

NECA's Weekly Federal Regulatory Summary

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June 17, 2019 HIGHLIGHTS

- Comments [are due](#) July 15, 2019, on the [NPRM](#) seeking comment on establishing an \$11.42 billion cap on the Universal Service Fund. Replies are due August 12, 2019.
- The FCC [announced](#) the proposed universal service contribution factor for the third quarter of 2019 will be 24.4 percent, up from the previous quarter's 18.8 percent.
- The Wireline Competition Bureau [announced](#) 37 rate-of-return carriers notified the Bureau of their intention to elect incentive regulation beginning July 1, 2019, for their business data services.
- The FCC [authorized](#) CAF Phase II Auction 903 support for the winning bids identified in Attachment A of this Public Notice. The FCC [announced](#) this authorization is \$166.8 million in funding to expand broadband to 60,850 unserved rural homes and businesses over ten years in 22 states.
- The amendment to section 54.313(f)(4) (reporting cost consultants on Form 481) that was contained in the March 2018 [RoR Reform Order](#), [is effective](#) June 17, 2019.
- USTelecom [discussed](#) the Rural Digital Opportunity Fund, and said USTelecom's proposed Broadband Mapping Initiative will allow the Commission to target support to all unserved locations.
- ITTA [discussed](#) the Iowa companies' Petition for Clarification or Declaratory Ruling that requested the FCC address discrepancies between Commission rules and releases defining the scope of "locations" for purposes of fulfilling A-CAM deployment obligations and contradictory guidance issued by USAC.
- Six RLECs and JSI filed an emergency [Petition](#) seeking an expedited waiver of section 54.316(c)(1), which requires RoR carriers to submit location information, including geocodes, into USAC's HUBB by March 1 each year. Olin Telephone filed a [Petition for Waiver](#) seeking an expedited waiver of the requirement for the withholding of all USF support for late certification to the HUBB in 2018
- The Wireline Competition Bureau [granted](#) petitions for waiver filed by [Titonka Telephone and Burt Telephone](#), [Interstate Telecommunications Cooperative](#), and [Northeast Nebraska Telephone](#) of certain Part 51 intercarrier compensation rules to allow them to merge existing study areas.
- NTCA [asked](#) the FCC to adopt both prongs of its proposal to curb terminating access arbitrage.
- The FCC [granted](#) NANC's request for an extension of time to present the FCC with a Technical Requirements Document containing the NANC's recommendations on certain technical aspects of the establishment, operation, and funding for the re-assigned numbers database.
- Commissioner Starks [sent letters](#) to executives of 14 major phone and voice service providers asking how and when they plan to roll out default call blocking to consumers to combat robocalls. [News](#)
- [Comments were filed](#) on the NANC's [report on nationwide number portability](#).

Other Key Upcoming Dates

- June 24 - Replies due on the [NPRM](#) on FY 2019 regulatory fees.
- July 1 - Comments due on Central Texas Telephone, et al.'s [Petition](#) for a Rulemaking to prohibit the use of USF funds for special construction of fiber networks that overbuild existing fiber networks. Replies due July 16, 2019.

