

Comprehensive Low-Income Program Reform

February 13, 2012

The Federal Communications Commission ("FCC" or "Commission") released an Order on February 6, 2012 to comprehensively reform the low-income program of the Universal Service Fund to eliminate Link Up in non-Tribal areas; impose uniform eligibility, certification and verification requirements in part through the use of duplicates and eligibility databases; begin the process of modernizing the program to shift to supporting broadband and constrain the growth of the \$2.1 billion low-income fund by \$200 million in 2012 and by an estimated \$2 billion over the next three years. Many of the new rules will be effective 30 days after publication of the Order in the Federal Register, however, there will be important deadlines for eligible telecommunications carriers ("ETCs") throughout the year. At the same time, the FCC released a Further Notice of Proposed Rulemaking ("FNPRM") seeking comment on a number of issues presented by its reform of the program. Comments and reply comments on the issues raised in the FNPRM are due 30 days and 60 days, respectively, after publication of the FNPRM in the Federal Register.