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# USF Yearbook

# Introduction

Kelley Drye is pleased to present this issue of our *2020 USF Yearbook*. The *USF Yearbook* is a compilation of major entries from Kelley Drye's monthly *USF Tracker* newsletter, organized by subject matter. The *USF Yearbook* is intended to provide a quick reference for significant activities in each of the four USF programs plus USF contributions developments occurring in 2020.

To follow current developments, subscribe to our USF Tracker newsletter [here](#).

# General

- On December 30, the FCC released an [Order](#) (FCC 20-185) appointing three new members to the Federal-State Joint Board on Universal Service.
- On November 24, the FCC [announced](#) the appointment of six persons to the USAC Board of Directors. The six appointees are: Geoffrey A. Feiss, Joseph Gillan, Ellis Jacobs, Michael Skrivan, Joan H. Wade, and Katharine Hsu Wibberly. The appointees will serve three-year terms that begin on January 1, 2021.
- On November 16, NARUC appointed three Commissioners to fill existing vacancies on the Federal-State Joint Board on Universal Service. The appointees are Commissioner Brandon Presley (MS PSC), Commissioner Karen Charles Peterson (MA DTC) and Michael Caron (CT PUC).

# Contributions

- On December 22, the FCC's Wireline Competition Bureau (WCB) released an [Order](#) (DA 20-1523) denying a request for review filed by Sprint Spectrum, L.P. (Sprint), which sought review of a contributor audit decision by the Universal Service Administrative Company (USAC). The WCB remanded to USAC for further reconsideration the issue of whether, in light of new evidence presented, Sprint's allocation among assessable and non-assessable service categories was appropriate for the bundled service offering at issue.
- On October 9, the FCC released an [Order](#) (FCC-20-142) further addressing the treatment of private line revenues under the USF program. The FCC affirmed the 2017 Private Line Order, in which the Wireline Competition Bureau (WCB) clarified the operation of the so-called "10% rule" for assessing contributions to the Fund. However, the Order remanded to the Universal Service Administrative Company (USAC) several requests for review of USAC audit findings for further consideration, including petitions by XO Communications Services, Inc. (XO) and TDS Metrocom, LLC (TDS). The FCC found that TDS has shown good cause to grant a waiver of the rules and directed USAC to reverse its decision in TDS's Final Determination Letter. The FCC remanded USAC's Final Determination Letter of XO's private line revenues, stating that USAC had not given sufficient weight to XO's declaration describing its practices for classifying private line revenues.
- On September 14, the FCC's Office of Managing Director (OMD) issued a [Public Notice](#) (DA 20-1075) announcing that the proposed universal service contribution factor for the fourth quarter of 2020 will be 27.1 percent. This is the highest USF contribution rate ever and the second consecutive quarter that the rate exceeded 25%.
- On July 31, the FCC released an [Order](#) (FCC 20-104) denying two petitions from inmate calling services providers to waive universal service contribution obligations. Last year, Network Communications International Corporation (NCIC) petitioned the FCC to forbear from contributing to the USF a portion of their end-user revenues with respect to services it provides in jails and prison and, more recently, Securus Technologies, LLC sought a waiver from contributions obligations for all inmate calling services providers during the COVID-19 pandemic. The Commission concluded that an exemption would be contrary to the broad funding base for the USF, would not be competitively neutral and otherwise would not serve the public interest.
- On July 1, the third quarter USF contribution factor of 26.5% went into effect. The WCB issued a [Public Notice](#) (DA 20-617) announcing the USF contribution factor on June 12 and the rate took effect automatically. This is the highest the USF factor has ever been and is the second time in the past 12 months that the contribution factor exceeded 25%.

- On June 11, the WCB issued a [Public Notice](#) (DA 20-614) seeking comment to refresh the record in the 2012 Contributions Reform Further Notice of Proposed Rulemaking. The FCC seeks on comment on whether it should exercise its permissive authority under section 254(d) to include in the contribution base revenues derived from the provision of “one-way” voice over Internet Protocol (VoIP) services. The FCC also seeks comment on whether such services should be required to pay other fees applicable to interconnected VoIP services. Comments were due on or before July 13, 2020 and reply comments on or before July 27, 2020.
- On April 17, the Wireline Competition Bureau (WCB) issued a [Public Notice](#) (DA 20-426) announcing and seeking comment on proposed changes to the 2021 FCC Form 499-A, FCC Form 499-Q, and accompanying instructions. The deadline to file comments was May 18, 2020.
- On March 27, the Wireline Competition Bureau sought comment on a request for waiver filed by Securus Technologies, LLC (Securus). Securus requested an immediate waiver from the application of Universal Service Fund (USF) contribution obligations as set forth in Section 54.706 of the Commission’s rules with respect to inmate calling services (ICS) providers on an interim basis.

# Supply Chain

- On December 16, the WCB and the Office of Economics and Analytics (OEA) released via [Public Notice](#) (DA 20-1491) a correction to results from the [Supply Chain Security Information Collection](#). The correction deletes the names of two companies from the list of ETCs with covered equipment installed in their networks.
- On December 11, the FCC issued a [Memorandum Opinion and Order](#) (FCC 20-179) denying Huawei's Application for Review and affirming its determination that Huawei poses a threat to the security and integrity of communications networks or the communications supply chain. [Chairman Ajit Pai](#) and [Commissioner Brendan Carr](#) each issued statements.
- On December 11, the FCC adopted an [Order](#) (FCC 20-176) in its Supply Chain proceeding that requires Eligible Telecommunications Carriers (ETCs) receiving federal universal service funding to remove and replace equipment and services identified as a risk to national security from their networks. The Order also establishes a reimbursement program to subsidize smaller carriers to remove and replace covered equipment, specifically those providers with two million or fewer customers, once Congress appropriates the estimated \$1.6 billion needed to reimburse eligible providers for such costs. Finally, the Order also establishes the procedures and criteria for publishing a list of covered communications equipment or services, and would adopt a reporting requirement for all providers of advanced communications services to annually report on covered equipment and services in their networks. Note: at the February 17, 2021 FCC Open Meeting, the FCC adopted a [Third Further Notice of Proposed Rulemaking](#) to revise its rules to conform to changes made by Congress in the Consolidated Appropriations Act (CAA).
- On September 4, the FCC's Wireline Competition Bureau (WCB) and the Office of Economics and Analytics (OEA) released, via [Public Notice](#) (DA 20-1037), results from the Supply Chain Security Information Collection, which was conducted in response to the FCC's 2019 Supply Chain Order. The FCC directed WCB and OEA to conduct information collection to identify carriers with Huawei and ZTE equipment and services in their networks. The Public Notice reports that 51 USF filers identified at least some covered equipment in their networks and estimated that over \$1.8 billion would be required to replace the equipment.
- On July 16, the FCC [adopted](#) (FCC 20-99) a [Declaratory Ruling and Second Further Notice of Proposed Rulemaking](#), integrating provisions of the Secure and Trusted Communications Networks Act of 2019 ("Secure Networks Act") into its existing supply chain rulemaking proceeding. The FCC adopted a prohibition on the use of universal service funds for equipment and services produced or provided by companies, such as Huawei and ZTE, designated as a national security threat, upholding the 2019 Supply Chain Order. The

prohibition covers the use of USF funds to purchase, obtain, maintain, improve, modify or otherwise support equipment or services provided by these companies. This prohibition takes effect with FY 2020 USF funding.

