

The Dallas Morning News
Box 655237
Dallas, Texas 75265

August 9, 2005

To the editor:

Barton Seeks Repeal of Rural Service Rule (August 5), highlights a critical issue in telecommunications law: universal service. In 2004, Texas received over \$514 million in support from this federal fund, which enables telecommunications companies to provide quality, affordable service to Lone Star state consumers. We applaud Rep. Joseph Barton's (R-Texas) efforts to draft telecommunications laws that will benefit consumers. However, we disagree with Rep. Barton's assertion that the universal service fund (USF) "subsidizes" phone service in rural areas. USF offsets the higher costs of serving rural areas, provides support for low-income consumers, helps provide Internet access to our nation's schools and libraries, and ensures all Americans equal access to telemedicine advancements.

Rep. Barton claims that many rural telcos "depend almost entirely on...basic universal charges" for cash flow. In reality, the average revenue an independent provider receives from universal service is closer to 30%.

While Rep. Barton stated that rural customers pay less than half as much for basic telephone service as urban customers, the fact is that rural consumers, on average, paid more for local service than their urban counterparts: \$28.08/month versus \$22.65/month.*

In crafting new telecommunications laws, Congress must ensure that all Americans continue to have access to quality, affordable telecommunications services; preserving USF will do this. We hope Rep. Barton recognizes this fact moving forward. If he fails to do so, consumers in Texas and the entire nation will feel the repercussions.

Sincerely,

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*Source: National Exchange Carrier Association