To require the Federal Communications Commission to conduct a study and submit to Congress a report examining the feasibility of funding the Universal Service Fund through contributions supplied by edge providers, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mr. Wicker (for himself, Mr. Young, and Mrs. Capito) introduced the following bill; which was read twice and referred to the Committee on

A BILL

To require the Federal Communications Commission to conduct a study and submit to Congress a report examining the feasibility of funding the Universal Service Fund through contributions supplied by edge providers, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the “Funding Affordable Internet with Reliable Contributions Act” or the “FAIR Contributions Act”.
SEC. 2. STUDY AND REPORT ON UNIVERSAL SERVICE FUND CONTRIBUTIONS.

(a) DEFINITIONS.—In this section:

(1) APPROPRIATE CONGRESSIONAL COMMITTEES.—The term “appropriate congressional committees” means—

(A) the Committee on Commerce, Science, and Transportation of the Senate; and

(B) the Committee on Energy and Commerce of the House of Representatives.

(2) COMMISSION.—The term “Commission” means the Federal Communications Commission.

(3) CONTRIBUTION.—The term “contribution” means funds provided to the Universal Service Fund under section 254(d) of the Communications Act of 1934 (47 U.S.C. 254(d)).

(4) EDGE PROVIDER.—The term “edge provider” means a provider of online content or services, such as a search engine, a social media platform, a streaming service, an app store, a cloud computing service, or an e-commerce platform.

(5) UNIVERSAL SERVICE FUND.—The term “Universal Service Fund” means the fund established pursuant to section 254 of the Communications Act of 1934 (47 U.S.C. 254) and administered by the Universal Service Administrative Company to
support service to high-cost areas, schools and libraries, rural health care facilities, and the Lifeline program of the Commission.

(b) STUDY AND REPORT.—Not later than 180 days after the date of enactment of this Act, and after issuing a notice of inquiry seeking public comment on the issues described in this subsection, the Commission shall conduct a study and submit to the appropriate congressional committees a report examining the feasibility of funding the Universal Service Fund through contributions supplied by edge providers, which shall include the consideration of comments on, and the findings of the Commission with respect to—

(1) the class of firms and services on which contributions could be assessed, including an inquiry into the specific sources of revenue potentially subject to contributions, such as digital advertising revenue and user fees;

(2) the equity issues of the current contributions system, including the cost burden on consumers who traditionally purchase legacy telecommunications services;

(3) equity issues of alternative contributions systems that would create new funding sources for
the Universal Service Fund such as Federal appropriations or assessments on edge providers;

(4) whether a particular contributions system results in progressive or regressive fees;

(5) the size of firms subject to contributions requirements;

(6) the broadband requirements, such as bandwidth and latency, of a particular online service;

(7) other Federal, State, and local taxes and fees that edge providers may already pay;

(8) practical issues concerning the calculation of contributions, including which revenues should be subject to contributions, whether a flat or progressive rate is most appropriate, and the logistics of collection;

(9) the effect such a change would have on telecommunications bills of consumers, including low-income, elderly, and Tribal consumers;

(10) the effect such a change would have on the sustainability of the Universal Service Fund, and how to ensure that Universal Service Fund disbursements are consistent and predictable over time;

(11) the statutory authority the Commission would require to enact such a change and how such
a change would interact with existing Federal and
State law; and
(12) the continued necessity of the Universal
Service Fund once advanced telecommunications ca-
pability is available to all people in the United
States.