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USF Reform

- The Wireline Competition Bureau, Rural Broadband Auctions Task Force, and Office of Economics and Analytics issued a [Public Notice](#) on June 10, 2019, authorizing CAF Phase II Auction 903 support for the winning bids identified in Attachment A of this Public Notice. They indicated they will also soon post a state-level summary under the “Data” tab on the [Auction 903 webpage](#), which will provide for each long-form applicant included in this Public Notice: the total support amount over 10 years and total number of locations that the longform applicant is being authorized for in each state; the total number of locations to which the authorized support recipient must offer the required voice and broadband services for each performance tier and latency in each state; and the eligible census blocks included in the winning bids that are being authorized in each state. The FCC also issued a [news release](#) announcing today’s authorization is \$166.8 million in funding to expand broadband to 60,850 unserved rural homes and businesses over ten years in 22 states. The FCC authorized the first wave of funding in May 2019, providing \$111.6 million in funding over the next decade to expand service to 37,148 unserved homes and businesses in 12 states.
- The FCC published [a notice](#) in the Federal Register on June 17, 2019, announcing OMB has approved, for a period of three years, an information collection associated with the section 54.313(f)(4) that was contained in the March 2018 [RoR Reform Order](#). Section 54.313(f)(4) requires rate-of-return ETCs receiving high-cost USF support to identify on their annual FCC Form 481 their cost consultants and cost consulting firm, or other third-party, if any, used to prepare financial and operations data disclosures used to calculate high-cost support for their submissions to NECA, USAC, or the Commission. The amendment to section 54.313(f)(4) is effective June 17, 2019.
- Six RLECs and JSI filed an emergency [Petition for Waiver](#) on June 11, 2019, seeking an expedited waiver of section 54.316(c)(1), which requires rate-of-return carriers to submit location information, including geocodes, into USAC’s HUBB by March 1 each year. They indicated they seek a waiver only to the extent that they had to certify they had no locations to report and all seek waiver only for the first HUBB report due March 1, 2018. They claimed the requirement to certify there were no locations to report was not explicitly clear, even after the Wireline Competition Bureau released a Public Notice providing further guidance on HUBB reporting the day the filing was due.
- Olin Telephone filed a [Petition for Waiver](#) on June 13, 2019, seeking an expedited waiver of the requirement for the withholding of all USF support for late certification to the HUBB in 2018. Olin explained it thought it had certified “no locations to upload,” but was notified April 9, 2018, that the certification did not complete, at which time the portal had closed. It said its certification was completed April 16, 2018. Olin said it is a small, rural ILEC that cannot afford to lose its A-CAM support and it undertook reasonable efforts to comply with the reporting deadline.
- ITTA [met separately with](#) Chairman Pai’s Advisor and Wireline Competition Bureau staff on June 12, 2019, to discuss the Iowa companies’ [Petition for Clarification or Declaratory Ruling](#) that requests the Commission address discrepancies between Commission rules and releases defining the scope of “locations” for purposes of fulfilling A-CAM deployment obligations and contradictory guidance issued by USAC. It asserted the USAC guidance is overly restrictive in two fundamental respects: requiring that a home-based business already have separately subscribed broadband to be counted separately from a residence, which it claimed goes beyond the Commission’s broadband service availability definition; and the “separate facilities” component of USAC’s guidance, which would require carriers to wastefully install multiple drops to ensure that a home-based business is properly counted as a separate location. It also discussed the June 5, 2019 Public Notice seeking comment on how to count the actual number of locations that A-CAM support recipients can serve.
- The Iowa Communications Alliance, Minnesota Telecom Alliance, and Wisconsin State Telecommunications Association filed [a letter](#) on June 10, 2019, to encourage the Commission to provide clear guidance on what qualifies as a location for purposes of CAF broadband deployment; specifically, what constitutes a home-based business. They said they represent approximately 301 rural operators that have received ACAM I or ACAM II offers and will be impacted by the issue outlined in Northeast Iowa Telephone and Western Iowa Telephone Association’s May 6, 2019 [Petition for Clarification](#). They claimed USAC’s guidance indicates many home-based rural businesses may not

qualify as “locations” for purposes of determining broadband deployment. The Associations said this clarification is urgently needed because all three Associations have received a significant number of requests from their member ETCs to support the Petition because of its significant impact on many, if not most, of their members.

- Red River Rural Telephone and JSI [spoke with](#) Wireline Competition Bureau staff on June 10, 2019, to discuss the negative impact to Red River’s A-CAM II offer of the incorrect Form 477 data inadvertently submitted by the City of Barnesville Municipal Telephone, an adjacent municipal ILEC broadband provider. They sought guidance on how to rectify the situation so that Red River can receive a factually accurate A-CAM II offer. They attached a letter in which the City of Barnesville acknowledged it had inadvertently over-reported its FTTH broadband on its December 2017 Form 477 and subsequently revised its Form 477 filing. They urged the Bureau to modify Red River’s A-CAM II offer to reflect the revised Form 477 data as soon as possible.
- USTelecom [spoke with](#) Sue McNeil, Associate Bureau Chief in the Wireline Competition Bureau, on June 7, 2019, about the Rural Digital Opportunity Fund. USTelecom said unserved census blocks tend to be quite scattered, making it difficult and inefficient to design a network to those specifications alone, and without the benefit of USTelecom’s proposed Broadband Mapping Initiative, a prospective bidder would not be able to determine if the location counts are correct, let alone where the locations exactly are, which makes bidding at scale extremely difficult. It asserted the Broadband Mapping Initiative will also allow the Commission to target support to all unserved locations.
- Conexon filed [an opposition](#) on June 12, 2019, to Wisper ISP’s Petition for Waiver of the February 25, 2019 deadline for Wisper to obtain ETC designation in Oklahoma in order to become eligible to receive CAF-II support in Oklahoma. Conexon asserted Wisper has failed to produce any credible evidence that it acted in good faith to take the steps necessary to obtain ETC designation from the Oklahoma Corporation Commission before the FCC deadline. It also said, contrary to Wisper’s claims, relevant precedent supports a denial of the waiver petition and the case relied upon by Wisper in support of its Petition is distinguishable. Conexon also urged the Commission to declare that Wisper is in default of its CAF-II compliance obligations in Kansas because the ETC designation issued to Wisper by the KCC was premised on Wisper’s erroneous understatement of the broadband speeds it must provide to meet the FCC’s CAF-II performance requirements. It also noted Conexon has filed an appeal in the Missouri Court of Appeals challenging the Missouri PSC’s grant of ETC designation status to Wisper on various procedural and substantive grounds
- Viasat [spoke with](#) Suzanne Yelen of the Wireline Competition Bureau on June 10, 2019, regarding methodologies for testing supported services and systems to be implemented in the future by Viasat and other USF high-cost support recipients. Viasat emphasized the importance of allowing satellite VoIP providers to engage in self-testing for purposes of making annual certifications, as other support recipients are permitted to do. It discussed Viasat’s proposal to clarify that support recipients are required to demonstrate a MOS of four or higher for at least 80 percent of the participants, which it claimed is analogous to the 80 percent rule applicable to broadband speed testing. Viasat suggested if the Commission were considering giving support recipients additional options for establishing that supported services meet a MOS of four, another alternative would be to adopt a “trimmed mean” approach, whereby the support recipient could show that the average MOS rating was four or higher after eliminating the top five percent and bottom five percent of participants’ scores.

