

March 27, 2020

USTelecom Asks FCC to Take USF Actions

USTelecom asked the FCC today to take a myriad of actions related to its Universal Service Fund programs, saying they are needed in light of the coronavirus pandemic.

In an ex parte filing in WC dockets 01-92, 02-60, 07-135, 09-197, 10-90, 11-42, 13-184, 14-58, 17-310, 18-89, 19-126, 19-195, USTelecom said, “As we confront the challenges of the coronavirus and in particular the need for physical distancing, access to voice and broadband networks has never been more important. While the effects of this virus are taking a heavy toll on individuals and businesses in every community, daily life is able to continue for most as a result of broadband connectivity. At the same time, there is no doubt that our communications infrastructure is being put to the test with increased daily usage while millions of Americans work, learn, access healthcare and entertain themselves over the Internet throughout the day. The effects from the inability to access or afford broadband access are particularly acute during this national health crisis. Therefore, it is essential that industry and government work together in partnership to do everything we can to make sure every American has access to broadband. The Commission’s long history and expertise in serving healthcare providers, schools and libraries, and low-income Americans, in addition to fueling the deployment of broadband infrastructure, can serve as a substantial tool in addressing the COVID-19 pandemic.”

USTelecom said it “has identified several proposals for the Commission’s consideration to assist consumers and businesses, schools and students, healthcare providers and patients, and of course the broadband companies who serve each of these constituencies. The recommendations, focused on the Commission’s four universal service fund (USF) programs, range from simple waivers of upcoming filing deadlines, to the suspension of rules, to one-time modifications to existing programs and even the potential creation of new stand-alone programs. Each of the proposals are aimed at directly improving connectivity during the pendency of the COVID-19 pandemic and/or allowing employees at broadband companies to focus their energies on their core priority of maintaining and operating networks.”

The filing continued, “We acknowledge that some recommendations may require substantial new spending. For any of the recommendations that would require significant new funding, our intention is to work with Congress to encourage an appropriation of federal funding, rather than an increase in consumer USF contributions. Congress should provide additional funding to enhance the FCC’s existing budget while providing the Commission with the flexibility to use your expertise to meet basic connectivity objectives (through existing USF programs or other new mechanisms as you deem appropriate). We appreciate the support that Congress is providing the Commission via the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) and we are hopeful that Congress will provide additional funding as necessary.”

Among other things, USTelecom asked the FCC to “establish a temporary emergency Lifeline program separate from the existing Lifeline program. The emergency Lifeline program could support a discount of up to \$25 per connection per month up to the total monthly service charge per connection (up to 180 days). A participating carrier could opt to make any fixed or mobile communications service(s) or service package(s) that include voice and/or internet, available for discounts. To participate in the emergency Lifeline program, a carrier would be required to be designated as an Emergency Lifeline ETC subject to expedited procedures and temporary duration.”

The trade group also asked the FCC to open an E-rate “emergency funding request window (or expand the current window for FY2020) to provide additional E-rate support during this emergency – including for the current FY2019 and potentially and to the extent the crisis continues beyond July 1, 2020, into FY2020.”

The FCC should also authorize a one-time Connect America Fund “infusion of funds to ensure that all service providers can rapidly augment their existing infrastructure to support non-traditional usage demands, including funds to augment backhaul to prevent congestion. Authorized expenditures would include expenses associated with rapid fiber deployment, upgraded electronics on key routes, acquisition of wholesale lit service or dark fiber capacity, and other infrastructure-related expenditures,” USTelecom said.

The trade group also said that the Commission should “[t]emporarily increase the annual undiscounted cost of eligible expenses Healthcare Connect Fund Program applicants may apply for and remain exempt from the competitive bidding requirements to up to \$100,000.”

USTelecom also said that its “members were pleased to support the Chairman’s Keep America Connected Pledge, including a promise to not terminate customers and to waive late fees for 60 days, the reality is that such a promise comes with a loss of revenues for such companies, revenues they expected to have available. It is now apparent that this pandemic and the lasting effects of it on those who become unemployed or lose substantial income will make it impossible for some to continue to pay their broadband bill for a period that will last longer than 60 days. The impact on broadband providers will be even greater for those who serve small and medium businesses and large enterprises that are unable to pay for connections for a period of time. Broadband providers are already being asked to extend their commitments beyond 60 days. For some, this may have a substantial impact on their revenues and operations. The Commission should be mindful of this fact and consider how it can provide appropriate assistance and support as outlined above.” - Paul Kirby, paul.kirby@wolterskluwer.com

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