- On May 20, the FCC received comments on how the recently enacted Secure and Trusted Communications Networks Act of 2019 (Secure Networks Act), signed into law on March 12, 2020, applies to proposals under consideration in the Commission's Protecting Against National Security Threats to the Communications Supply Chain rulemaking and related proceedings. Reply comments were due on June 4, 2020.

## Schools and Libraries (E-Rate)

- On December 14, the WCB [extended waivers](#) (DA 20-1479) of the Rural Health Care (RHC) and E-Rate program gift rules through June 30, 2021. The FCC [previously waived](#) gift rules applicable to both programs to assist rural health care providers and schools and libraries affected by the pandemic by allowing them to accept free upgrades to connections, equipment, and other services. These waivers were set to expire on December 31, 2020.
- On November 30, the WCB released an [Order](#) adopting the E-Rate program's final eligible services list for funding year 2021.
- On November 13 and November 16, two parties submitted separate petitions for reconsideration of the WCB's October 14 Public Notice (DA 20-1218) providing guidance related to the new district-wide budgets for category two services, effective beginning in funding year 2021. The new rules make permanent the category two budget approach, set fixed five-year budget cycles, and reset the budgets beginning in 2021. The State E-Rate Coordinators' Alliance (SECA) seeks consideration of its January 2020 request that cost-allocation of Category Two services used by non-instructional facilities be eliminated. The petition by E-Rate Central, acting as the New York State E-rate Coordinator, seeks clarification that the October 14 order regarding part-time students also applies to full-time students.
- On November 4, the WCB released an [Order](#) (DA 20-1311) partially granting requests for review and waiver of the 2-in-5 Rule, which limits E-Rate applicant eligibility for internal connections discounts to two out of every five funding years. All Hallows Institute School, Laurel County School District, Rantoul City Schools District 137 and Youngstown City School District appealed USAC's rescission of internal connections disbursements in funding years 2010 and 2011 due to violations of the 2-in-5 Rule.
- On October 14, the WCB issued a [Public Notice](#) (DA 20-1218) providing guidance related to the new district-wide budgets for category two services, effective beginning in funding year 2021. The new rules make permanent the category two budget approach, set fixed five-year budget cycles, and reset the budgets beginning in 2021.
- On September 16, the WCB [directed the Universal Service Administrative Company \(USAC\)](#) to open a second funding year 2020 filing window, allowing E-Rate program participants to request additional funding to purchase more bandwidth needed to meet the unanticipated and increased demand for e-learning during the pandemic. E-Rate program participants will be permitted to request additional funding for this limited

purpose without having to undergo a new competitive bidding process. This window opened on September 21, 2020 with the publication of the Notice in the Federal Register and closed on October 16, 2020.

- On September 3, the WCB [extended waivers](#) of the Rural Health Care (RHC) and E-Rate program gift rules through December 31, 2020. The FCC [previously waived](#) gift rules applicable to both programs to assist rural health care providers and schools and libraries affected by the pandemic by allowing them to accept free upgrades to connections, equipment, and other services. The WCB also waived the [previously extended](#) RHC deadline for responding to information requests from USAC through December 31, 2020. These waivers were set to expire on September 30, 2020.
- On August 17, the WCB released an [Order](#) (FCC 20-113) granting Sioux Falls School District's (Sioux Falls) E-Rate Application for Review. Sioux Falls made an error on its funding year 2016 application by entering the wrong dollar amount in a field that it misinterpreted. The WCB noted that Sioux Falls made a correctable clerical error that USAC had several opportunities to fix before Sioux Falls resorted to filing its late-filed appeal with the FCC.
- On August 6, the WCB released an [Order](#) (DA 20-845) waiving the Form 471 deadline for those E-rate applicants that were affected by the pandemic and submitted their applications within 60 days of the close of the filing window.
- On July 21, the WCB issued a [Public Notice](#) (DA 20-767) seeking comment on the proposed eligible services list (ESL) for the E-Rate program for funding year 2021. Changes to the list include supply chain rules and budget calculations. Interested parties should file comments on or before August 20, 2020 and reply comments on or before September 4, 2020.
- On July 6, the WCB announced via [Public Notice](#) (DA 20-712) that that there is sufficient funding available to fully meet USAC's estimated demand for category one and category two requests for E-Rate supported services for funding year 2020. On May 1, USAC submitted a demand estimate for the E-Rate program for funding year 2020. It estimates the total demand for funding year 2020 will be \$2.91 billion, which includes estimated demand for category one services of \$1.74 billion and of \$1.17 billion for category two services.
- [On June 8](#), the WCB and the Office of the Managing Director (OMD) issued a [Public Notice](#) (DA 20-598) notifying E-Rate program participants that the FCC Form 470 will remain unchanged for funding year 2021. Form 470 is the form that E-Rate program applicants use to solicit bids from service providers for eligible services.

- On June 8, the WCB and the Office of the Managing Director (OMD) sent a [letter](#) (DA 20-597) to USAC providing guidance regarding its application of the FCC's E-Rate competitive bidding rules for funding year 2020. Specifically, the FCC reiterated instructions related to the treatment of applications for which the applicant mistakenly selected a drop-down menu option on its FCC Form 470 that did not fully reflect the services for which it intended to seek bids.
- On May 21, the FCC [announced](#) that it is partnering with the Institute of Museum and Library Services (IMLS) to promote use of \$50 million in CARES Act funding to help address the digital divide. The CARES Act allocated \$50 million in funding to IMLS, the primary source of federal funding for the nation's museums and libraries, to enable these institutions, as well as organizations serving Tribal communities, to respond to the pandemic. This includes work to expand network access, purchase Internet accessible devices, and provide technical support services to communities. States and territories may use the funds to expand broadband access and prioritize their efforts to high-need communities. \$15 million in funding will be awarded through grants to libraries and museums, as well as Tribes and organizations serving and representing Native Hawaiians. As part of the FCC's collaboration with IMLS, the FCC will publicize these CARES Act resources, help conduct outreach to libraries and organizations serving Tribal Communities, and provide information on broadband service providers that may be able to help. The agencies will also work together to ensure that libraries are aware that community use of Wi-Fi networks supported by the FCC's E-Rate program is [permitted](#) during library closures.
- On May 15, USAC reminded applicants of the requirements for certifying compliance with the Children's Internet Protection Act (CIPA) requirements and of the records USAC requests in audits to confirm compliance. Failure to comply with CIPA requirements, including public notice requirements for review of CIPA policies, is a common audit finding by USAC. USAC's guidance is available in its weekly [Schools and Libraries News Brief](#).
- On April 27, the WCB [granted](#) (DA 20-455) a Missouri school district's request for review, waiving its decision to rescind funding for and deny Park Hill's funding requests, for special construction of a self-provisioned network under the E-Rate program.
- On April 1, the WCB [granted](#) extensions of key deadlines for participants in the E-Rate program (DA 20-364). Specifically, the Bureau waived the service implementation deadline for special construction projects for all funding year 2019 applicants and extended the deadline for funding year 2020 applicants by one year (from June 30, 2020 to June 30, 2021). Under the FCC's rules, applicants normally must complete special construction projects and the network must be in use by June 30th of the applicable funding year. With schools and libraries closed for lengthy periods of time, the Bureau recognized that service providers may not be allowed on the premises and may experience significant challenges in meeting this construction deadline. The Bureau also (1) extended the service delivery