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ICC

- The Wireline Competition Bureau issued an [Order](#) on June 10, 2019, granting petitions for waiver filed by [Titonka Telephone and Burt Telephone](#), [Interstate Telecommunications Cooperative](#), and [Northeast Nebraska Telephone Company](#) of certain Part 51 intercarrier compensation rules to allow them to merge existing study areas. Grant of the Titonka and Burt Telephone Petition and the Interstate Petition will be effective upon release of this Order. Grant of the Northeast Petition will become effective upon the date of the merger of Northeast and Clarks Telecommunications.

- NTCA [met with](#) Chairman Pai's Advisor on June 7, 2019, to encourage the Commission to adopt both prongs of its proposal to curb terminating access arbitrage. It argued the Commission's two-prong approach will effectively address terminating access arbitrage by shifting the financial burden for transport and by promoting direct interconnection in a manner that protects both interexchange carriers and consumers. NTCA also urged the Commission to ensure that any reforms adopted in this proceeding are targeted to address terminating access arbitrage and do not sweep so broadly as to affect innocent LECs, suggesting if the second prong is not adopted, other measures become increasingly important to ensure that innocent LECs do not bear significant additional transport costs and/or suffer from "self-help" withholdings by IXCs.
- AT&T filed [a letter](#) on June 12, 2019, to urge the Commission to act promptly on the pending NPRM and update its rules to eliminate access arbitrage. It claimed Prong 1 of the Commission's proposal represents a substantial step forward in eliminating access stimulation as it would require the entities that select the transport route to pay the costs of transport. It suggested the Commission make clear that LECs can include in their tariffs reasonable provisions that allow the LECs to decline to provide such services to a chat/conference provider. AT&T asserted adoption of Prong 2 would be unlikely to reduce access stimulation, and would, in fact, provide perverse incentives for access stimulators to move traffic to carriers with even more remote facilities. It urged the Commission not to adopt Prong 2 and focus on Prong 1.
- CenturyLink filed [a letter](#) on June 13, 2019, in response to AT&T's May 21, 2019 [ex parte](#) regarding CenturyLink's Petition for a declaratory ruling that "over the top" VoIP providers and their LEC partners perform the functional equivalent of end office switching and, accordingly, may collect end office local switching access reciprocal compensation under the Commission's rules. CenturyLink responded to several issues, claiming: ILEC tariffs confirm that end office switching charges can apply to over-the-top VoIP calls; the versions of the rules endorsed by AT&T and Verizon appear to draw arbitrary, unjustifiable distinctions between calling arrangements in which LECs may assess end office switching charges and arrangements in which LECs may not; and AT&T's claim that CenturyLink has not addressed the D.C. Circuit's decision in AT&T v. FCC is not correct.
- The FCC published a [Notice](#) in the Federal Register on June 14, 2019, seeking PRA comments for information collection requirements for parts of sections 251 and 252 of the Telecommunications Act of 1996 that affect local competition. ILECs are required to offer interconnection, UNEs, transport and termination, and wholesale rates for certain services to new entrants, and incumbent LECs must price such services and rates in a way that are cost-based and just and reasonable, provide access to rights-of-way, and establish reciprocal compensation arrangements for the transport and termination of telecommunications traffic. PRA comments are due August 13, 2019.

