

# **USF Tracker - August 2022**

September 12, 2022

#### General

- Under the Infrastructure Investment and Jobs Act (Section 60104(c)), the Commission was required to issue a report to the Congress on the Future of the Universal Service Fund in August, 2022. On August 15, 2022, the FCC issued its Report (FCC 22-67). The Report includes the adoption of numerous program goals and initiatives, and provides specific recommendations for each of the USF programs. These recommendations include, among others, the proposed initiation of a proceeding to consider the future support needs of networks serving high-cost and other hard to serve areas (which would run in parallel with the rollout and completion of BEAD-funded project), the initiation of a rulemaking seeking to align the Lifeline and ACP, a suggestion to analyze the implications for the E-Rate program as a result of Infrastructure Act program-funded network construction projects, and a recommendation that Congress consider revising the list of health care providers under the RHC. The report also addressed the issue of contributions reform and concluded: "We recommend that in considering changes to the contributions base, the Commission should closely evaluate this record and take efforts to avoid raising the cost of broadband service and shifting the financial burden from corporations to consumers at a point in time when the federal government is working to address affordability challenges contributing to the digital divide."
- On August 2, 2022, the WCB issued an Order (DA 22-812) denying in part and granting in part BT Americas Inc.'s challenge to USAC's determination that the company assessed USF passthrough charges on non-telecommunications services and failed to properly report revenue in its FCC Form 499-A. The WCB ordered the company to reimburse customers relating to the USF pass-through charges but found that USAC erred in directing the company to report the overcharges on a revised FCC Form 499-A.

### **Lifeline / Affordable Connectivity Program (ACP)**

- On August 25, 2022, USAC released the Lifeline Newsletter for August 2022.
- On August 8, 2022, the Commission issued a Second Report and Order (FCC 22-64) seeking to help raise awareness about the ACP and increase enrollment. The Order establishes an outreach grant program to provide funds to eligible partners to conduct outreach activities in support of the ACP.
- On August 8, 2022, the Commission issued a Third Report and Order (FCC 22-65) establishing

the "Your Home, Your Internet" pilot program. The pilot program seeks to find the best methods to make raise awareness to potential ACP recipients, including through expanded collaboration with other agencies, such as the federal Department of Housing and Urban Development.

The Commission previously issued a Public Notice (DA 22-56) seeking comments on ways the
Commission's Lifeline and ACP programs can support survivors of domestic and sexual violence
and on how to protect the privacy of survivors' calls and texts to hotlines and emergency help
resources. Comments were filed by August 18, 2022 and Reply Comments are due by
September 19, 2022.

#### **High Cost Fund Programs**

- On August 31, 2022, the WCB, together with the Rural Broadband Auctions Task Force and the
  Office of Economics and Analytics, dismissed two waiver requests of the Rural Digital
  Opportunity Fund Phase I auction (Auction 904) deadline to demonstrate ETC designation in an
  Order (DA 22-912). The WCB stated that the entities would be announced as defaults in the
  covered areas.
- On August 31, 2022, the WCB, together with the Rural Broadband Auctions Task Force and the Office of Economics and Analytics, issued a Public Notice (DA 22-911) announcing 2,072 winning bids ready to be authorized for Rural Digital Opportunity Fund auction (Auction 904) support, and provided a list of bids in default.
- On August 30, 2022, the WCB issued an Order (DA 22-906) designating Connect Everyone LLC (Starry) as an ETC in certain high-cost areas in Alabama and Virginia.
- On August 29, 2022, the WCB, sua sponte, issued a Public Notice (DA 22-896) waiving the
  annual reporting deadlines of Section 54.1514 of the Commission's rules and establishes
  uniform reporting deadlines for the Bringing Puerto Rico Together Fund and the Connect USVI
  Fund Stage 2 mobile support recipients. All carriers must file all previously required reports by
  November 16, 2022.
- On August 22, 2022, the WCB issued a Public Notice (DA 22-879) seeking comments on whether
  to extend the letter of credit waiver for Connect America Fund Phase II Auction (Auction 903)
  support recipients. The WCB previously waived the Commission's letter of credit rules for CAF
  Phase II auction and Rural Broadband Experiments support recipients through the end of 2022.
  Comments are due on September 21, 2022; reply comments are due on October 6, 2022.
- On August 15, the Office of Economics and Analytics and WCB provided the Urban Rate Survey

Timeline for 2023 in a Public Notice (DA 22-859). Urban rate surveys are collected for fixed voice and broadband services based on a 2013 Connect America Fund Order adopted by the WCB. Completed surveys are due **September 19, 2022**.

