorable Ajit Pail, Commissioner

The Honorable Henry A. Waxman, Ranking Member

The Honorable Anna Eshoo, Ranking Member
Subcommittee on Communications and Technology

The Honorable Diana DeGette, Ranking Member
Subcommittee on Oversight and Investigations