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Broadband

- Chairman Pai sent a [letter](#) to Sen. Cindy Hyde-Smith (R Miss.) on May 28, 2019, in response to her [letter](#) regarding broadband mapping. Pai said the FCC initiated a new data collection for mobile broadband coverage as part of the Mobility Fund Phase II and began a review of the Form 477 process to ensure the FCC's broadband data was more accurate, granular, and useful to the Commission and the public. Pai said a public feedback mechanism could improve the Commission's broadband coverage maps and Form 477 data, suggesting the Commission's Speed Test App is one way that consumers can currently participate in collecting data about broadband deployment.
- The FCC issued a [Public Notice](#) on June 12, 2019, announcing that presentations to the Broadband Deployment Advisory Committee, including to its subcommittees and working groups, and at any roundtable discussions sponsored by the BDAC as well as presentations between BDAC members and FCC staff or Commissioners will be treated as exempt presentations for ex parte purposes. The FCC said it will not rely in these proceedings on any information submitted to the BDAC, or to any of its subcommittees, working groups, or sponsored roundtables, or information conveyed by BDAC members to FCC staff or Commissioners unless that information is first placed in the record of the relevant proceeding.

- NCTA, Charter Communications, Cox Communications, and Midcontinent Communications [met with](#) staff from the Wireline Competition Bureau and Office of Economics and Analytics to discuss Form 477 broadband reporting. NCTA asserted there is broad, bipartisan support for reforming the Form 477 reporting system to require that providers report broadband availability by submitting polygon shapefiles (i.e., electronic coverage maps) that represent the geographic area where a provider offers service. NCTA said regardless of the format for reporting broadband availability, the Commission should address concerns about the definition of what areas should be identified as served for purposes of the Form 477 reporting regime. NCTA also discussed its proposal to incorporate crowdsourcing to supplement the review of Form 477 filings by Commission staff.
- USTelecom issued a [press release](#) on June 10, 2019, announcing U.S. broadband provider capital investment increased by approximately \$3 billion in 2018, estimating that U.S. broadband providers invested approximately \$75 billion in 2018, up from \$72 billion the prior year. USTelecom said these figures confirm the growth trend identified in USTelecom's [February analysis](#) of the top six broadband providers applies more broadly. USTelecom indicated it will publish final 2018 numbers once it can account for non-reporting companies. Chairman Pai issued a [statement](#) on USTelecom's broadband investment figures.
- USTelecom filed a [letter](#) on June 10, 2019, to submit its [letter](#) and [data](#) filed on May 6, 2019, in support of its Petition for Forbearance into the Business Data Services proceeding. USTelecom said while the May 6 filing was focused on arguments in support of its Forbearance Petition, arguments in the letter and the supporting data are also relevant to the Business Data Services proceeding.
- USTelecom filed a [letter](#) on June 14, 2019, to respond to the March 14, 2019 letter and May 28, 2019 reply comments of Granite Telecommunications, et al., on USTelecom's [Petition for Forbearance](#). USTelecom claimed there is no merit to their assertion that granting the Petition would run afoul of the Administrative Procedure Act, and said forbearance from section 251(c)(4) resale is in the public interest given widespread voice competition and a flourishing commercial marketplace for wholesale voice service. USTelecom also said the factual analysis underlying Granite's assertions is fundamentally flawed.
- INCOMPAS and executive representatives from INCOMPAS member companies [met separately with](#) Commissioners Carr and Starks and their Advisors, Advisors to Chairman Pai and Commissioner Rosenworcel, and Wireline Competition Bureau staff on June 10, 2019, to emphasize the importance of the statutory provisions and associated Commission rules related to avoided-cost resale and access to unbundled network elements in bringing consumers competitive options and innovative services and as a necessary stepping stone to the build-out of fiber networks. INCOMPAS claimed it and others have demonstrated overwhelmingly in the record that the Commission should deny USTelecom's [Petition](#). [Sonic Telecom](#) separately filed on June 12, 2019, the redacted diagrams used during these meetings.
- INCOMPAS filed a [letter](#) on June 14, 2019, on access to unbundled ILEC transport facilities. INCOMPAS claimed comments and replies filed on the [Public Notice](#) on business data services and USTelecom's [Petition for Forbearance](#) make clear there is insufficient competition to justify further deregulation of the markets for transport service between the ILEC wire centers. INCOMPAS submitted a summary of declarations of service providers it says explains the importance of continued access to unbundled ILEC transport facilities, focusing on the DS1 and DS3 transport circuits outside of Tier 3 areas.
- TPx Communications [met with](#) Commissioner Stark's Legal Advisor on June 10, 2019, to reiterate its opposition to USTelecom's Forbearance [Petition](#). TPx discussed the adverse impact forbearance would have on its customers, including immediate rate increases. TPx also reiterated its opposition to the use of the BDS Order data and Form 477 broadband availability data to find competition sufficient to justify forbearance. It urged the Commission to deny the Petition, but suggested if the Commission finds that limited forbearance is appropriate, it should provide a transition period long enough to avoid the substantial disruption and cost to customers that forbearance would cause. TPx also [met with](#) staff

from the Wireline Competition Bureau and Office of Economics and Analytics and [with](#) Chairman Pai's Legal Advisor and Commissioner Carr's Chief of Staff on June 11, 2019, to discuss similar issues.

