

September 21, 2005

The Honorable Ted Stevens
United States Senate
522 Senate Hart Office Building
Washington, DC 20510

The Honorable Daniel Inouye
United States, Senate
722 Senate Hart Office Building
Washington, DC 20510

The Honorable Olympia J. Snowe
United States Senate
154 Senate Russell Office Building
Washington, DC 20510

The Honorable John D. Rockefeller
United States Senate
531 Senate Hart Office Building
Washington, DC 20510

Dear Senators Stevens, Snowe, Inouye and Rockefeller:

We are writing to thank you for introducing S.241 and for working to include language in the Fiscal Year 2006 Commerce, Justice, Science Appropriations ("CJS") bill to extend the current Universal Service Fund exemption from the Antideficiency Act ("ADA") until December 31, 2006. Our diverse coalition greatly appreciates your leadership in working to unambiguously restore the Universal Service Fund's long-standing exemption from the ADA.

As you know, late last year staff at the Federal Communications Commission concluded that at least some Universal Service programs are subject to the Antideficiency Act, despite the fact that the decades old program was never previously subject to the ADA. This unofficial staff level decision threatened to raise phone rates, caused the Universal Service Administrative Company to lose millions in safe government backed securities and disrupted the E-rate program for nearly 6 months. The decision continues to cast a shadow over all Universal Service programs.

As a result of your efforts, Congress intervened this past December by explicitly - but temporarily - restoring the Universal Service Fund's prior standing outside the scope of the ADA. This short-term fix will expire on December 31, 2005, so we are grateful that the Senate acted in the CJS bill to extend the deadline for another year. We strongly support maintaining the CJS language in conference, but we also want to reiterate our support for helping you secure a permanent exemption.

Your leadership is critical to ensuring that this important investment in the nation's telecommunications infrastructure continues and we look forward to working with you to pass S.241, or the short term extension provided by the CJS bill, prior to the December 31, 2005 deadline.

Sincerely,

Alaska Telephone Association
Alliance for Public Technology
American Association of School Administrators
American Library Association
American Telemedicine Association
Association of Educational Service Agencies
Apple
Avaya
Cisco Systems, Inc.

Consortium for School Networking
Council of Chief State School Officers
Council of the Great City Schools
Cox Communications, Inc.
Dell
Discovery Communications, Inc.
eChalk
Education Legislative Services
Federation of American Scientists
Funds For Learning, LLC
General Communication, Inc.
Hewlett-Packard
Independent Telephone and Telecommunications Alliance
International Society for Technology in Education
National Association of Elementary School Principals
National Association of Independent Schools
National Association of Regulatory Utility Commissioners
National Education Association
National Indian Telecommunications Institute
National PTA
National Rural Education Advocacy Coalition
National Rural Health Association
National School Boards Association
National Telecommunications Cooperative Association
Organization for the Promotion and Advancement of Small Telecommunications Companies
Polycom, Inc.
Software & Information Industry Association
State E-rate Coordinators' Alliance
State Educational Technology Directors Association
United States Conference of Catholic Bishops
U.S. Conference of Mayors
USTelecom
SAFARI Video Networks
TANBERG, Inc
Western Telecommunications Alliance