Wireless Infrastructure Association

September 15, 2025

The Honorable Deb Fischer
United States Senate
448 Russell Senate Office Building
Washington DC, 20510

The Honorable Ben Ray Lujan
United States Senate
498 Russell Senate Office Building
Washington, DC 20510

Dear Senators Fischer, Lujan, and Members of the USF Working Group:

The Wireless Infrastructure Association ("WIA")[1] is pleased to submit the following comments on the current status of the Federal Communications Commission's ("FCC") Universal Service Fund ("USF").[2] WIA members have invested significantly and repeatedly to provide world-class wireless networks providing fixed and mobile connectivity nationwide. WIA's estimates show that the U.S. wireless and mobile industry invested more than $63 billion in wireless infrastructure last year, including more than $10.8 billion in expanding network capacity and coverage.[3] In short, WIA members are committed to deploying the infrastructure that ensures Americans have access to connectivity everywhere they live, work, or travel.

Despite the private sector's significant investments, the digital divide still prevents millions of Americans from the substantial opportunities enabled by a broadband connection. Bridging this divide must remain a national priority with Congress and the FCC working hand in glove to ensure every American has the opportunity to access these networks. Subsidies like the USF have been a key tool in helping millions of American cross that divide.

The Supreme Court's recent decision upholding the constitutionality of the USF program is a positive development, but Congress must still act to ensure the long-term viability and effectiveness of the program. Today's program, particularly the contribution base that underpins it, is largely out of step with the 21st century communications landscape. As Congress looks forward to the future of broadband subsidies, we encourage you to consider modern approaches that are tailored to the needs and uses of today's consumers. Specifically, WIA encourages the Working Group to craft bipartisan legislation that provides a new "intelligible principle" for the Commission to include the largest technology companies that benefit directly from broadband

[1] WIA is the principal organization representing companies that build, design, own, and manage telecommunications facilities throughout the world. Its members include infrastructure providers, telecommunications carriers, and professional services firms.

[2] Universal Service Fund (USF) Working Group - Request for Comment, https://www.fischer.senate.gov/public/index.cfm/usf.

[3] WIA, *Wireless Infrastructure By the Numbers; 2024 Key Statistics* (May 7, 2025), https://wia.org/wireless-infrastructure-by-the-numbers-2024/.

availability in the USF contribution base. Beyond legislation, WIA also urges the Working Group to use its oversight role to work with the Commission and relevant stakeholders to identify outdated or inefficient rules and procedures and update these as necessary to ensure the effectiveness of the USF.

The Future of USF Should Reflect Shifts in America's Consumer Preferences and the Benefitting Companies.

It is critical that modern subsidies are created with modern use cases in mind. While Congress foresaw the need for flexibility in crafting the legislation that created this program, the reality of its application has been stuck in the past. An emphasis on legacy services, both for contributors and recipients of these funds, does not reflect the needs and uses of "modern telecommunications systems" today.

In the nearly three decades since the USF was implemented, the way Americans use and interact with communications networks has drastically changed and smartphones now outnumber our total population.[4] Increasingly, the distinction between fixed and mobile broadband has shrunk in consumers' minds. While home connectivity is critical for many everyday functions, the transformative powers of connectivity are most impactful when able to be accessed anywhere. This is clearly evidenced by the increasing reliance on mobile broadband as a primary form of connectivity, particularly for low-income Americans.[5] Many consumers recognize that the majority of their online activity takes place on their smartphone, and they will prioritize this connection over a home subscription.

Congress was provided with a natural experiment in modern consumer preference during the tenure of the Emergency Broadband Benefit program and its successor, the Affordable Connectivity Program ("ACP").[6] While this program was tailored to responding to specific and unprecedented economic disruptions, it provided several useful insights which should inform the long-term strategy for the USF. In particular, the flexibility of the program—eliminating the requirement that providers first qualify as Eligible Telecommunications Carriers ("ETC") and the use of the National Lifeline Eligibility Verifier ("National Verifier") system along with a safe harbor for providers relying on it—allowed funds to be quickly and efficiently deployed while reducing regulatory burdens on providers, subscribers, and the government. Further, and consistent with

[4] *See Number of Smartphone Users in the United States 2013-2028*, STATISTA, (July 2023) https://www.statista.com/forecasts/1145056/smartphone-users-in-the-united-states.

[5] Risa Gelles-Watnick, *Americans' Use of Mobile Technology and Home Broadband*, PEW RESEARCH CTR. (Jan. 31, 2024), https://www.pewresearch.org/internet/2024/01/31/americans-use-of-mobile-technology-and-home-broadband/ (demonstrating a greater reliance on mobile devices as primary internet access point for low-income Americans).

[6] Consolidated Appropriations Act Pub. L. 116-260 at Sec. 904. *See also* FCC, Affordable Connectivity Program https://www.fcc.gov/acp, (last visited Sept. 10, 2025).

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ongoing utilization of USF funds, recipients overwhelmingly applied this benefit to their mobile broadband subscriptions.[7] Building upon lessons learned from ACP, the Working Group should thus consider whether even those aspects of the program can be improved and whether there are other ways to structure a low-income connectivity program to better encourage provider participation and ultimately, enhance consumer choice. For example, USF support designed to offset prices could be provided directly to the consumer eligible for Lifeline support. As the Working Group seeks to improve this program, WIA encourages it to incorporate these lessons of flexibility and an emphasis on mobile broadband connectivity.