- PRTC filed a [letter](#) on June 11, 2019, to respond to letters filed by WorldNet on [March 1](#) and [April 22, 2019](#), on USTelecom's Petition for Forbearance. PRTC asserted WorldNet's arguments in these letters are either supported by little more than sweeping generalizations and unsubstantiated rhetoric or are refuted by data that PRTC already has submitted in the instant proceeding. PRTC said there is no record-based justification to exclude Puerto Rico from any forbearance relief the Commission may grant in response to USTelecom's Petition for Forbearance.
- PRTC filed a [letter](#) on June 12, 2019, to respond to WorldNet's May 24, 2019 [letter](#) on USTelecom's Petition for Forbearance. PRTC said USTelecom's Petition should be granted and Puerto Rico should not be excluded from said grant of forbearance. PRTC asserted WorldNet's claim that PRTC controls nearly two-thirds of the Puerto Rico wireline market is based on outdated data and mistakenly attempts to limit the Commission's analysis of market conditions solely to an examination of wireline connections.
- AT&T [met with](#) Wireline Competition Bureau staff on June 6, 2019, to discuss its comments urging the Commission to reaffirm its findings from the 2017 BDS decision that price cap carriers' BDS transport is competitive nationwide. AT&T also discussed [CenturyLink's](#) and [USTelecom's](#) reply comments responding to INCOMPAS's suggestion that the [April Data Tables](#) overstate competition because they do not consider distance to CLEC splice points. AT&T claimed there is no physical difference between the facilities used for BDS transport and UNE transport, nor is there any difference in the economic analysis of competition.
- AT&T filed a [letter](#) on June 12, 2019, to respond to Sonic's May 28, 2019 [reply comments](#) on the [Public Notice](#) seeking focused additional comment in the proceedings on business data services and USTelecom's Petition for Forbearance. AT&T claimed Sonic relies on various unsubstantiated, incorrect, and ultimately irrelevant arguments that it should retain access to unbundled dark fiber transport, DS0 loops, and DS1 loops.
- Opening briefs were filed by [Sprint, et al.](#), [City of Portland, et al.](#), and the [American Public Power Association](#) with the Ninth Circuit Court on June 10, 2019, in the case addressing 13 [petitions for review](#) of the FCC's September 2018 [Declaratory Ruling and Order](#) on wireless infrastructure deployment. [Sprint, et al.](#) asserted the FCC refused to deem a state or local government's failure to act within a reasonable period of time on a request for authorization to place, construct, or modify personal wireless services facilities to be a grant of authorization, despite having done so with respect to similar applications made under the Spectrum Act. The [City of Portland et al.](#) claimed the FCC cannot, consistent with the Fifth and Tenth Amendments, limit compensation to cost reimbursement, force states and localities to respond to demands for access to proprietary property, or require contribution of resources to a federal regulatory scheme. [APPA](#) asserted it was arbitrary and capricious for the Commission to require that its shot clock requirements run concurrently for all necessary permits and applications and to establish a safe harbor of \$270 for access to both public rights-of-way and public facilities without considering that public power utilities often operate in the rights-of-way of local governments with which they have no relationship
- The Phoenix Center [released](#) a [study](#) on June 13, 2019, entitled *Broadband as a Source of Rural Decline: A Look at the Data*. The Center said the study suggests population loss in rural America is a long-term and persistent trend that is unlikely to be driven by the availability, or lack thereof, of high-speed internet service.

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Robocalls

- The Consumer and Governmental Affairs and Wireline Competition Bureaus issued [an Order](#) on June 12, 2019, granting the NANC's request for an extension of time to present the Commission with a Technical Requirements Document containing the NANC's recommendations on certain technical aspects of the establishment, operation, and funding for the re-assigned numbers database. The

NANC asked that the deadline be extended from June 13, 2019, to April 13, 2020. The Bureaus granted it an additional three months, until September 13, 2019, to gather the information required for its reassigned numbers database recommendations. They also required the NANC to present to the Bureaus by July 12, 2019, a report detailing its progress as of that date so the Commission can evaluate its progress toward the deadline.

