AMENDMENT NO. _______  Calendar No.______

Purpose: In the nature of a substitute.


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. SECTION 1. SHORT TITLE.

3. This Act may be cited as the “Funding Affordable Internet with Reliable Contributions Act” or the “FAIR Contributions Act”.

4. SEC. 2. STUDY AND REPORT ON UNIVERSAL SERVICE FUND CONTRIBUTIONS.

5. (a) DEFINITIONS.—In this section:
(1) **APPROPRIATE CONGRESSIONAL COMMIT-**

**TEES.**—The term "appropriate congressional com-

**mittees" means—

(A) the Committee on Commerce, Science,

and Transportation of the Senate; and

(B) the Committee on Energy and Com-

merce of the House of Representatives.

(2) **BROADBAND PROVIDER.**—The term

"broadband provider" means a provider of

broadband internet access, as defined in section

8.1(b) of title 47, United States Code, or any suc-

cessor regulation.

(3) **COMMISSION.**—The term "Commission"

means the Federal Communications Commission.

(4) **CONTRIBUTION.**—The term "contribution"

means funds contributed to the Universal Service

Fund under section 254(d) of the Communications

Act of 1934 (47 U.S.C. 254(d)).

(5) **EDGE PROVIDER.**—The term "edge pro-

vider" means a provider of online content or serv-

ices, including, but not limited to, a search engine,

a social media platform, a streaming service, an app

store, a cloud computing service, an over-the-top

messaging service, a video conferencing service, or

an e-commerce platform.
(6) UNIVERSAL SERVICE FUND.—The term "Universal Service Fund" means the fund—
(A) established pursuant to section 254 of the Communications Act of 1934 (47 U.S.C. 254); and
(B) administered by the Universal Service Administrative Company or any other administrator designated by the Commission.

(b) STUDY AND REPORT.—Not later than 1 year 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 expanding the base of contributors to the Universal Service Fund to include contributions supplied by edge providers and broadband 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 that benefit directly and financially from the programs funded by the Universal Service Fund;
(2) the size and class of firms and services on which contributions could be assessed, including an inquiry into the specific sources of revenue of edge
providers and broadband providers potentially subject to contributions, such as digital advertising revenue and user fees;

(3) the broadband requirements, such as bandwidth and latency, of particular online services that would be subject to contribution requirements if contributions were assessed on edge providers and broadband providers;

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

(5) practical issues concerning the calculation of contributions assessed on edge providers and broadband providers, including which revenues should be subject to contributions, whether a flat or progressive rate or other fee is most appropriate, whether characteristics of service such as bandwidth or latency should affect the calculation of contributions, the logistics of collection, whether a calculation would result in the same revenue source being assessed twice, and the ability to assess contributions on foreign edge providers that provide content and services to consumers in the United States;

(6) the effect the assessment of contributions on edge providers and broadband providers would
have on telecommunications and edge provider costs for consumers, including low-income, elderly, and Tribal consumers;

(7) the effect the assessment of contributions on edge providers and broadband providers would have on the sustainability of the Universal Service Fund, and whether the assessment would ensure that Universal Service Fund disbursements are consistent and predictable over time;

(8) the existing statutory authority the Commission has to assess contributions on edge providers and broadband providers, and how any change to such authority would interact with existing Federal and State law;

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

(10) the costs to the Commission of implementing and administering a contribution assessment mechanism on broadband providers and edge providers, and the ability of the Commission to enforce such a mechanism.