

Farmers and those living in rural and remote areas of the country need access to wireless technologies -- not just for personal convenience but to protect their livelihood and safety during emergencies and natural disasters. Yet a federal-state advisory board (known as the Joint Board) has recently recommended to the Federal Communications Commission an ill-conceived, discriminatory set of proposals that would severely limit technology that has permitted farmers to gain access to wireless services that urban and suburban residents have enjoyed for years.

Instead of trashing the recommendations, the FCC has opted to collect comments from the public on the Joint Board's declaration that the Universal Service Fund, or USF, has become strained in recent years because of the dramatic upsurge in competitive wireless services offered to residents in these areas of the country. In 2006 alone, more than 228 million people chose wireless services, compared to 143 million sticking with landline providers.

Such benefits of wireless services have sprung from a 1996 law that created the USF to collect fees from all

phone consumers (almost \$22 billion over the years) and then to redistribute the funds in technology-neutral ways to providers willing to offer services in rural and hard-to-reach areas.

Of the nearly \$4 billion in subsidies provided last year alone, more than 30 percent came from wireless users, but only about 10 percent went back into expanding new wireless services in rural communities. And for farmers, this is critical given that such technology is central to modern farming. It reduces costs and provides peace of mind while working with complicated pieces of equipment and potentially dangerous animals in fields and pastures far away from traditional phone lines.

Instead of tackling the issues of why the USF funding is supposedly strained, such as outdated guarantees of profits to landline providers and continuing payments even when they lose customers (which wireless providers do not get in either case), the Joint Board proposes freezing USF funds at 2006 levels for wireless providers. The board asserts that this would have minimal impact on the ability of wireless providers to maintain and expand services.

To understand how little thought has apparently gone into this assertion, consider the blizzards in eastern

Colorado, the floods that have ravaged the Plains States or tornado-damaged parts of Kansas and Oklahoma this year. Wireless services not only have saved lives but also allowed first responders to better coordinate their relief efforts, all because of access to wireless services in rural communities. It is unlikely that the residents of these communities believe, as the Joint Board apparently concluded, that our nation today invests an excessive amount of resources into ensuring that all Americans have access to reliable wireless telephone service.

The reality is that capping USF payments at 2006 levels would actually result in a 30 percent cut for wireless carriers and their customers in remote and rural communities. This makes no sense, especially since no such freeze is being proposed for landline carriers.

The National Grange, the nation's oldest general farm and rural public-interest organization, takes strong exception to the Joint Board's callous disregard for the needs of rural Americans. And we aren't the only ones to raise objections to this plan. A bipartisan coalition of members of Congress who understand the needs of farmers and rural America also strongly disagree with the Joint Board that consumers will benefit from arbitrary and discriminatory funding caps that limit wireless service in rural areas.

**Sen. Ted Stevens, Alaska Republican, Rep. Rick Boucher, Virginia Democrat, and Rep. Lee Terry, Nebraska Republican, got it right when they introduced bills this year that say "universal service support mechanisms and rules [should] neither unfairly advantage nor disadvantage one provider over another, and neither unfairly favor nor disfavor one technology over another." Messrs. Boucher and Terry even went so far as to say that any cap must be applied across the board to all kinds of telephone and Internet services supported by the USF.**

Family farmers and small businesses and people living in rural areas need reliable wireless services as much as they need reliable fixed-line telephone services. The National Grange strongly believes there is absolutely no financial, moral or public-policy justification to recommend reducing the level of USF support to wireless telephone companies serving remote farming and rural communities. This is particularly true given the fact that the wireless telephone industry as a whole is annually contributing three times as much to the USF as is being spent to assist wireless phone companies in meeting their obligations to provide service to rural America.

We think that in the great American tradition of

innovation, technology and customer service, the consumer always wins when free-market forces are allowed to develop and offer competitive services -- even in hard-to-reach rural areas that increasingly depend more on mobile-based telecommunications. We hope the FCC agrees with us, drops the Joint Board's bad advice and institutes real reforms that benefit consumers.

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