- The FCC issued a [news release](#) on June 10, 2019, announcing Commissioner Starks sent letters to executives of 14 major phone and voice service providers asking for details about how and when they plan to roll out default call blocking to consumers to combat robocalls and whether they intend to charge consumers for these services. Starks requested responses by July 10, 2019. [List of all the letters](#) from Starks.
- Chairman Pai [spoke at](#) USTelecom's forum on "Turning the Tide on Illegal Robocalls" on June 11, 2019. Pai noted the FCC just adopted a declaratory ruling that gives phone companies the legal clarity they need to establish call-blocking services as a default setting for consumers, saying it is now time for voice service providers to implement call blocking by default as soon as possible. He also said the FCC took an important step toward ensuring that voice service providers implement the SHAKEN/STIR caller ID authentication framework and proposed last week to give a "safe harbor" to phone companies that block calls lacking proper caller ID authentication. Pai noted the FCC will be hosting a summit on July 11 on robocalls and implementation of SHAKEN/STIR.
- Transaction Network Services [met with](#) Chairman Pai's Legal Advisor on June 12, 2019, to provide an overview of its robocall solution and to discuss its call authentication hub for SHAKEN/STIR that it claims enables Tier 2 and Tier 3 carriers to deploy SHAKEN/STIR capabilities and provides a pre-SHAKEN/STIR solution for TDM carriers using out-of-band signaling. TNS also expressed a desire to participate in the FCC's July 11, 2019 Robocall Summit.
- Twilio [met with](#) Consumer and Governmental Affairs and Wireline Competition Bureau staff on June 10, 2019, to demonstrate Twilio's voice services and to demonstrate how its customers' use cases could be harmed under the new opt-out call blocking rule. Twilio reiterated its desire to collaborate with government and industry to help stop illegal robocalls while also preserving the reliability of the public telephone network.

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Universal Service

- The [Notice of Proposed Rulemaking](#) seeking comment on establishing an \$11.42 billion cap on the Universal Service Fund was [published](#) in the Federal Register on June 13, 2019. The NPRM seeks comment on: setting a different cap; adjusting the cap over time; implementing the cap; extending Commission projections further than one year to better anticipate potential spending over the cap; how to reduce expenditures if USAC projects disbursements will exceed the overall USF cap; possible changes to the budget structures of the individual programs to establish a maximum level of support that can be disbursed annually; prioritizing the funding among the four programs and other possible universal service pilots or programs where USAC projects that total disbursements will exceed the overall cap; and how to account for additional duties or obligations the Commission might create in other proceedings that potentially would cause projected expenditures to exceed the cap. Comments are due July 15, 2019; replies are due August 12, 2019.
- The FCC Office of Managing Director released a [Public Notice](#) on June 12, 2019, announcing the proposed universal service contribution factor for the third quarter of 2019 will be 24.4 percent, up from the previous quarter's 18.8 percent.
- The Wireline Competition Bureau issued a [Public Notice](#) on June 10, 2019, to announce the availability of unused funds to increase Rural Health Care Program funding for FY 2019. The Bureau said USAC projects that, as of the third quarter of this calendar year, \$83.22 million in unused funds is available for use in future funding years, beginning in funding year 2019, and the Commission directed USAC to

carry-forward unused funds from prior funding years to the extent necessary to cover FY 2019 RHC Program demand as of the close of the FY 2019 filing window on June 30, 2019.

- ITTA, Consolidated Communications, TDS Telecom, CenturyLink, and Blackfoot [spoke with](#) Wireline Competition Bureau staff on June 11, 2019, to discuss USAC's developing Lifeline Representative Accountability Database. They raised concerns about the potential impacts of the RAD's implementation on the privacy and security of ITTA members' employees' personally identifiable information (PII), suggesting the scope of who may have to register with the RAD and what information they may have to provide is overbroad. They also noted procedural infirmities with how implementation may occur. They said implementation of the RAD should not occur until the Commission resolves the RAD implementation issues on which it sought comment in the 2017 Lifeline NPRM. They also suggested the Commission exempt company employees from the RAD registration requirement, and argued USAC should not move forward with implementation of the RAD until the critical privacy and security issues associated with the information envisioned to be required for registration are fully vetted and addressed.
- EdLiNC filed a [letter](#) on June 13, 2019, asking the Commission to extend the comment and reply period for the [NPRM](#) on establishing a cap for the USF. It said the comment period coincides with summer recess for most public and private schools, making that a period difficult for educators to respond to this rulemaking. It asked for an extension until at least the end of September.
- The Schools, Health, Libraries and Broadband Coalition filed a [letter](#) on June 11, 2019, providing a joint statement from a group of organizations and associations opposing the Commission's proposal to cap the federal USF. They said placing an overall cap on the USF puts at risk the comprehensive mission of universal service, and an overall USF cap, even if sized to meet current overall demand or the sum of authorized levels plus inflation, could still end up pitting these essential programs against each other in the future and undermine efforts to solve the digital divide.
- Funds for Learning [met separately](#) with Chairman Pai's Legal Adviser, Commissioner Rosenworcel and her Advisor, Commissioner Carr's Chief of Staff, and Office of Managing Director and Wireline Competition Bureau staff to discuss the preliminary results of its survey of E-rate applicants. They discussed the overall impact of the E-rate program, the funding application process, and Category One and Two discounts.