deadline for nonrecurring services for funding year 2019 by one year (from September 30, 2020 to September 30, 2021); (2) granted schools and libraries an automatic 60-day extension to file requests for review or waiver of decisions by USAC; (3) provided applicants and service providers an automatic 120-day extension of the invoice filing deadline; and (4) gave all program participants an additional 30-day extension to respond to certain information requests from USAC.

- On March 23, the Wireline Competition Bureau [reminded schools and libraries](#) that are closed due to the coronavirus COVID-19 outbreak that they are permitted to allow the general public to use E-Rate-supported Wi-Fi networks while on the school's campus or library property.
- On March 18, the Wireline Competition Bureau released an [order](#) (DA 20-290) waiving gift rules in the Rural Health Care and E-Rate programs to "enable service providers to offer, and RHC and E-Rate program participants to solicit and accept, improved broadband connections or equipment for telehealth or remote learning." The order is intended to allow schools, libraries and rural healthcare providers to meet anticipated short-term demands outside of the restrictions of the programs. By waiving the gift rules, applicants are free to accept – and service providers are free to offer – arrangements that would otherwise qualify as gifts. For example, a service provider might make significantly discounted service available, might waive data caps or might provide free (or loaner) equipment to meet additional demand, all of which might have disqualified the service provider from future E-Rate or RHC bidding. Under the order, the gift rules (47 C.F.R. sections 54.503(d)(1), 54.603(b), 54.611(b)(2), 54.622(h)(1), 54.623(a)(1)(vi), 54.627(c)(3)(ii)(H), and 54.627(d)(1)(ii)(F)) will be waived through September 30, 2020.
- On March 13, the Wireline Competition Bureau issued a [public notice](#) (DA 20-273) directing USAC to extend the deadline for E-Rate applicants to submit their Funding Year 2020 FCC Form 471 applications to April 29, 2020. Additionally, the public notice directed USAC to automatically provide all applicants with a 14-day extension for any Program Integrity Assurance (PIA) requests.
- On March 12, the Wireline Competition Bureau announced E-Rate and RHC programs' [inflation-based caps](#) for funding year 2020.
- On March 5, the Telecommunications Access Policy Division [addressed 12 requests](#) seeking review of decisions by USAC or a waiver of the FCC's rules concerning requests by E-Rate program funding recipients to change their vendors through an operational SPIN change. The Division granted five requests where the applicant demonstrated a "legitimate reason" to change service providers but denied seven requests that failed to justify the change.

# Rural Health Care/COVID-19 Telehealth Program

- On December 18, the FCC's WCB and Office of the Managing Director (OMD) issued a [Public Notice](#) (DA 20-1504) establishing a July 31, 2021 invoicing deadline for the COVID-19 Telehealth Program. Per the program's requirements, Awardees had until December 31, 2020 to purchase eligible connected devices and implement eligible services, and can receive up to six months of support for eligible services with monthly recurring charges. The Public Notice also provides post-program guidance for awardees.
- On December 14, the WCB [extended waivers](#) (DA 20-1479) of the Rural Health Care (RHC) and E-Rate program gift rules through June 30, 2021. The FCC [previously waived](#) gift rules applicable to both programs to assist rural health care providers and schools and libraries affected by the pandemic by allowing them to accept free upgrades to connections, equipment, and other services. These waivers were set to expire on December 31, 2020.
- On November 5, the WCB released a [Public Notice](#) (DA 20-1315) announcing the opening of the Connected Care Pilot Program ("Connected Care Program") 30-day application filing window, which opened on Friday, November 6 at 12:00 pm ET. The Public Notice provides additional details on the application window and guidance on the Pilot Program application process. The application window closed on Monday, December 7, 2020 at 11:59 pm ET.
- On October 19, the WCB released an [Order](#) (DA 20-1233) waiving section 54.619(a) to eliminate the cap on upfront payments and multi-year commitments for 2020 to ensure that all RHC Program requests for support can be funded in full. This waiver responds to the unique set of circumstances presented by the COVID-19 pandemic. The RHC program promotes telehealth by providing financial support to eligible health care providers for broadband and other communications services.
- On September 16, the WCB's Telecommunications Access Policy Division (TAPD) released an [Order](#) (DA 20-1092) waiving the RHC Program's Healthcare Connect Fund invoice filing deadline in to provide relief to applicants and service providers who received funding year 2019 funding commitment letters (FCLs) after or within 180 days of the invoice filing deadline. The Order directs USAC to set a new invoice filing deadline of the later of 180 days from the release date of this Order or 180 days from the issuance of an FCL.
- On September 15, the TAPD released an [Order](#) (DA 20-1085) denying a request filed by Windstream Communications, LLC (Windstream) and a joint request filed by ABS Telecom LLC and Gary Speck (collectively, ABS), seeking review of decisions made by USAC under

the RHC program. The TAPD also denied a request filed by Center-West Austin Street, Trinity Valley Community College, and The University of Texas Health Science Center at Tyler (on behalf of the East Texas Interactive Healthcare Network-Andrews Center (collectively, UTHSCT) seeking a waiver related to the same USAC decisions. In its decisions, USAC denied UTHSCT's requests due to the business relationship between UTHSCT's consultant (i.e., ABS) and selected service provider (i.e., Windstream) which they say created a conflict of interest and an unfair competitive bidding process.

