

March 22, 2022

## Ex Parte Notice

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

## RE: Connect America Fund, WC Docket No. 10-90

Dear Ms. Dortch:

On Monday, March 21, 2022, the undersigned, on behalf of NTCA–The Rural Broadband Association ("NTCA"), spoke with Ramesh Nagarajan, wireline legal advisor to Chairwoman Jessica Rosenworcel, regarding matters in the above-referenced proceeding.

During this conversation, I expressed concerns about the impacts of the resurgent budget control mechanism on rural operators receiving cost-based Connect America Fund Broadband Loop Support and/or High Cost Loop Support. While the precise impacts of the budget control will not be identified and announced until May 1 (to take effect on July 1), NTCA projects that this mechanism will reduce significantly over the next twelve-month period the universal service fund ("USF") support to be received by several hundred small rural companies and cooperatives that are currently making every effort to get and keep Americans connected.

The application of such drastic cuts to much-needed USF support at a time when providers are investing at an increased pace to connect more Americans, upgrading and maintaining existing networks to keep pace with consumer needs and demands, and attempting to keep rates more affordable in rural areas would be particularly discordant with the current broader national imperative to promote broadband availability and affordability. I therefore requested that Federal Communications Commission (the "Commission") waive the effectiveness of the budget control, observing that such relief would be consistent with the action taken by the Commission last year and the reasoning for granting a similar waiver for the current twelve-month support period. *See Connect America Fund*, WC Docket No. 10-90, Order (rel. June 3, 2021), at ¶ 7 ("Telecommunications companies, including legacy companies serving some of the most rural areas of the country, may be subject to increased costs to provide safe working conditions, maintain existing services, and meet the demands of new customers. Granting a waiver here is also consistent with relief the Commission provided in other contexts in acknowledgment of the unprecedented challenges raised by the pandemic to carriers and consumers.")

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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,

<u>/s/ Michael Romano</u> Michael Romano Senior Vice President – Industry Affairs and Business Development

cc: Ramesh Nagarajan