The other core lesson to be learned from the ACP is the general insufficiency of the current USF benefits along with its contribution base. In 2022 the Lifeline program distributed $609 million—or approximately one month of ACP funding for 20 million users.[8] The FCC's USF Lifeline program, with a $9.25/month support maximum, is insufficient for America's unserved population. However, to bring the USF up to a relevant scale to be impactful, it cannot continue to solely be funded through fees on landline subscribers. WIA has long supported Congress and the FCC bringing in those companies that most benefit from ubiquitous, high-speed connectivity—edge providers and other big tech companies that provide digital services which generally rely on their customers having access to broadband—into the contribution base for this program.[9] In light of the Court's decision upholding the regulatory framework that enables the USF, the time is ripe for Congress to provide further guidance to enable the Commission to expand the contribution base to ensure the long-term viability of this program.

Congress and the FCC Should Work Together to Identify Improvements to the USF to Increase Efficiencies and Cost-Effectiveness.

In addition to the recommendations discussed above, WIA encourages Congress to work with the FCC to identify inefficiencies and waste created by outdated rules and regulations, program complexity, and potential duplication of efforts from other similar programs. Both within the USF program and across the other federal programs directed at expanding connectivity, WIA supports a comprehensive review to ensure tax dollars are put to their best use and are supporting deployments that are impactful to the modern American.

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[7] *See Additional ACP Data*, Universal Service Admin. Co., https://www.usac.org/about/affordable-connectivity-program/acp-enrollment-and-claims-tracker/additional-acp-data/ (last updated Feb. 8, 2024); *Report on the State of the Lifeline Marketplace*, FED. COMMC'S. COMM'N. at 6, (June 2021) https://docs.fcc.gov/public/attachments/DOC-373779A1.pdf.

[8] *See 2022 Annual Report*, Universal Service Admin. Co. at 4, https://www.usac.org/wp-content/uploads/about/documents/annual-reports/2022/USAC_2022_Annual_Report.pdf.

[9] *See Report on the Future of the Universal Service Fund*, Reply Comments of WIA at 2, WC Docket No. 21-476 (Mar. 17, 2022).

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The constituent programs of the USF have largely remained unchanged since articulated in 1996. WIA encourages Congress to take this opportunity to evaluate where and how funds are directed to identify where these programs can be reoriented to more effectively support American consumers. Beyond the USF, a recent Government Accountability Office ("GAO") report found that the federal government is supporting over 130 different programs directed at expanding broadband connectivity and related goals across 15 agencies.[10] A long-term goal of this Working Group should be to evaluate these various programs to determine where they can be consolidated within a single authority and terminate programs that are no longer effective or shown to be duplicative.

In addition to this larger realignment, WIA encourages Congress and the FCC to ensure that rules are tailored for long-term, evolving use cases. Indeed, Operational Expenditures ("OpEx") such as investments in enhancing infrastructure at the cell site enables providers to deliver improved services and serve more subscribers over a sustained period beyond the initial Capital Expenditure ("CapEx") build. Accordingly, WIA encourages updates to the rules that would allow providers to make OpEx investments in addition to CapEx.

This limitation is of increasing relevance with the proliferation of mobile wireless infrastructure serving fixed subscriber locations ("Fixed Wireless Access" or "FWA"). Recent improvements in this technology have enabled service providers to cover millions of Americans with high-speed home broadband over the same networks that support mobile broadband. Consumer sentiment has been overwhelmingly positive to this service with FWA subscriptions capturing a majority of net broadband additions each of the past two years and customer satisfaction at record highs.[11] Congress and the Commission should ensure that innovative solutions, like Fixed Wireless, are supported through the USF program.

Conclusion

Broadband has proven to be a truly transformative technology in bringing new services and benefits to Americans across the country. While significant efforts are underway to ensure networks reach all Americans, it is also important that Congress ensures all Americans have the opportunity to utilize these networks—including by supporting deployments in areas where the business case for deploying does not naturally exist. WIA applauds the efforts of this Working Group to create constructive solutions for achieving universal service. In creating and improving these programs to subsidize broadband access, we urge you to keep consumer choice in mind

[10] Broadband: A National Strategy Needed to Coordinate Fragmented, Overlapping Federal Programs, GAO-23-106818 (May 10, 2023), https://www.gao.gov/products/gao-23-106818.

[11] *See, e.g.,* Patrick Halley, *Over 13 Million Homes and Counting: Maximizing the Promise of 5G Home Internet Service with Smart Policies*, WIA (Aug. 21, 2025), https://wia.org/over-13-million-homes-and-counting-maximizing-the-promise-of-5g-home-internet-service-with-smart-policies (noting that increased competition between FWA and legacy broadband providers has resulted in more aggressive pricing, better service offerings, and new promotions for consumers).

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and craft rules that allow for flexible uses of funds on a technology-neutral basis along with planning for the long-term viability of the program.

Respectfully submitted,

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