- On September 3, the WCB [extended waivers](#) of the Rural Health Care (RHC) and E-Rate program gift rules through December 31, 2020. The FCC [previously waived](#) gift rules applicable to both programs to assist rural health care providers and schools and libraries affected by the pandemic by allowing them to accept free upgrades to connections, equipment, and other services. The WCB also waived the [previously extended](#) RHC deadline for responding to information requests from USAC through December 31, 2020. These waivers were set to expire on September 30, 2020.
- On September 3, the WCB released a [Public Notice](#) (DA 20-1019) with additional information concerning the Connected Care Pilot Program and guidance to assist prospective applicants in preparing to apply for the Pilot Program. The Connected Care Program will make available up to \$100 million dollars, over a three year period, to defray the costs of broadband connectivity and other connected care information services for eligible health care providers (HCP). The FCC has not yet set a deadline for Connected Care Program applications but issued the recent Public Notice to enable HCPs to begin preparing to apply once the application filing deadline is established.
- On June 30, the WCB [provided directions](#) (DA 20-697) to USAC on how to administer the RHC program, and in particular, how to treat services and data when identifying rural and urban rates for the Telecommunications Program.
- On [June 30](#), the WCB [directed](#) (DA 20-688) USAC to carry over up to \$197.98 million in unused funds from prior funding years to the extent necessary to satisfy funding year 2020 demand for the Rural Health Care Program. In 2018, the FCC adopted rules to adjust the Rural Health Care Program funding cap annually for inflation and allow unused funds from previous years to be carried forward into new funding years. FCC Chairman Pai highlighted this funding flexibility as critical to supporting COVID-19 telehealth measures.
- On July 8, the FCC's Wireline Competition Bureau (WCB) [approved 25 additional funding applications](#) for the COVID-19 Telehealth Program. Under the latest funding round, \$10.73 million will go to health care providers across 19 states and Guam. Since the start of Program funding on [April 16](#), the FCC approved 539 applications in 47 states plus

Washington, D.C. and Guam for a total of \$200 million in funding — the amount of money appropriated by Congress for the Program in the [CARES Act](#). There are no immediate plans to provide additional funding for the Program.

- On June 25, the WCB announced via [Public Notice](#) (DA 20-667) that it will no longer accept new applications for funding from the COVID-19 Telehealth Program, noting that demand for funding exceeds available Program funds, based on applications received. This announcement comes after the [June 24 approval](#) of 77 additional applications and \$29.41 million in funding. To date, the FCC has approved 444 funding applications in 46 states plus Washington, D.C. for a total of \$157.64 million in funding. The program had a maximum of \$200 million in spending authorized.
- On June 12, the WCB's Telecommunications Access Policy Division (TAPD) released an [Order](#) (DA 20-623) granting an emergency petition filed by GCI Communication Corp. (GCI) and Southcentral Foundation (SCF). The petition sought to waive certain provisions of the RHC Program's rules to allow SCF's Takotna Village Health Clinic to continue to receive Telecom Program support at a new, temporary site. The original site was damaged by fire on March 30, 2020.
- On May 22, the WCB issued a [Public Notice](#) (DA 20-549) clarifying that the new certification regarding third party sales commissions, adopted by the FCC in the [RHC Promoting Telehealth Report and Order](#), applies only to invoices for services competitively bid for funding year 2020 and future funding years. RHC Promoting Telehealth Report and Order prohibits RHC Program applicants and service providers from hiring consultants or other third parties that "have an ownership interest, sales commission arrangement, or other financial stake in the vendor chosen to provide the requested services."
- On May 22, the WCB [waived](#) (DA 20-551) the funding year 2019 RHC Universal Service Support application filing deadline for seven health care providers in Oklahoma for a waiver of the RHC Universal Service Support Mechanism's rules. Due to federally-declared weather-related disasters that struck Oklahoma during May 2019, the providers were unable to submit 11 Healthcare Connect Fund funding requests by the application deadline of May 31, 2019.
- On [May 1](#), the WCB announced via [Public Notice](#) (DA 20-473) that it will no longer accept PDF form applications by email for the Program. Instead, all applications for the Program must be submitted through the FCC's online application portal available at <https://www.fcc.gov/covid-19-telehealthprogram>. The WCB stated that accepting applications only through the portal will enable it to expedite Program funding decisions.

- On April 17, the WCB and Office of Managing Director [provided guidance](#) (DA 20-425) for funding recipients on how to invoice the FCC for COVID-19 Telehealth Program-funded services and/or connected devices. Under the COVID-19 Telehealth Program, disbursements are issued directly to the participating health care providers, rather than to the service providers or vendors that have provided the eligible services and/or connected devices to participating health care providers. Participating health care providers therefore need to invoice the FCC to be reimbursed for the eligible services/connected devices they purchased under the program. Participating health care providers will need to submit a COVID-19 Telehealth Program Request for Reimbursement Form (found [here](#)) to the U.S. Department of the Treasury's Bureau of the Fiscal Service Invoice Processing Platform (IPP) (located [here](#)). The guidance provides important details on how to fill out a reimbursement request as well as how to register and use the IPP.
- On April 8, the WCB [released guidance](#) on the COVID-19 Telehealth applications process. The barriers to funding are relatively low. There are three steps interested providers should take immediately to prepare to apply for the COVID-19 Telehealth Program: (1) obtain an eligibility determination from USAC; (2) obtain an FCC Registration Number (FRN); and (3) register with the System for Award Management. The WCB recommends that potential applicants undertake these steps now to apply for the early stages of funding.
- On April 2, the FCC issued a [Report and Order](#) (FCC-20-44) establishing the [COVID-19 Telehealth Program](#). The COVID-19 Telehealth Program is providing \$200 million in funding, appropriated by Congress as part of the CARES Act, to help health care providers provide connected care services to patients at their homes or mobile locations.
- On March 26, the Wireline Competition Bureau [waived](#) a number of deadlines relating to the Rural Health Care program. The Bureau extended until June 30, 2020 the filing deadline for FY 2020 RHC requests, automatically extended responses to USAC requests for information from 14 days to 28 days and extended by an additional 60 days any appeal and waiver deadlines for all deadlines occurring between March 11, 2020 to September 30, 2020. In addition, in the Healthcare Connect Fund, the Bureau extended a service provider's invoice deadlines by 180 days and extended by one year the service delivery date for FY 2019 requests. Finally, for both programs, the Bureau permitted applicants to extend evergreen contracts into FY 2020 in two instances: (1) where the initial contract expired in FY 2019 (waiving the requirement that a contract include an option to extend) and (2) where the evergreen period expired in 2019. In both instances, a one year extension of the contract is permitted without the requirement to conduct competitive bidding.
- On March 12, the Telecommunications Access Policy Division denied a request for waiver from Finger Lakes Community Health on behalf of NY Community Broadband Partnership of the three-year limitation on a multi-year funding commitment for a FY15 funding commitment in the RHC Program's HCF Program.

- On March 12, the Wireline Competition Bureau announced E-Rate and RHC programs' [inflation-based caps](#) for funding year 2020.
- On March 4, the Wireline Competition Bureau sought comment on an Application for Review filed by ENA of a Bureau order upholding USAC's denial of funding in a FY 2016 Telecom Program application. Comments were due April 3, with reply comments due April 20.
- On March 4, the Wireline Competition Bureau sought comment on an Application for Review filed by Tanana Chiefs Conference of a Bureau order upholding USAC's denial of funding of three requests for funding submitted after the FY 2016 Telecom Program application deadline. Comments were due April 3, with reply comments due April 20.