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Misc.

- The Wireline Competition Bureau issued a [Public Notice](#) on June 13, 2019, announcing 37 rate-of-return carriers serving 88 study areas in 29 states notified the Bureau of their intention to elect incentive regulation beginning July 1, 2019, for their lower speed BDS TDM transport and end user channel termination services pursuant to the [RoR BDS Order](#). The electing carriers and related study areas are identified in the accompanying Appendix.
- In addition to comments reported in a previous edition of REGScan, comments were filed on June 7, 2019, on the North American Numbering Council's [Additional Findings Report on Nationwide Number Portability](#) submitted to the Wireline Competition Bureau. [WTA](#) said it is skeptical whether NNP for wireline telephone numbers has sufficient consumer demand and service advantages to justify its costs and disruptions. [WTA](#) said if the Commission is determined to move forward on NNP, it urges the FCC to devote much more attention to the costs and other impacts upon rural LECs and other small carriers. [Telnyx](#) supported implementing NNP via the use of IP Local Routing Numbers (IPLRNs), rather than via the use of National Local Routing Numbers. It said the IPLRN approach is compatible with the PSTN, and, unlike the NLRN approach, also promotes the IP transition, drives further competition, and does not unduly burden legacy service providers who have not yet invested in IP-capable switches. [All comments available to date.](#) [Public Notice](#)
- AT&T filed [reply comments](#) on June 10, 2019, on the [Public Notice](#) asking how to structure an auction to distribute certain toll free numbers in the new 833 toll free code. [AT&T](#) agreed with the consensus of

commenters opposed to making RespOrgs solely responsible for providing Somos with secondary market transaction information and to the proposed penalty for failing to do so. AT&T asserted that even if RespOrgs are aware of a secondary market transaction, the parties to the transaction may be unwilling to provide the sale price, sales date, or other information and consequently, RespOrgs could not guarantee the accuracy of information provided by the parties to a secondary market transaction.

- The Senate Committee on Commerce, Science, and Transportation held a [hearing](#) on June 12, 2019, on oversight of the FCC. The FCC Commissioners testified. [Chairman Pai](#) discussed efforts to close the digital divide, and said later this year the FCC will begin a rulemaking to establish a \$20.4 billion Rural Digital Opportunity Fund. He also discussed combating USF fraud, 5G, and robocalls, among other issues. [Commissioner O’Rielly](#) discussed the need to: quickly deploy more mid-band spectrum; prevent taxpayer-funded overbuilding of existing infrastructure; end theft of 911 fees by states for unrelated programs; and address illegal robocalls. [Commissioner Starks](#) said instead of imposing an arbitrary budget cap on all USF programs, the FCC should get the data needed to produce granular and accurate maps of where broadband is and is not available in the U.S. He also discussed robocalls, network security, and asked the Commission to act in response to wireless providers selling customer location data. [Commissioner Rosenworcel](#) said the FCC needs accurate broadband and wireless maps and should use crowdsourcing, spot checking, auditing, and processes to challenge these maps. She also discussed 5G, robocalls, and net neutrality.
- In addition to comments listed in a previous edition of REGScan, comments were filed on June 7, 2019, on the [NPRM](#) on the assessment and collection of regulatory fees for FY 2019. [AT&T & DISH Network](#) urged the FCC to reject its proposal to increase the direct broadcast satellite per-subscriber regulatory fee for Fiscal Year 2019 and hold DBS regulatory fees at 2018 levels. They also asked the Commission to use an MVPD subscriber snapshot that is closer in time to the release of its regulatory fee order. [INCOMPAS](#) said the proposed fee increase for FY 2019 for submarine cable licensees is unlawful and must be adjusted. [NCTA and ACA Connects](#) said the Commission must end its DBS phase-in approach and equalize the regulatory fees paid by DBS, cable, and IPTV providers. They also said DBS providers occupy Media Bureau resources in the same way as other MVPDs and must be assessed the same rate. [All comments available to date](#). Replies are due June 24, 2019.
- No comments were filed on Alaska Communications Internet’s application for authorization to obtain NANP telephone numbers directly from the Numbering Administrators for its iVoIP service. [PN](#)
- No comments were filed on a 214 application filed by the Chester Telephone Company, d/b/a Tru-Vista Communications, and York Telecoms Holdings requesting consent to transfer control of TruVista and its wholly owned subsidiaries to York. Replies are due June 19, 2019. [Public Notice](#)
- Huawei filed an [ex parte](#) on June 12, 2019, on supply chain issues. It said recent events require it to supplement the extensive evidence that banning particular vendors on grounds of “national security” will actually do little or nothing to protect the security of America’s telecommunications networks. It asserted forcing network operators to rip out and replace their existing equipment would pose a greater threat to network stability and security. Huawei said it agrees that threats to network security do exist, and should be addressed comprehensively through a holistic approach to supply chain security, not through a vendor-by-vendor approach.
- The House Appropriations Committee [announced](#) on June 10, 2019, the release of a [report](#) accompanying the fiscal year 2020 Financial Services and General Government Appropriations [bill](#). The report, among other things, contains information on the FCC budget, broadband deployment, and robocalls (pgs. 52-55). The full Appropriations Committee will mark up the bill on June 11, 2019.
- The Consumer and Governmental Affairs Bureau issued three Orders on June 10, 2019, denying complaints filed against [MCI](#) and [Sprint \(Sprint\)](#) that alleged they changed complainants’ telecommunications services without obtaining authorization and verification. The Bureau found the providers’ actions did not result in an unauthorized change in complainant’s telecommunications service provider.

