

June 30, 2020

Bloomfield Hopeful About Rural Broadband Stimulus Funds

NTCA Chief Executive Officer Shirley Bloomfield said today that she is hopeful that Congress will include funding in another COVID-19 stimulus package to make rural broadband providers whole for revenues lost by continuing to serve subscribers who haven't been able to pay their bills and by waiving late fees.

Nearly 800 providers, more than half of which Ms. Bloomfield said were her members, signed FCC Chairman Ajit Pai's Keep Americans Connected Pledge, which expires today.

During an interview for a future installment of C-SPAN's "The Communicators" program, Ms. Bloomfield said that on average, about \$80,000 in revenue has gone uncollected during the pandemic by each of her 850 members, whose customer bases range from about 150 to 100,000.

She said that she remains "very hopeful" that Congress will include funding in the next stimulus package.

She reiterated NTCA's support for the Keeping Critical Connections Act (S 3569), which would appropriate \$2 billion for an FCC-administered fund to compensate small carriers for providing free or discounted broadband service to low-income households or for providing distance-learning capability to students during the coronavirus.

The legislation was introduced in the Senate by Sens. Amy Klobuchar (D., Minn.) and Kevin Cramer (R., N.D.) (TR Daily, March 24). Reps. Peter Welch (D., Vt.) and Roger Marshall (R., Kan.) introduced companion legislation (HR 6394) in the House.

"I have my fingers and toes crossed that Congress will pass it in an additional stimulus," Ms. Bloomfield said.

She also said that her members "looked at the pledge, honestly, as a baseline," adding that some also provided free service to schoolchildren and college students learning from home and bumped up the speeds of existing customers.

Ms. Bloomfield also touted legislation introduced by Sen. John Thune (R., S.D.), chairman of the communications, technology, innovation, and the Internet subcommittee, to reserve 10% of net proceeds from FCC auctions for broadband deployment (TR Daily, June 18). Under the Rural Connectivity Advancement Program (RCAP) Act of 2020 (S 4015), 10% of net proceeds of auctions conducted through Sept. 30, 2022, would be deposited in a Rural Broadband Assessment and Deployment Fund.

But Ms. Bloomfield said that officials also need to focus on ensuring that schoolchildren who can't attend school in person this fall can continue remote learning, and she also urged "emergency support" for Lifeline subscribers.

There has been debate in Washington about whether pandemic-related telecom and broadband assistance should be distributed through existing programs or new initiatives.

"I am all about tried and true," Ms. Bloomfield said, adding that funds can be deployed more quickly to existing programs, such as universal service or Department of Agriculture programs. "We know those programs work," she added.

She was asked for her view of legislation introduced recently by Senate Commerce, Science, and Transportation Committee Chairman Roger Wicker (R., Miss.) and committee members Shelley Moore Capito (R., W.Va.) and Marsha Blackburn (R., Tenn.) that would authorize a \$6 billion fund to offer financial incentives to Rural Digital Opportunity Fund (RDOF) auction winners to deploy broadband service more quickly (TR Daily, June 22).

"I worry that we'll do subpar investments if we're just more stuck on a timeframe than we are on what we're building," she said.

She stressed the importance of fiber and said that her members have difficulties getting fiber. She also said that equipment needed for routers "is stuck in Asia" and workforce shortages remain.

Ms. Bloomfield also noted that her members found it difficult to get clarification from the Treasury Department that telephone cooperatives qualified for the Paycheck Protection Program. The clarification finally came through earlier this month, leaving companies only about 2 ½ weeks to apply for the program. Some received funding, but she said, "It was sincerely frustrating."

NTCA also worked with the Federal Emergency Management Agency and the Cybersecurity and Infrastructure Security Agency to secure hundreds of thousands of cotton masks for its members, Ms. Bloomfield said. NTCA shipped them in May. —Paul Kirby, paul.kirby@wolterskluwer.com

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