## Lifeline

- On December 23, the WCB released an [Order](#) (DA 20-1529) initiating data collection for the Lifeline program. The Order directs a group of mobile service providers to respond to a questionnaire about customer usage and cost. A copy of the Order was sent to each provider obligated to respond.
- On November 18, the FCC's Wireline Competition Bureau (WCB) announced via [Public Notice](#) (DA 20-1372) the launch of the National Lifeline Eligibility Verifier in California, effective December 18, 2020.
- On November 16, the WCB released an [Order](#) (DA 20-1359) denying a petition for stay of the Lifeline program's minimum service standard (MSS) for mobile broadband usage. On November 9, 2020, the National Lifeline Association (NaLA) and Assist Wireless, LLC, filed a petition for an administrative stay of the FCC's rule updating the Lifeline MSS, which will take effect on December 1, 2020. The WCB also released an [Order](#) (DA 20-1358) partially granting another NaLA petition, waiving the rule that would establish a MSS greater than 4.5 GB/month, beginning on December 1, 2020, finding that "this moderate 50% increase - equal to the 50% increase permitted by the FCC's partial waiver of the rule last year - balances the program's goals of accessibility and affordability." The WCB denied the portion of NaLA's petition seeking to halt the phase-down of the support amount for Lifeline service that does not meet the broadband minimum standard, which will decrease from \$7.25/month to \$5.25/month on December 1, 2020.
- On November 16, the WCB released an [Order](#) (DA 20-1357) extending [prior waivers](#) of certain Lifeline program rules for subscribers residing in rural areas on Tribal lands through February 28, 2021, in light of the ongoing pandemic. The waivers apply to rules governing recertification, reverification, general de-enrollment, subscriber usage, income documentation, and documentation requirements.
- On October 19, the FCC's WCB announced via [Public Notice](#) (DA 20-1237) the launch of the National Lifeline Eligibility Verifier (National Verifier) in Oregon and Texas, effective November 18, 2020.
- On August 31, the WCB issued a [Public Notice](#) (DA 20-995) seeking comment on a petition filed by the National Lifeline Association, requesting waiver of the scheduled December 1, 2020 increase in the Lifeline mobile broadband minimum service standard (MSS) and decrease in the Lifeline support amount for voice service. Comments were due September 14 and reply comments were due September 21.

- On August 17, the WCB released an [Order](#) (DA 20-891) extending prior waivers of certain Lifeline program rules for subscribers residing in rural areas on Tribal lands through November 30, 2020, in light of the ongoing pandemic. The waivers apply to rules governing recertification, reverification, general de-enrollment, subscriber usage, income documentation, and documentation requirements.
- On July 31, the WCB issued a [Public Notice](#) (DA 20-820) announcing the updated minimum service standards for speed and data capacity for Lifeline-supported service. Beginning December 1, 2020, the Lifeline minimum service standard for fixed broadband speed will be 25 Mbps downstream and 3 Mbps upstream. A [Petition for Waiver](#) of these standards is pending before the Commission.
- On July 20, the WCB announced via [Public Notice](#) (DA 20-762) the counties in which conditional forbearance from the obligation to offer Lifeline-supported voice service applies. In the 2016 Lifeline Order, the FCC granted forbearance from High Cost/Lifeline eligible telecommunications carrier's (ETC) obligation to offer and advertise Lifeline voice service in counties where certain competitive conditions are met. The Appendix lists the counties where the Commission's conditional forbearance from High Cost/ Lifeline ETCs' Lifeline voice obligation will apply effective on September 18, 2020.
- On July 13, the WCB [granted](#) (DA 20-732) the request of Buffalo-Lake Erie Wireless Systems Co., LLC d/b/a Blue Wireless (Blue Wireless) to relinquish its ETC designation in New York, effective July 30, 2020.
- On June 10, the WCB issued a [Public Notice](#) (DA 20-610) seeking comment on a petition for declaratory ruling filed by the National Lifeline Association (NaLA). NaLA requests that the FCC revoke the state of Texas's National Lifeline Accountability Database opt-out certification approval and other relief. Interested parties had to file comments on or before July 10, 2020.
- [On June 1](#), the FCC's Wireline Competition Bureau (WCB) released an [Order](#) (DA 20-577) aimed at easing the [Lifeline program](#) application and enrollment process for consumers who reside in rural areas on Tribal lands and qualify for Lifeline benefits. Specifically, the WCB FCC's Wireline issued a temporary waiver to allow Lifeline carriers to begin providing Lifeline service to consumers in rural Tribal areas even if those consumers have not yet submitted certain documentation to complete their application. The FCC noted that consumers living in rural areas on Tribal lands already face difficulties in providing this documentation, and the pandemic has added to these hardships. Under the June 1 waiver, until August 31, 2020, a Lifeline eligible telecommunications carrier (ETC) may choose to immediately begin providing Lifeline service to a consumer living in a rural Tribal area who applies for Lifeline but is unable to provide the necessary documentation to resolve a failed automated eligibility check at the time of application. The consumer will have 45

days from the time of application to submit the documentation. If the applicant then does provide the necessary documentation within 45 days and is determined to qualify for Lifeline service, the Lifeline provider can go back and claim reimbursement for the discounted service provided during the 45-day period. The Lifeline provider may not apply for reimbursement until the applicant provides proof of eligibility. In addition, in the Order, WCB also extended its recent waivers of the Lifeline program's recertification, reverification, general de-enrollment, usage requirements, and three-month documentation requirements for income verification through August 31, 2020. Those waivers were set to expire at the end of June.

- [On June 1](#), FCC Chairman Ajit Pai and National Association of Regulatory Utility Commissioners (NARUC) President Brandon Presley issued a [joint letter](#) asking state officials to distribute [educational materials](#) regarding the federal Lifeline program to low-income consumers. The letter notes that Americans newly-unemployed or otherwise facing financial hardship as a result of the COVID-19 pandemic may not be aware that they are eligible for Lifeline service. The letter urges state officials to circulate the Lifeline education materials as widely as possible, especially to state agencies that administer Medicaid, SNAP, and unemployment benefits. The letter also highlights features of the federal Lifeline program, including [recent steps](#) taken to ease the application and enrollment process.
- On May 22, the WCB issued a [Public Notice](#) (DA 20-550) announcing the launch of the National Lifeline Eligibility Verifier for all new enrollments in Puerto Rico. Starting on June 23, 2020, eligible telecommunications carriers (ETCs) in Puerto Rico will be required to use the National Verifier's eligibility determination process for all consumers applying for Lifeline service.
- On May 22, the WCB [granted](#) a deadline waiver for North American Local, LLC (DA 20-548), giving the company 60 additional days to file its request for review of the FCC's prior finding that North American was in violation of the Lifeline program's rules.
- On [April 29](#), the WCB temporarily [waived](#) (DA 20-462) until June 30 the requirement that persons seeking to qualify for the Lifeline program based on financial hardship provide at least three consecutive months on income documentation. The waiver recognizes that newly-unemployed individuals may not be able to provide such documentation because their unemployment (and related decrease in income) began so recently. Under the waiver, the FCC will allow individuals to submit an "official document," such as a notice of unemployment benefits, to demonstrate their income-based eligibility for Lifeline. The waiver directs USAC to develop and issue guidance on the types of acceptable official documentation. WCB also extended its [previous waivers](#) of the Lifeline recertification, reverification, usage, and general de-enrollment requirements until June 30th, finding the circumstances necessitating the earlier waivers during the pandemic have not changed.