- On August 10, 2022, the WCB, in conjunction with the Rural Broadband Auctions Task Form and the Office of Economics and Analytics, announced in a Public Notice (DA 22-848) 80 winning bids in the 11<sup>th</sup> Digital Opportunity Fund (RDOF) Ready to be Authorized Notice, and provided a list of bids in default. As part of this announcement, the WCB rejected the long-form applications of LTD Broadband and Starlink to receive RDOF support, finding that these applications failed to demonstrate that the providers could deliver the promised service.
- On August 10, 2022, in conjunction with the Rural Broadband Auctions Task Force and the office
  of Economics and Analytics, the WCB issued an Order on Reconsideration (DA 22-847) denying
  a petition for reconsideration seeking a waiver of the ETC designation deadline in Florida. The
  WCB affirmed the finding of default for AB Indiana LLC's winning bids.
- On August 10, 2022, the WCB, *sua sponte*, issued a Public Notice (DA 22-846) which revised the location reporting deadline for rate-of-return Alaska Plan participants Adak Telephone Utility, Arctic Slope Telephone Cooperative, and Matanuska Telephone Association, and announces that the carriers must certify their annual location reporting by **August 12**, **2022**.
- On August 10, 2022, the WCB announced in a Public Notice (DA 22-816) the timing for a 30-day reply for the Eligible Locations Adjustment Process (ELAP) for Connect America Fund Phase II Auction recipients. The 30-day reply period begins **August 23, 2022**, at 12:01 AM ET, and ends **September 22, 2022**, at 11:59 PM ET.
- On August 5, 2022, the WCB, in conjunction with the Rural Broadband Auctions Task Form and the Office of Economics and Analytics, announced in a Public Notice (DA 22-826) 95 winning bids in the Rural Digital Opportunity Fund auction (Auction 904).

## Schools and Libraries (E-Rate)/Emergency Connectivity Fund (ECF)

- On August 31, 2022, in the School and Libraries docket, CC Docket No. 02-6, in the ECF docket, WC Docket No. 21-93, and in the RHC Program docket, WC Docket No. 02-60, the WCB issued a Public Notice (DA 22-897) announcing the grant, dismissal, or denial of various requests (such as requests for review, requests for waivers, and petition for reconsideration) related to actions taken by the Universal Service Administrative Company.
- On August 22, 2022, the WCB issued a Public Notice (DA 22-878) seeking comments on the proposed E-Rate Program eligible services list for Fiscal Year 2023. Comments are due on

• On August 30, 2022, the WCB directed USAC in a Public Notice (DA 22-902) to fully fund eligible Category One and Category Two E-Rate Requests. USAC estimated the total demand for funding year 2022 will be \$3.15 billion, which includes estimated demand for category one services of \$1.64 billion and of \$1.51 billion for category two services.

#### **Rural Health Care (RHC)**

- On August 31, 2022, in the School and Libraries docket, CC Docket No. 02-6, in the ECF docket, WC Docket No. 21-93, and in the RHC Program docket, WC Docket No. 02-60, the WCB issued a Public Notice (DA 22-897) announcing the grant, dismissal, or denial of various requests (such as requests for review, requests for waivers, and petition for reconsideration) related to actions taken by the Universal Service Administrative Company.
- The Wireline Competition Bureau previously announced in a Public Notice (DA 22-805) an extension to the deadlines for the COVID-19 Telehealth Program Round to **October 31, 2022** for recipients to purchase eligible devices and implement eligible service, and an extension of the deadline for submitting invoices for reimbursement by three months.
- The WCB previously issued a Public Notice (DA 22-560) that summaries upcoming Connected Care Pilot Program deadlines, and waives and extends the end date of the Pilot Program to conduct a full three year Pilot project. The following Connected Care Pilot Program deadlines apply to all projects: **August 18, 2022** is the last day to post the initial FCC Form 461 to the USAC website; **September 16, 2022** is the deadline to submit initial Form 461 to USAC; and **December 31, 2025** is the last date for Pilot Program participants to end their project.
- The OMB and WCB established via Public Notice (DA 22-582) a **July 31, 2022** deadline for Round 2 COVID-19 Telehealth Program funding recipients and provide recipients with additional information for the post-program report which is due on **January 31, 2024**.