January 28, 2025

Dear Senator Murkowski, Senator Sullivan, and Representative Begich,

We are writing to express our concern regarding the potential disruption of the Universal Service Fund (USF) following the recent ruling by the Fifth Circuit Court of Appeals in Consumers' Research v. FCC. The Fifth Circuit held that the FCC—which oversees the collection of USF funds—is exercising governmental power without Congressional authorization. The FCC has since appealed the decision to the U.S. Supreme Court, which has agreed to hear the case with an expected decision in mid-2025.

The USF is critical to ensuring equitable telecommunications and internet access in Alaska, especially in rural and underserved communities. It supports essential programs such as the Lifeline initiative for low- income households, the High Cost Fund to support critical fixed and mobile infrastructure in rural Alaska communities, E-Rate funding for schools and libraries, and the Rural Health Care Program's broadband support of rural hospitals and health clinics. A loss or delay in funding would jeopardize these services, impacting the education, health, and safety of thousands of Alaskans, widening the digital divide in Alaska, and hampering progress toward universal access to broadband services.

More specifically, an adverse decision by the U.S. Supreme Court could:

- Result in Alaska losing approximately \$509 million annually (as of FY23/24) in USF funds, jeopardizing connectivity for Alaska citizens, schools, and health care facilities. In part, hospitals and health care facilities could lose \$221 million annually and schools could lose \$110 million (as of FY23/24) in USF funds, creating massive budget implications for state and local governments.
- Widen the connectivity gap between Alaskans and the rest of the U.S.—placing Alaskans at a disadvantage solely due to where they live.

# In short, schools and healthcare facilities would lose access to critical services and rural Alaskans could lose access to reliable phone and internet services.

Telecommunication services are vital for economic development, education, public safety, and healthcare access. Without action from Alaska's federal elected officials, the USF may cease to exist. We urge you to prioritize legislative action to protect this critical program before a court ruling creates uncertainty and potential service disruptions for Alaska's rural and tribal communities.

Thank you for your attention to this urgent matter. We look forward to your leadership in preserving equitable access to telecommunications for all Alaskans.

Sincerely,

### **Dr. Lisa Parady, Executive Director** Alaska Council of School Administration



Ben Mallott, President Alaska Federation of Natives



Kati Capozzi, President & CEO Alaska Chamber of Commerce



Jim Jansen, CEO Lynden Incorporated



# Kathleen McArdle, President & CEO

Anchorage Chamber of Commerce



## Jann Mylet, M.S., Director of External Affairs Alaska Hospital and Health Association



Geoff Lundfelt, President & CEO Global Credit Union



Austin Roof, District Technology Director

Aleutians East Borough School District



Jennifer Eller Director of Educational Technology and Infrastructure Bering Straits School District



Taw Lindsey, Superintendent Annette Island School District



## Dan Polta, Superintendent

Denali Borough School District



**Dr. Madeline Aguillard, Superintendent** Kuspuk School District



Tom Klaameyer, President National Education Association



## Michael Lee, Superintendent

Delta-Greely School District



**Tim Gilbert, President & CEO Grace Singh, General Counsel** Maniilaq Association



Amy Eakins, Director of Technology

Northwest Arctic Borough School District



Jon Kludt-Painter, Technology Director

Petersburg City School District



Chris Reitan, Executive Director Southeast Regional Resource Center



## Eric Soderquist, Director of Information Services

Kenai Peninsula Borough School District



**Bill Burr, Superintendent** Wrangell Public School District



WRANGELL PUBLIC SCHOOLS Mission: to educate and inspire every student

# Ty Mase, Chief School Administrator

Chugach School District



## Scott Ballard, Superintendent Yupiit School District



# Dr. Luke Meinhart, Superintendent

Fairbanks North Star Borough School District



# Bart Mwarey, Superintendent

Hydaburg City School District

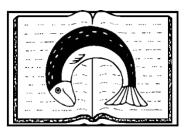


# Deidre Jenson, Superintendent

Sitka School District



#### Edward Pekar, Assistant Superintendent Lower Kuskokwim School District



# Andrew Leavitt, Chief of Budget & Finance

Lower Yukon School District



# Troy Poage, Superintendent

Saint Mary's School District



# Corey Evans, Director of Information Systems

Southwest Regional School District



## **Beau Bauder, Information Technology Administrator** Mt. Edgecumbe High School District



# Rebecca Logan, CEO

Alaska Support Industry Alliance



# Nils Anderson, Executive Director

Alaska Municipal League



Kristin Mitchell, M.D., President Pam Ventgen, Executive Director Alaska State Medical Association



Medical Association

#### **Dr. Jharrett Bryantt** Anchorage School District



Anchorage School District Educating All Students for Success in Life I support HJR6

Susan Allmeroth Two Rivers

Thank you

January 30, 2025



#### **RE: Letter of Support for House Joint Resolution 6**

Quintillion strongly supports House Joint Resolution 6, urging Congress to safeguard the Universal Service Fund (USF). The USF is essential for funding programs that support critical broadband infrastructure and services for low-income rural residents in Alaska.

As a broadband provider operating subsea and terrestrial fiber optic networks connecting Nome, Kotzebue, Pt. Hope, Wainwright, Utqiagvik, Prudhoe Bay, and Oliktok Point, Quintillion plays a crucial role in Alaska's connectivity. All of the Anchor Institutions in these communities, which includes schools, libraries, hospitals, and clinics, rely on the the USF programs.

The National Telecommunications and Information Administration (NTIA) recently awarded Quintillion \$89M to build a new subsea fiber optic network from Nome to Homer, Alaska. This is an enormous project with over 1,000 miles of subsea fiber. The project is estimated to cost \$150M, and Quintillion anticipates providing \$61M of their own capital to build this network. The United States Department of Agriculture (USDA) also recently awarded Quintillion a \$25M grant to build high speed broadband connectivity in the Native Village of Hooper Bay. Quintillion is investing in building out infrastructure to rural underserved communities in Alaska, and that is only made possible with sustainable USF support.

The intricacies of broadband infrastructure projects in Alaska paint a unique picture, where projects carry multi-million-dollar price tags due to the unforgiving nature of the environment, terrain, and the extraordinary logistical challenges they entail. The combination of extreme weather conditions, the need for aerial support to reach mountain top repeater sites, and the reliance on sea and air transport for most communities amplifies the cost of broadband deployment to unprecedented heights. With most Alaska's tribes located off the road system, inaccessible unless by boat or plane, the short construction season further compounds the challenges.

The programs the USF supports are vital for providing equitable access to educational, health care, and economic opportunities for rural residents. An interruption to the USF funding would have detrimental consequences for schools, libraries, health care providers, and the communities served by those entities. For these reasons, we urge the Alaska Congressional delegation to safeguard funding and the authority of the USF, including through legislative measures if necessary to address the legal concerns raised by judicial rulings. As these communities struggle with limited resources and economic disparities, the affordability of broadband service is a pressing concern, underscoring the necessity to safeguard the USF to secure ongoing advancement towards closing the digital divide in Alaska.

Sincerely,

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Michael "Mac" McHale, President Quintillion Subsea Operations 3601 C Street, Suite 1000B Anchorage, AK 99503

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