- On March 30, the WCB issued an [Order](#) (DA 20-354) waiving certain rules requiring involuntary de-enrollment of Lifeline subscribers, including for non-usage of the service, until May 29, 2020. The Bureau also extended the [previous waivers](#) of the annual recertification and National Verifier reverification process de-enrollments to May 29 so that all of the waivers will expire at the same time.
- On March 17, the Wireline Competition Bureau issued an [order](#) (DA 20-285) waiving the Lifeline program's recertification and reverification requirements (sections 54.405(e)(4) and 54.410(f) of the Commission's rules) until May 16, 2020. This FCC order follows several state orders and decisions prohibiting or discouraging public utilities from disconnecting consumer's communications services. The FCC order also postpones the March 26, 2020 effective date of the requirement under section 54.406(a) of the Commission's rules that eligible telecommunications carriers must require their enrollment representatives to register with USAC to May 25, 2020. However, the order does not waive the de-enrollment requirement for non-usage of the Lifeline service, setting up a conflict with at least one state public utility commission non-disconnection order.

# High Cost/ Connect America Fund (CAF)/ Rural Digital Opportunity Fund (RDOF)

- On December 21, the WCB released an [Order](#) (DA 20-1512) waiving certain performance testing requirements for recipients of Alternative Connect America Cost Model I (A-CAM I) support, Rural Broadband Experiment support, and Alaska Plan support.
- On December 18, the FCC's WCB, Wireless Telecommunications Bureau, and the Office of Engineering and Technology released an [Order](#) (DA 20-1510) clarifying aspects of the FCC's Performance Measures Reconsideration Order to provide greater certainty to carriers.
- On December 18, the WCB announced via [Public Notice](#) (DA 20-1508) that it is ready to authorize Connect America Fund (CAF) Phase II support for Slic Network Solutions (Slic) pursuant to the Slic in conjunction with the New York Broadband Program. The deadline for Slic to submit letters of credit and legal counsel's opinion letters was Friday, January 8, 2021.
- On December 16, the WCB released an [Order](#) (DA 20-1488) granting a waiver of sections 54.901 and 54.903 of the FCC's rules to allow rate-of-return carriers to include their actual rates for consumer broadband-only lines for the first three months of 2019 on their FCC Form 509, rather than imputing revenues based on the maximum rate that would have been assessable. The WCB has twice previously granted a waiver of this rule.
- On December 7, the Rural Broadband Auctions Task Force, WCB, and OEA announced via [Public Notice](#) (DA 20-1422) the winning bidders in the Rural Digital Opportunity Fund Phase I auction (Auction 904) which concluded on November 25, 2020. There were 180 winning bidders in the auction, with the 10-year support amount totaling \$9.23 billion and covering 5,220,833 locations in 49 states and one territory. Winning bidders were required to submit a post-auction application for support (FCC Form 683) no later than January 29, 2021. Winning bidders that wish to assign some or all of their winning bids to related entities had to do so by December 22, 2020.
- On December 3, the WCB released an [Order](#) (DA 20-1432) approving the National Exchange Carrier Association, Inc.'s (NECA) annual average schedule company high-cost loop support (HCLS) formula modifications.
- On November 25, Commissioner O'Rielly sent a [letter](#) to Wyoming Governor Mark Gordon expressing concern that the state was using CARES Act funding to overbuild existing networks. The letter notes that several local fiber and cable-based broadband providers recently alerted O'Rielly that their high-speed broadband networks are likely to be overbuilt by competitors receiving grants distributed through the Wyoming Business

Council's Connect Wyoming program. O'Rielly asked Governor Gordon to release coverage maps for awarded projects, enable existing providers to challenge awards that are duplicative and to halt funding for any overbuilding projects.

- On November 16, the WCB released an [Order](#) (DA 20-2353) designating Siyeh Communications as an eligible telecommunications carrier in the Montana Browning Exchange.
- On November 16, the WCB announced via [Public Notice](#) (DA 20-1352) that all eligible price cap carriers that currently receive CAF Phase II support will receive an additional, seventh year of such support.
- On November 16, the WCB announced via [Public Notice](#) (DA 20-1351) the results of the Stage 2 competitive process of the Connect USVI Fund. According to the Public Notice, there is one winning applicant in the U.S. Virgin Islands that is eligible for high-cost support, with the 10-year support amount totaling \$84.5 million covering 46,039 total locations throughout the territory. Applicants had to submit additional information by December 1, 2020.
- On November 12, the WCB, Rural Broadband Auctions Task Force and the Office of Economics and Analytics, authorized via [Public Notice](#) (DA 20-1339) Auction 903 support for the winning bids. The six winning bids were identified in [Attachment A](#).
- On November 2, the WCB released an [Order](#) (DA 20-1300) dismissing as moot Blackburn Technologies, LLC's petition for reconsideration of the order denying waiver of the eligibility rule for participation in the Uniendo a Puerto Rico Fund Stage 2 competitive process, and separate petitions for waiver of certain Stage 2 application rules from Aeronet Wireless Broadband LLC and Critical Hub Networks, Inc.
- On November 2, the WCB announced via [Public Notice](#) (DA 20-1299) the results of the Stage 2 competitive process of the Uniendo a Puerto Rico Fund. There were two winning applicants in Puerto Rico that are eligible for high-cost support, with the 10-year support amount totaling \$127.1 million covering 1,222,508 total locations in all 78 municipios. Applicants were required to submit additional information by November 17, 2020.
- On October 15, the U.S. Court of Appeals for the D.C. Circuit heard oral argument in a challenge to the FCC's Uniendo a Puerto Rico Fund. Petitioner Tri-County Telephone Company argued that the FCC lacked statutory authority to create the fund, arguing that the fund is intended to provide disaster relief and that disaster relief is not a permitted purpose for the Universal Service Fund under Section 254 of the Communications Act. *Tri-County Telephone Co. v. FCC*, D.C. Cir. No. 20-1003.

