



August 2, 2022

***Ex Parte Notice***

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

**RE: *Report on the Future of the Universal Service Fund, WC Docket No. 21-476***

Dear Ms. Dortch:

On Monday, August 1, 2022, the undersigned on behalf of NTCA–The Rural Broadband Association (“NTCA”) spoke with Ramesh Nagarajan, wireline and enforcement legal advisor to Chairwoman Jessica Rosenworcel, regarding the future of the universal service fund (“USF”) programs overseen by the Federal Communications Commission (the “Commission”).

We first discussed the importance of underscoring in a report to Congress that the high-cost USF program is not a deployment “grant” program, despite the continuing claims of some to the contrary, because it does not provide the upfront capital necessary to construct networks. Instead, it provides support over a period of time to help *recover* the costs of deploying networks; in this regard, it *enables* deployment but does not finance it. Moreover, we discussed how the core statutory mission of the USF is to deliver reasonably comparable services at reasonably comparable rates – this of course presupposes the existence of a network as a condition precedent, but the mere deployment of a network is by no means the “end state” dictated by statutory mandate. *See* 47 U.S.C. § 254(b)(3). NTCA urged the Commission to recognize explicitly these broader and timeless perspectives – and to highlight the distinct and independent mission of universal service generally – in the report to Congress on the future of universal service, and to decline the invitations of those who would have the Commission defer any and all consideration of how to improve the workings of its USF programs pending the creation and implementation of new grant programs by other agencies in years to come.

NTCA further encouraged the Commission, at a minimum, to set the stage in the report for thoughtful consideration of how to update the eroding USF contribution mechanism. NTCA continues to support the Commission’s exercise of its permissive authority to expand the contribution base to include retail broadband Internet access service revenues. In addition, NTCA supports broadening the base through contribution of a fair share from those entities whose service offerings place substantial demands on networks and whose businesses rely upon the robust services provided atop these networks. NTCA therefore urged the Commission to highlight with clarity in its report to Congress the steps that could be taken now by the Commission itself pursuant to its existing authority and to identify where additional authority from Congress would help to stabilize further and enhance the equity of burdens among potential contributors.

Marlene H. Dortch

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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,

/s/ Michael Romano

Michael Romano

Executive Vice President

cc: Ramesh Nagarajan