Press Release

Lowering the Cost of the Universal Service Fund

PAULINA ENCK | DECEMBER 5, 2024

The Universal Service Fund (USF) provides subsidies for both broadband deployment and affordability, but with the program's funding mechanism relying on a shrinking base, there are calls for reforms that could require broadband services or "big tech" pay into the fund. In a new insight, Director of Technology and Innovation Policy Jeffrey Westling reviews efforts to reform the USF and considers where Congress should focus.

Westling concludes:

> *The USF program serves an important role in ensuring that all Americans have access to high-speed, quality broadband. While the Congress should consider reforms to the contribution mechanism to ensure the fund can be sustainable, the more prudent course of action is to first focus on distributions. With so many broadband subsidy programs currently available, many with overlapping goals and functions, it is incumbent on Congress and the FCC to limit distributions to those that are necessary to achieve universal service, thereby limiting the overall burden on consumers.*

Read the analysis