- On October 21, the FCC’s WCB and Office of Economics and Analytics (OEA), in coordination with the Rural Broadband Auctions Task Force , announced via [Public Notice](#) (DA 20-1242) the availability of a file listing all of the Census Block Groups to be included in Rural Digital Opportunity Fund (RDOF) Phase I Auction (Auction 904). The file is listed in the Education section of the [Auction 904 website](#).
- On October 19, the WCB, OEA and Rural Broadband Auctions Task Force announced via [Public Notice](#) (DA 20-1234) that they are ready to authorize CAF Phase II auction (Auction 903) support for the winning bids. The Bureaus released an [Attachment](#) with 10-year support amounts listed for each long-form applicant. Applicants were required to submit acceptable irrevocable stand-by letter(s) of credit and Bankruptcy Code opinion letter(s) for each state where they have winning bids that are ready to be authorized by 6:00 p.m. on Monday, November 2, 2020.
- On October 16, the WCB issued a [Public Notice](#) (DA 20-1231) authorizing high-cost mobile support funding for Choice Communications, LLC and Vitelcom Cellular, Inc. (collectively Viya). Both are eligible facilities-based mobile providers participating in Stage 2 of the Connect USVI Fund. In the PR-USVI Stage 2 Order, the FCC made available \$258.8 million in Stage 2 high cost support over a three-year period to mobile providers in Puerto Rico.
- On October 15, the US Court of Appeals for the D.C. Circuit heard a challenge to the FCC’s orders establishing The Uniendo a Puerto Rico Fund and the Connect USVI Fund. These orders allocated additional USF money to carriers in Puerto Rico and the U.S. Virgin Islands to rebuild after Hurricanes Irma and Maria in 2017. The challenger, Tri-County Telephone Association, a high cost carrier in Wyoming and Montana, argued that the new Fund exceeded the FCC’s authority because the USF could not be used for “disaster relief” purposes. At the argument, the Court appeared skeptical of Tri-County’s appeal. A decision could be issued by the end of the year.
- On October 13, the WCB, OEA and Rural Broadband Auctions Task Force released an [Order](#) (DA 20-1194) addressing petitions for waiver of Auction 904 short-form application requirements.
- On October 8, the WCB and OEA released an [Order](#) (DA 20-117) denying a Western Iowa Wireless, Inc. (WIAW) a petition for reconsideration of the denial of its challenge to the eligibility for Auction 904 of certain Iowa and Nebraska census blocks that WIAW alleges it serves.
- On October 8, the WCB, OEA and Rural Broadband Auctions Task Force announced via [Public Notice](#) (DA 20-1173) the release of the final list of census blocks and a map of areas that are eligible for Auction 904. The list of eligible census blocks, the list of census block groups, and the map can be found on the [Auction 904 website](#).

- On October 6, the WCB issued a [Public Notice](#) (DA 20-1168) seeking comment on two TDS Telecommunications LLC (TDS) waivers of Section 54.316 of the FCC's rules. In the TDS California Waiver Petition, TDS seeks waiver of the first interim deployment milestone for its A-CAM related service obligations in California until July 1, 2021. In the TDS Waiver Petition, TDS seeks waiver of the FCC's rules to allow it to count towards its buildout milestones locations to which TDS alleges it previously deployed broadband but failed to report to USAC.
- On September 14, the WCB issued a [Public Notice](#) (DA 20-1076) seeking comment on a petition filed by Hawaiian Telecom requesting waiver of sections 54.310 and 54.316 of the FCC's rules. The waiver would enable Hawaiian Telecom to demonstrate compliance with its Connect America Fund Phase II buildout obligations for the year ending December 31, 2019, and subsequent years, for 523 locations destroyed or isolated by Kilauea Volcano eruptions.
- On September 8, USAC released [version 3.0 of the CAF Map](#), an interactive online map that shows the impact of the Connect America Fund (CAF) program on broadband expansion across rural America. The CAF Map is a key source of information about CAF-supported broadband deployment for consumers, policymakers, researchers and others.
- On August 27, the WCB released an [Order](#) (DA 20-973) awarding Slic Network Solutions \$2.4 million in CAF Phase II support. The award is part of the \$3.6 million that was previously awarded to Mohawk Networks LLC (Mohawk) in conjunction with Phase 3 of New York State's New NY Broadband Program. Mohawk eventually withdrew its application because it "could not complete its Phase 3 project due to unforeseen problems."
- On August 26, the WCB released an [Order](#) (DA 20-959) denying three petitions for waiver of the study area boundary freeze in North Dakota. The WCB denied Reservation Telephone Cooperative and Qwest Corporation d/b/a CenturyLink QC's joint request to expand RTC's Alexander exchange and two petitions from West River Telecommunications Cooperative's to expand its Elgin and St. Anthony's exchanges.
- On August 24, the WCB released an [Order](#) (DA 20-929) denying a request by Blackburn Technologies II, LLC (Blackburn) to waive the requirement that only facilities-based providers offering voice and broadband service to end users are eligible for support from stage 2 of the Uniendo a Puerto Rico Fund and Connect USVI Fund. The Order notes that Blackburn "wishes to use Stage 2 support to further expand its wholesale network, rather than to serve Puerto Rican consumers that need broadband connections."

- On August 14, the WCB issued a [Public Notice](#) (DA 20-884) providing an updated report showing the legacy support amounts associated with competitive eligible telecommunications carriers offering service to fixed locations. AT&T Corp. was inadvertently omitted from the previous version of the report.
- On August 6, the WCB issued a [Public Notice](#) (DA 20-844) announcing that the application window for the Stage 2 competitive process of the Uniendo a Puerto Rico Fund and the Connect USVI Fund opened on August 6 and closed on September 3. In the [PR-USVI Stage 2 Order](#), the FCC allocated budgets of \$504.7 million in Stage 2 fixed support to the Commonwealth of Puerto Rico and \$186.5 million in Stage 2 fixed support to the U.S. Virgin Islands over a 10-year period.
- Also on August 6, the WCB released an [Order](#) (DA 20-838) addressing issues raised on reconsideration by parties related to Stage 2 and a [Public Notice](#) (DA 20-839) with an updated list of the eligible minimum geographic areas and associated annual reserve prices, and location counts.
- On August 5, the WCB released an [Order](#) (DA 20-837) denying two petitions requesting waiver of the March 1, 2019 deadline to upload and certify geocoded location information data with USAC through the High Cost Universal Broadband portal.
- On July 17, the WCB, Rural Broadband Auctions Task Force (RABTF) and the Office of Economics and Analytics (OEA) [authorized](#) (DA 20-747) CAF Phase II (Auction 903) support for 483 additional winning bids. A list of the latest set of winning bids is available [here](#).
- On July 17, the WCB released an [Order](#) (DA 20-748) granting a limited waiver of the performance testing requirements for CAF Phase II carriers. Specifically, the Bureau will allow those carriers that are electing a seventh year of support to extend pre-testing through the third and fourth quarters of 2020, with a waiver of certain sampling requirements.
- On June 30, the WCB adopted an [Order](#) (DA 20-694) granting a limited waiver of the filing deadline for rate-of-return carriers receiving support pursuant to Alternative Connect America Model (A-CAM) I and II and the Alaska Plan to file their line count data. Specifically, the WCB allowed carriers until July 31, 2020 to file.
- On June 30, the WCB, RABTF and OEA adopted an [Order](#) (DA 20-684) denying a petition for waiver filed by Johnson Telephone Company of the rule that prohibits entities that defaulted on all of their Auction 903 bids from participating in the Rural Digital Opportunity Fund (Auction 904).

