










SAY NO! TO A WIRELESS-ONLY CAP!



Fact Sheet

The FCC is currently considering a proposal to place a cap on use of the Universal Service Fund (USF) for the expansion and improvement of wireless service. This cap would have a drastic effect on the residents and businesses of rural America by unfairly denying access to many of the same telecommunications services that urban residents enjoy.

Wireless Across America is a coalition of wireless providers and rural organizations working to ensure that rural consumers have equal choices in telecommunications services as those found in urban areas of the country, and we need your help. Please take a moment to consider the following:

-  The USF was created to ensure that all Americans have the same access to telecom services, regardless of their location. Since 1996, the USF has been used to improve both landline and wireless service.
-  Over the past 11 years, **more than \$22 billion has gone to rural landline phone companies, while just under \$2 billion has been used to expand rural wireless service.** In spite of this disparity, the government is only considering limits on USF support for wireless service, *not* for landline service.
-  Rural wireless providers use the USF to build and operate networks in rural areas. With each new cell site constructed, rural consumers receive the benefits of increased availability of mobile wireless services that most urban consumers take for granted.
-  In 2006, **less than 23% of universal service funding was used to improve wireless service**, even though demand for wireless continues to grow exponentially. Wireless companies must invest heavily in network expansion to meet this growing demand in underserved areas.
-  **Landline companies, on the other hand, received a whopping 76%, or \$3.1 billion**, from the USF in 2006. Even worse, these heavily subsidized companies have continued to receive the same level of funding every year, despite the fact that they are losing customers.
-  **Wireless consumers pay more than \$2.5 billion**—or about a third of all contributions—into the Universal Service Fund each year, and that number is on the rise.
-  **Mobile services have proven to be critical in times of natural and man-made disasters**, providing the single most important health and safety tool available to citizens today. More emergency 911 calls are placed using wireless phones than landlines.
-  **A strong wireless network is an important first step in the deployment of wireless broadband**, which is in high demand for video downloading and other services that have become the norm in urban areas. Wireless broadband is the fastest-growing type of high-speed Internet service and now accounts for fully half as many subscribers as DSL.
-  The proposed cap **will actually result in a 23% cut in funding for wireless carriers** below what they are scheduled to receive in 2007. This will require companies in some states to postpone or even cancel plans to expand their wireless networks in rural areas.

The proposed cap on funding for wireless services would be destructive to the safety, growth and prosperity of rural America. This policy is counter to the concept of universal service and unfairly targets one sector of the telecom industry while ignoring the landline providers that have received the bulk of USF support for years.

Wireless Across America needs your support as we work to ensure that the 60 million people living in rural parts of the country have access to advanced wireless services. **Please contact your elected representatives and tell them to say NO! to a cap on Universal Service Funding for wireless services.**

Learn more about this critical issue at www.WirelessAcrossAmerica.org