



INDEPENDENT TELEPHONE & TELECOMMUNICATIONS ALLIANCE

December 16, 2009

Honorable Henry Waxman
Chairman
Committee on Energy and Commerce
2125 RHOB
Washington, DC 20515

Honorable Joe Barton
Ranking Member
Committee on Energy and Commerce
2125 RHOB
Washington, DC 20515

Honorable John Rockefeller
Chairman
Committee on Commerce
253 Russell Building
Washington, DC 20510

Honorable Kay Bailey Hutchison
Ranking Member
Committee on Commerce
253 Russell Building
Washington, DC 20510

Dear Chairmen and Ranking Members:

I am writing on behalf of the Independent Telephone and Telecommunications Alliance (ITTA) to share our concerns about a letter you recently received from a group of companies and industry associations calling for federal legislation that would preempt state jurisdiction over products and services that utilize Internet protocol ("IP"). ITTA members are mid-sized telecommunications companies that serve more than 30 million customers in 44 states with high quality voice and broadband service.

While we are not aware of a specific legislative proposal, we are concerned about the potential unintended consequences of the technology-specific preemption approach outlined in the letter. Pursued in isolation, such a proposal could have far-reaching impact on state universal services funds, intercarrier compensation, consumer protection, public safety and other policy areas, and make the goal of universal, affordable broadband much more difficult to achieve.

In particular, state universal service funds play an important role, often filling gaps missed by the federal Universal Service Fund, and their sustainability must be preserved. On the issue of intercarrier compensation, we believe a purely federal approach should only be considered in the context of comprehensive reform that ensures appropriate cost recovery and network investment incentives for midsize rural providers like ITTA's members.

We specifically take issue with the legal interpretations set forth in the letter about past FCC rulings on the status of IP traffic. The FCC's 2004 Vonage order applied only to *nomadic* VoIP services, and not to "any VoIP service." All telecommunications networks are designed and built across wide geographic areas that extend across state boundaries – not just those that utilize Internet protocol. Ultimately, we urge policymakers to consider a technology-neutral approach that eliminates unnecessary regulations for all technological platforms and ensures that the key policy goals of universal service are met.

Thank you for considering our views and we look forward to working with Congress and the FCC on these important issues.

Sincerely,

Curt Stamp

President, Independent Telephone and Telecommunications Alliance