



September 20, 2017

***Ex Parte Notice***

Ms. Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 12th Street, S.W.  
Washington, D.C. 20554

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

Dear Ms. Dortch:

On Tuesday, September 19, 2017, the undersigned, on behalf of NTCA–The Rural Broadband Association (“NTCA”), spoke separately via telephone with Jay Schwarz, wireline advisor to Chairman Ajit Pai, and Travis Litman, wireline advisor to Commissioner Jessica Rosenworcel.

In each of these conversations, NTCA highlighted the need to remedy the shortfalls in high-cost universal service fund (“USF”) support that are undermining the intended effectiveness of the USF programs as reformed last year. NTCA urged the Federal Communications Commission (the “Commission”) to initiate a comprehensive “budgetary review” for high-cost USF by year end as contemplated when the overall budget was first adopted in 2011, and pending such review, to continue as a near-term measure to collect the current overall budget for high-cost USF. To the extent that such collection yields contributed amounts in excess of then-current high cost USF demand for the constituent program components, NTCA further urged the Commission to use any such additional sums to mitigate the shortfalls in support that are being applied only to smaller rural carriers. As a complement to this approach, NTCA urged the Commission, at a minimum, to use any high-cost USF reserves that have not already been expressly allocated pursuant to Commission order to fill the budget shortfall, again pending completion of the review contemplated by the Commission’s defense of its budget before the Tenth Circuit.

Once a budgetary review as contemplated and promised years ago is completed, the Commission can then make informed, updated judgments about the “right size” of the high-cost USF budget and its constituent components (including, but not limited, to the support to be distributed to smaller rural carriers), and at that time provide revised instructions to the USF administrator regarding a newly determined long-term proper level of collections.

Marlene H. Dortch  
September 20, 2017  
Page 2 of 2

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

cc: Jay Schwarz  
Travis Litman