- The Georgetown Law Center on Privacy & Technology, New America's Open Technology Institute, and Free Press filed [a complaint](#) on June 14, 2019, against AT&T, T-Mobile, Sprint, and Verizon Wireless for unauthorized disclosure and sale of customer location information. They asserted the Communications Act requires telecommunications providers, including wireless service providers, to observe heightened privacy obligations for location information, yet wireless service providers AT&T, Verizon, T-Mobile, and Sprint have broadly violated those obligations and their customers' privacy expectations. They alleged the carriers have disclosed customer location information to location aggregators, other location-based services companies, and unauthorized individuals without customer approval or customer notification. They alleged these actions violate Sections 222 and 201(b) of the Communications Act and the Commission's rules implementing those statutes.

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Upcoming Filing Dates

- June 19 - Replies due on a 214 application filed by the Chester Telephone Company, d/b/a Tru-Vista Communications, and York Telecoms Holdings requesting consent to transfer control of TruVista and its wholly owned subsidiaries to York. [Public Notice](#)
- June 21 - PRA comments due on an extension of a currently approved information collection associated with Form 502, Numbering Resource Optimization. [Notice](#)
- June 24 - Replies due on Reservation Telephone and CenturyLink study area waiver petition in North Dakota. [Notice](#)
- June 24 - PRA comments due revision of a currently approved information collection for high-cost USF support pursuant to the December 13, 2018 Rate-of-Return USF Reform Order. [Order FR](#)
- June 24 - Replies due on the [NPRM](#) on May 8, 2019, seeking comment on the assessment and collection of regulatory fees for FY 2019.
- June 24 - PRA comments due on a revision of a currently approved information collection associated with FCC Forms 460, 461, 462, 463, 465, 466, and 467 (Rural Health Care Program). [Notice](#)
- June 24 - Comments due on the computer matching program the FCC and USAC will conduct with agencies from the States of Georgia and Iowa. [Notice](#)
- June 25 - PRA comments due on an extension of a currently approved information collection on the survey of urban rates for fixed voice and broadband residential services. [Notice](#)
- July 1 - Comments due on a [Petition](#) for a rulemaking filed by Central Texas Telephone, et al. urging the FCC to consider adopting rules that prohibit the use of universal service funds for special construction of fiber networks that overbuild existing fiber networks. Replies due July 16, 2019. [PN](#)
- July 8 - PRA comments are due on a new information collection pursuant to the requirement that high-cost USF recipients test their broadband networks for compliance with speed and latency metrics and certify to and report the results to USAC on an annual basis. [Notice](#)
- July 15 - Comments due on the [Notice of Proposed Rulemaking](#) seeking comment on establishing an \$11.42 billion cap on the Universal Service Fund. Replies are due August 12, 2019. [FR](#)
- July 16 - Replies due on a [Petition](#) for a rulemaking filed by Central Texas Telephone, et al. urging the FCC to consider adopting rules that prohibit the use of universal service funds for special construction of fiber networks that overbuild existing fiber networks. [Public Notice](#)
- July 19 - PRA comments due on an extension of a currently approved information collection associated with telephone number portability rules (sections 52.21 through 52.36). [Notice](#)

- Aug. 5 - PRA comments due on a revised information collection pursuant to the requirement that certain carriers with high-cost reporting obligations must file information about their locations that meet their broadband deployment public interest obligations via USAC's electronic portal. [FCC Notice](#)
- Aug. 12 - Replies due on the [Notice of Proposed Rulemaking](#) seeking comment on establishing an \$11.42 billion cap on the Universal Service Fund. [FR](#)
- Aug. 13 - PRA comments due for information collection requirements for parts of sections 251 and 252 of the Telecommunications Act of 1996 that affect local competition. [FR](#)

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