Securing the Future of Universal Service

PROVIDERS HAVE INVESTED

\$94.7 BILLION IN 2023, AND

\$2.2 TRILLION he Universal Service Fund is essential to maintaining connectivity for millions of citizens living in rural America. But USF is under the weight of a contributions system that is hopelessly out of date. In June 2025, the Supreme Court's decision in FCC v. Consumers' Research affirmed not only the constitutionality of the USF, but also its importance, and now it is up to Congress to ensure its future. Without a sustained and future proof USF, the connectivity for thousands of rural broadband customers would be at risk.

KEY POINTS

Broadband Providers Invest Heavily in U.S. Networks: America's broadband providers have a proven track record of investing heavily in the nation's broadband infrastructure.

- · Providers have invested nearly \$2.2 trillion since 1996 and \$94.7 billion in 2023 alone.
- This annual investment is more than twice the historic one-time \$42.5 billion commitment of public funds through the BEAD rural broadband program.

USF is Essential to Maintaining Strong Rural Connectivity: The combination of broadband providers' own investments alongside much-needed public investments puts the national goal of universal connectivity within reach. But like roads and bridges, these networks must be maintained and expanded over time and restored or repaired following natural disasters. This requires ongoing resources in remote areas that would not be possible without public support. The USF is the nation's primary vehicle for ensuring every home, business, school, and library gets and stays connected to affordable, quality broadband.

Supreme Court ruling Affirms the Constitutionality of USF: In its June 2025 decision in *FCC v. Consumers' Research*, the Supreme Court, clearly affirmed the constitutionality of the Universal Service Fund. Now that the Court has resolved any constitutional questions, it's time for Congress to act to sustain the Fund by modernizing its funding base.

The Current USF Funding Mechanism is Outdated & Regressive: When the program started, USF helped build and maintain copper telephone networks in high-cost areas. USF was funded by landline telephone service because landline voice calls made up the bulk of network traffic. Those who used the network contributed to connectivity and affordability. However, the bulk of today's network traffic comes from Big Tech, while USF is still funded only by those paying for voice service. (According to the Centers for Disease Control, more than 3 in 4 U.S. households had no fixed line voice service as of December 2023.) These few remaining landline customers are often older Americans and other vulnerable groups.