



March 23, 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; Universal Service Contribution Methodology, WC Docket No. 06-122; Emergency Broadband Benefit Program, WC Docket No. 20-445***

Dear Ms. Dortch:

On Friday, March 19, 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, NTCA urged the Federal Communications Commission (“Commission”) to consider procedures to enhance transparency and accountability in consideration of Rural Digital Opportunity Fund long-form applications consistent with NTCA’s previously submitted recommendations in these proceedings. *See 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). I noted that the simple and straightforward process suggestions made by NTCA were essential to ensure that resources would not be wasted, with it being discovered perhaps only years from now that providers cannot perform. I further observed that nothing in the process recommended by NTCA would delay prompt consideration of applications – to the contrary, NTCA’s recommendations would aid and expedite the Commission’s review by providing additional expert analysis and localized input for consideration. *See 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 Mar. 11, 2021).

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 of cash flow concerns and other challenges brought on by the pandemic. *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). The application of cuts to USF support is particularly harmful as providers strive also to keep Americans facing economic challenges brought on by the pandemic online despite unpaid bills. Indeed, I emphasized the pressing nature of such relief given that it appears providers may face significantly increased budget control cuts later this year, representing an unfortunate and unnecessary “reward” for their increased efforts to expand broadband coverage and deliver higher-quality broadband services to consumers desperately in need of such access in the midst of a pandemic.

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Third, NTCA discussed the need for review and action with respect to the contributions mechanism that funds the federal universal service fund (“USF”) programs. For years, NTCA and many other stakeholders have highlighted that problems with the contribution factor (particularly the striking and accelerating decline in assessable revenues) put at risk the stability and effectiveness of the USF programs that policymakers of all kinds and on all sides of the aisle have hailed as essential to ensuring every American can communicate with their friends, family, business colleagues, and the rest of the world. NTCA observed that, while some parties may assert that the only way to treat the problems with the USF contributions factor is essentially to “kill the patient” – that is, to end collection of contributions and replace this mechanism with periodically appropriated sums – the Commission’s Emergency Broadband Benefit (“EBB”) program stands as a stark example of the very real concerns with respect to such an approach to the mission of universal service. Specifically, while so many parties (including NTCA) hold out great hope for what the EBB program can achieve, the fact that it is poised to run out of funds within a matter of months provides an early warning sign of the perils of relying upon sporadic and unpredictable appropriations processes to fund national universal service objectives. NTCA noted that this is an even greater concern in the context of initiatives like the High-Cost and E-Rate USF programs, in which recipients depend upon relatively stable levels of funding ability across multiple years. Consistent with a prudent and prescient congressional mandate that USF support be specific, predictable, and sufficient, NTCA therefore urged the Commission to consider measures to stabilize the contributions factor and put its essential USF programs on a more solid foundation for the future. 47 U.S.C. § 254(b)(5).

Finally, NTCA discussed its members’ potential involvement in the pending EBB program. Based upon discussions with members to date, NTCA anticipates a sizeable level of interest and participation in the program by smaller rural providers. NTCA encouraged the Commission to consider promoting opportunities for participation by such providers through the publication of “small business” guidance to help them in navigating their own enlistment in the program, their communications with consumers (through such tools as sample notices and disclosures), and compliance otherwise with ongoing program requirements.

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