



February 16, 2021

VIA ECFS

Marlene H. Dortch
Secretary
Federal Communications Commission
45 L Street, NE
Washington, DC 20554

RE: *Connect America Fund, WC Docket No. 10-90; Rural Digital Opportunity Fund, WC Docket No. 19-126; Auction 904, AU Docket No. 20-34*

Dear Ms. Dortch:

On Thursday, February 11, 2021, the undersigned on behalf of NTCA–The Rural Broadband Association (“NTCA”) spoke with Ramesh Nagarajan, acting wireline legal advisor to Acting Chairwoman Jessica Rosenworcel, regarding several matters in the above-referenced proceedings.

First, I raised a concern for smaller rural operators related to recovery of costs through federal universal service fund (“USF”) programs. Specifically, a number of providers received assistance through the Paycheck Protection Program to sustain operations and maintain employees in the face of challenges brought on by the pandemic – including the incurrence of substantial amounts of “bad debt” amassed as customers faced increased challenges of their own in paying bills for service and providers nonetheless sought to avoid disconnecting them. For USF cost recovery purposes, NTCA urged the Federal Communications Commission (the “Commission”) to treat those funds consistent with the intent expressed by Congress when it made the forgiveness of those loans non-taxable, recognizing the unique circumstances under which those funds were advanced and the special purposes they served.

Second, NTCA renewed its prior requests for the Commission to waive the application of the budget control mechanism to certain kinds of USF support in the face again of cash flow concerns and other challenges brought on by the pandemic. The application of cuts to USF support – which could grow over time as providers invest at an increased pace to connect more Americans in need during the pandemic – is particularly harmful as providers strive also to keep Americans facing economic challenges brought on by the pandemic online despite unpaid bills. *See, e.g., Ex Parte* Letter from Michael R. Romano, Sr. Vice President, NTCA, to Marlene H. Dortch, Secretary, Commission, WC Docket No. 10-90 (filed May 7, 2020).

Third, in the interest of reducing burdens on smaller rural operators, NTCA asked the Commission to consider ceasing the collection of high cost loop support data from providers that have elected model-based support and for whom such data are no longer needed for support calculation purposes. NTCA observed that such data are unnecessary for purposes of regulating such providers and that relieving providers of the burden of submitting this information would allow them to focus efforts and resources more effectively on service delivery and other operations.

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Finally, NTCA urged the Commission to consider further procedures that will enhance transparency and accountability in consideration of Rural Digital Opportunity Fund long-form applications consistent with its recent submission in these proceedings. *Ex Parte* Letter from Michael R. Romano, Sr. Vice President, NTCA, to Acting Chairwoman Jessica Rosenworcel, Commission, WC Docket No. 10-90, *et al.* (filed Feb. 5, 2021).

Thank you for your attention to this correspondence. Pursuant to Section 1.1206 of the Commission's rules, a copy of this letter is being filed via ECFS.

Sincerely,

/s/ Michael R. Romano

Michael R. Romano

Senior Vice President –

Industry Affairs & Business Development

NTCA–The Rural Broadband Association

cc: Ramesh Nagarajan