

Overhauling the federal fund that aims to speed access to affordable communications across the country will be one of the early topics debated by the House Energy and Commerce Committee this year, a senior member of the panel said.

The legislation, which will deal with the universal service fund and has been two years in the making, will be introduced in the coming weeks by **Reps. Rick Boucher**, D-Va., and **Lee Terry**, R-Neb., who also sits on the Energy and Commerce panel.

"Hopefully we can have this on the floor by spring of this year," Boucher told the State of the Net conference sponsored by the Congressional Internet Caucus.

Boucher, a co-chairman of the caucus, said his effort to overhaul USF enjoys wide bipartisan support on Capitol Hill and has won approval of the commercial stakeholders involved.

The forthcoming bill would allow telephone companies that receive universal service funding to use those dollars on high-speed Internet deployment.

Boucher said telecom companies "are engaging in something of a shell game" by deploying dual-use facilities that expand local telephone service and high-speed Internet. "We want to remove the necessity of engaging in the guise" and let carriers invest directly in broadband, he said.

The legislation would impose charges on Internet-based phone providers and all who offer network connections. Fees also would be tacked onto intrastate telephone traffic , in addition to long-distance and international traffic.

The charges would "replenish the fund and enable it to be sustained for decades to come , " Boucher said.

The measure also would cap the high-cost mechanism that provides support for companies in rural areas to keep service there as affordable as in major cities , Boucher said. "That was not easy for rural companies to accept , " he acknowledged.

He said his staffers are working with rural carriers to make minor modifications. He also is negotiating with regional service providers such as AT&T and Verizon Communications.

Major telecom companies oppose language that , five years after enactment , would require any recipient of universal service funding to offer broadband service.

"Some recipients might decide that mandate is too great to meet" because of the economic burden , Boucher said.

<http://www.njtelecomupdate.com/lenya/telco/live/tb-CVAW1170361432708.html>

