

WICKER - SUB

MIR22375 82J

SLG
Robert T. Wicker

AMENDMENT NO. _____ Calendar No. _____

Purpose: In the nature of a substitute.

IN THE SENATE OF THE UNITED STATES—117th Cong., 2d Sess.

S. 2427

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.

Referred to the Committee on _____ and ordered to be printed

Ordered to lie on the table and to be printed

AMENDMENT IN THE NATURE OF A SUBSTITUTE intended to be proposed by Mr. WICKER

Viz:

1 Strike all after the enacting clause and insert the following:
2

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the "Funding Affordable
5 Internet with Reliable Contributions Act" or the "FAIR
6 Contributions Act".

7 **SEC. 2. STUDY AND REPORT ON UNIVERSAL SERVICE FUND**

8 **CONTRIBUTIONS.**

9 (a) **DEFINITIONS.**—In this section:

1 (1) APPROPRIATE CONGRESSIONAL COMMIT-
2 TEES.—The term “appropriate congressional com-
3 mittees” means—

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

6 (B) the Committee on Energy and Com-
7 merce of the House of Representatives.

8 (2) BROADBAND PROVIDER.—The term
9 “broadband provider” means a provider of
10 broadband internet access, as defined in section
11 8.1(b) of title 47, United States Code, or any suc-
12 cessor regulation.

13 (3) COMMISSION.—The term “Commission”
14 means the Federal Communications Commission.

15 (4) CONTRIBUTION.—The term “contribution”
16 means funds contributed to the Universal Service
17 Fund under section 254(d) of the Communications
18 Act of 1934 (47 U.S.C. 254(d)).

19 (5) EDGE PROVIDER.—The term “edge pro-
20 vider” means a provider of online content or serv-
21 ices, including, but not limited to, a search engine,
22 a social media platform, a streaming service, an app
23 store, a cloud computing service, an over-the-top
24 messaging service, a video conferencing service, or
25 an e-commerce platform.

1 (6) UNIVERSAL SERVICE FUND.—The term
2 “Universal Service Fund” means the fund—

3 (A) established pursuant to section 254 of
4 the Communications Act of 1934 (47 U.S.C.
5 254); and

6 (B) administered by the Universal Service
7 Administrative Company or any other adminis-
8 trator designated by the Commission.

9 (b) STUDY AND REPORT.—Not later than 1 year
10 after the date of enactment of this Act, and after issuing
11 a notice of inquiry seeking public comment on the issues
12 described in this subsection, the Commission shall conduct
13 a study and submit to the appropriate congressional com-
14 mittees a report examining the feasibility of expanding the
15 base of contributors to the Universal Service Fund to in-
16 clude contributions supplied by edge providers and
17 broadband providers, which shall include the consideration
18 of comments on, and the findings of the Commission with
19 respect to—

20 (1) the class of firms and services that benefit
21 directly and financially from the programs funded by
22 the Universal Service Fund;

23 (2) the size and class of firms and services on
24 which contributions could be assessed, including an
25 inquiry into the specific sources of revenue of edge

1 providers and broadband providers potentially sub-
2 ject to contributions, such as digital advertising rev-
3 enue and user fees;

4 (3) the broadband requirements, such as band-
5 width and latency, of particular online services that
6 would be subject to contribution requirements if con-
7 tributions were assessed on edge providers and
8 broadband providers;

9 (4) other Federal, State, and local taxes and
10 fees that edge providers and broadband providers
11 may already pay;

12 (5) practical issues concerning the calculation
13 of contributions assessed on edge providers and
14 broadband providers, including which revenues
15 should be subject to contributions, whether a flat or
16 progressive rate or other fee is most appropriate,
17 whether characteristics of service such as bandwidth
18 or latency should affect the calculation of contribu-
19 tions, the logistics of collection, whether a calcula-
20 tion would result in the same revenue source being
21 assessed twice, and the ability to assess contribu-
22 tions on foreign edge providers that provide content
23 and services to consumers in the United States;

24 (6) the effect the assessment of contributions
25 on edge providers and broadband providers would

1 have on telecommunications and edge provider costs
2 for consumers, including low-income, elderly, and
3 Tribal consumers;

4 (7) the effect the assessment of contributions
5 on edge providers and broadband providers would
6 have on the sustainability of the Universal Service
7 Fund, and whether the assessment would ensure
8 that Universal Service Fund disbursements are con-
9 sistent and predictable over time;

10 (8) the existing statutory authority the Com-
11 mission has to assess contributions on edge pro-
12 viders and broadband providers, and how any change
13 to such authority would interact with existing Fed-
14 eral and State law;

15 (9) the impact of assessing contributions on any
16 other services, including enterprise services, that are
17 subject to the authority of the Commission; and

18 (10) the costs to the Commission of imple-
19 menting and administering a contribution assess-
20 ment mechanism on broadband providers and edge
21 providers, and the ability of the Commission to en-
22 force such a mechanism.