



For Immediate Release

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Rural Telecom Associations Unveil New Campaign to Promote and Sustain Rural Broadband Access

New Ads, Social Media Effort to Educate Public and Congress about Harmful Rules Currently Under Consideration

July 14, 2011 (Washington, DC) – Today, a group of rural telecom associations, comprised of the National Telecommunications Cooperative Association (NTCA), the Organization for the Promotion and Advancement of Small Telecommunications Companies (OPASTCO) and the Western Telecommunications Alliance (WTA), were joined by U.S. Sen. Mark Begich (D-AK) and U.S. Rep. Lee Terry (R-NE) to urge the Federal Communications Commission (FCC) to promote and preserve sustainable broadband access for rural consumers. The campaign includes an advertising and social media effort intended to educate consumers and members of Congress about the consequences of the rule changes currently under consideration, as well as economic studies and other initiatives to shine greater light on how the proposed changes would adversely affect rural consumers and small businesses.

“The FCC’s intention to expand broadband access to all Americans is one we all support,” said Shirley Bloomfield, chief executive officer of NTCA. “But if the FCC adopts rules like those currently under consideration, it would likely create all-new ‘unserved’ areas in rural America and mean higher broadband access costs for those rural consumers lucky enough to keep their access to broadband. It would also harm small companies and entrepreneurs who rely on broadband to conduct business in rural areas. In today’s struggling economy, that is something neither consumers nor small businesses can afford.”

Currently, rural carriers of last resort obtain support through the federal Universal Service Fund (USF) for a portion of the costs they incur to provide and expand broadband services to nearly five million customers in high-cost rural areas. This support enables small rural telephone companies and cooperatives to provide consumers and businesses in their service areas with affordable broadband service, to extend such services to “unserved” areas over time, and to upgrade their networks in response to consumer demand for faster connection speeds and more bandwidth-intensive applications and services.

However, new rules currently being considered by the FCC would put affordable and reliable rural broadband service and upgrades in jeopardy by slashing and redistributing this essential USF support.

“Simply put, the FCC shouldn’t throw the baby out with the bathwater,” stated OPASTCO President John Rose. “Rural telecommunications companies and cooperatives have built and maintained broadband networks in rural areas. A proven mechanism exists to continue funding these efforts. The FCC should keep what is working, and we have proposed an alternative that will help ensure rural broadband service is available now and in the long term without material increases in spending.”

The rural telecom associations’ alternative would achieve USF and intercarrier compensation (ICC) reform by encouraging fiscal responsibility, demanding accountability, reasonably constraining growth in the USF and modernizing existing mechanisms. Specifically, it would:

- Develop a cost-based, “rate of return” based broadband funding mechanism for rural carriers.
- Establish several targeted measures to enhance efficiency in the use of USF support.
- Apply existing ICC rules and rates to all traffic originating from or terminating to switched networks, strengthen call signaling requirements, and adopt reasonable rules to address access stimulation.
- Minimize opportunities and incentives for arbitrage by unifying intrastate and interstate ICC rates.
- Avoid arbitrary long-term ICC rate-setting goals such as “bill and keep” or a uniform rate applicable to all carriers.

To highlight the consequences of the FCC’s proposed rules, the rural telecom associations are beginning a Washington, DC-based print advertising campaign that warns that the proposed rule changes would “...result in lost jobs, less comprehensive health care, and blocked access to global markets, which would stifle innovation and hamper our nation’s competitiveness.” The ads urge policy makers to “... work together to modernize telecom policy for the broadband era – not send it backwards.”

The rural telecom associations have also launched a website, www.SaveRuralBroadband.org, a Facebook fan page, “Save Rural Broadband,” a Twitter handle, @SaveRuralBB, and a “Save Rural Broadband” YouTube channel, to inform consumers and encourage them to contact members of Congress to oppose the FCC’s proposed rule.

“The FCC’s proposed rules would have significant consequences, and consumers and their elected leaders in Washington need to be aware of them. Our advertising and online campaign will inform them of what is at stake and give consumers the means to make their concerns known. The future of rural broadband hangs in the balance, and rural America can’t afford to be silent on this issue,” stated Kelly Worthington, WTA’s executive vice president.

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The National Telecommunications Cooperative Association is the premier association representing more than 570 locally owned and controlled telecommunications cooperatives and commercial companies throughout rural and small-town America. NTCA provides its members with legislative, regulatory and industry representation; meetings; publications and educational programs; and an array of employee benefit programs. Visit us at www.ntca.org.

The Organization for the Promotion and Advancement of Small Telecommunications Companies (OPASTCO) is the leading voice for rural telecommunications, representing approximately 470 small incumbent local exchange carriers serving rural areas of the United States. Its members include both commercial companies and cooperatives, which collectively serve more than 3 million customers. OPASTCO represents rural telecommunications interests before federal regulatory bodies and Congress, provides publications, and holds two conventions annually in January and July of each year, addressing the needs of the small telecommunications industry. The association has an affiliate 501(c)(3) nonprofit, the Foundation for Rural Education and Development (FRED). Visit us at www.opastco.org.

Western Telecommunications Alliance (WTA) is a trade association whose membership is comprised of approximately 250 rural telecommunications carriers providing high-quality, voice, video and data services throughout rural areas in the 24 states west of the Mississippi River. On average, WTA member companies serve fewer than 3,000 access lines with fewer than 500 customers in each exchange. WTA's members serve some of the most rural and hard-to-serve communities in the country and are on the forefront of bringing 21st Century telecommunications services to rural America. www.w-t-a.org