- On June 26, the WCB adopted an [Order](#) (DA 20-674) granting a limited waiver of the July 1, 2020 annual certification requirement for competitive ETCs who receive legacy High Cost support. The FCC will allow these carriers to file FCC Form 481 once USAC amends the filing portal for these carriers.
- On [June 26](#), the WCB, RBATF and OEA, [resolved petitions](#) (DA 20-677) filed by the Connect America Fund (“CAF”) Phase II Coalition and Skybeam, LLC (“Skybeam”) seeking waiver of the letter of credit rules for the CAF Phase II auction (“Auction 903”) and Rural Broadband Experiments. Petitioners requested that the FCC allow them to comply with the recently adopted letter of credit rules for the Rural Digital Opportunity Fund instead. The FCC found good cause to grant a limited waiver to all Auction 903 and Rural Broadband Experiments funding recipients until December 31, 2021, because of the increased consumer demand for robust broadband services and severe financial hardship on the companies imposed by the COVID-19 pandemic.
- On June 25, the WCB, RBATF and OEA announced via [Public Notice](#) (DA 20-665) an updated list of census blocks and a map of areas that have been deemed initially eligible for the Rural Digital Opportunity Fund Phase I auction (Auction 904). The list of census blocks, census block groups, and the map can be found on the Auction 904 website at: <https://www.fcc.gov/auction/904>. Also on June 25, the FCC [granted](#) (DA 20-664) a request by Charter Communications, Inc. that the FCC remove 2,127 census blocks from the eligible areas list for the auction because Charter has deployed or will soon deploy service to these blocks under a settlement agreement with the State of New York.
- On June 15, the WCB issued a [Public Notice](#) (DA 20-629) seeking comment on a petition requesting a waiver of the requirement to reduce support on a per location basis (pro rata reduction) in situations where the total number of qualifying locations within a certain state is within 35% of the carrier’s CAF Phase II Auction defined deployment obligation for that state (35% threshold). The petition was filed by the Connect America Fund Phase II Coalition (Phase II Coalition), a group of 14 carriers authorized to receive support through the CAF Phase II Auction program. Comments were due on or before June 29, 2020, with replies due July 7, 2020.
- On June 15, the WCB issued a [Public Notice](#) (DA 20-625) authorizing \$237.9 million in high-cost mobile support funding for certain eligible facilities-based mobile providers that elected to participate in Stage 2 of the Uniendo a Puerto Rico Fund and Connect USVI Fund. This includes the first Universal Service funding targeted specifically for 5G deployment. In the [PR-USVI Stage 2 Order](#), the FCC made available \$258.8 million in Stage 2 high-cost support over a three-year period to mobile providers in Puerto Rico and the U.S. Virgin Islands to restore, harden, and expand 4G LTE and 5G technology for voice and broadband service in the aftermath of Hurricane Irma and Hurricane Maria.

- On June 12, the WCB released an [Order](#) (DA 20-618) partially granting Redwire Inc.'s petition for waiver of the letter of credit requirement for the CAF Phase II auction (Auction 903), limited to the first twelve months of its support term. Redwire is a corporation wholly owned by the Otoe-Missouria Tribe of Oklahoma. The Order also granted Fond Du Lac Communications, Inc.'s (Fond Du Lac) petition for waiver of the letter of credit deadline for Auction 903.2. Fond du Lac is owned by the Fond du Lac Band of Lake Superior Chippewa. On June 4, the WCB, Rural Broadband Auctions Task Force, the Office of Economics and Analytics announced via Public Notice (DA 20-585) that they are ready to authorize CAF Phase II auction (Auction 903) support for the Auction 903 winning bids.
- On June 11, the FCC issued a [Public Notice](#) (FCC 20-77) establishing procedures for Phase I of the Rural Digital Opportunity Fund auction (auction or Auction 904). The auction will award up to \$16 billion over 10 years to service providers that commit to offer voice and broadband services to fixed locations in eligible unserved high-cost census blocks. Applications were accepted July 1 to July 15. The bidding in the auction began on October 29, 2020.
- [On June 8](#), the WCB released an [Order](#) (DA 20-601) granting a temporary waiver of the requirement for privately held rate-of-return (RoR) eligible telecommunications carriers (ETCs) that receive loans from the Rural Utilities Service (RUS) to file electronic copies of their annual RUS Operating Report for Telecommunications Borrowers filings by July 1. The RUS is a unit within the United States Department of Agriculture (USDA). In the USF/ICC Transformation Order, the FCC required all privately held rate-of-return ETCs to provide a full and complete annual report on their financial condition and operations. The Order notes that it is "not in the public interest to require these carriers to submit a copy of a report that has not yet been required by or reported to the USDA." These carriers must submit a copy of this report to USAC at the time it is due to USDA. The FCC still required all ETCs, including those who are RUS loan recipients, to complete the remainder of their Form 481 filing and submit it to USAC by the July 1 deadline.
- On May 19, the FCC released its [tentative agenda for its monthly Open Meeting](#) on June 9, 2020. Among other items, the FCC anticipates adopting final auction procedures for Phase I of the Rural Digital Opportunity Fund ("RDOF"), which will provide up to \$16 billion over 10 years to support broadband deployment in rural and other hard-to-serve areas. Rejecting calls for delay during the ongoing COVID-19 pandemic, the FCC would commence the auction on October 29, 2020.
- On May 14, the WCB in conjunction with the Rural Broadband Auctions Task Force and the Office of Economics and Analytics, [authorized](#) (DA 20-514) Connect America Fund Phase II (Auction 903) support for the latest set of winning bids. This includes support for the [New York winning bidder](#) (DA 20-516), Mid-Hudson Data Corporation. A list of the other winning bidders is available [here](#). This follows the authorization of [21 winning bids](#) on [April 14](#).

- On May 5, the Rural Broadband Auctions Task Force (RBATF) hosted a webinar on the Rural Digital Opportunity Fund Phase I auction (Auction 904). This webinar provided an overview of the adopted policy framework for Auction 904, the proposed procedures for applications and bidding in the auction, and tips for service providers that are interested in applying to participate in the auction. Additionally, the webinar focused on opportunities for small businesses to participate and win funding in Auction 904. A recording is available [here](#).
- On April 27, the WCB released an [Order](#) (DA 20-454) designating a new eligible telecommunications carrier (ETC) in CAF-eligible areas within Minnesota. The carrier is also eligible to receive Lifeline support in areas ineligible for Phase II auction funding authorization.
- On April 24, the Commission adopted a [Notice of Proposed Rulemaking](#) proposing to create 5G Fund for Rural America. The new fund would offer up to \$9 billion over ten years to support the deployment of wireless broadband and voice services in rural and other hard-to-serve areas. The 5G Fund would operate as the wireless counterpart to the wireline-focused Rural Digital Opportunity Fund (“RDOF”) approved earlier this year and replace Phase II of the Mobility Fund, which the FCC mothballed in 2018 after questions arose about reported coverage data. Comments on the proposal were due on June 25, with reply comments due July 27.
- On April 10, the WCB released an [Order](#) (DA 20-400) granting a limited waiver of the requirements for filing speed and latency testing results for recipients of CAF Phase II model-based support. This waiver will allow CAF Phase II carriers to use their existing performance testing systems.
- On April 9, the WCB issued a [Public Notice](#) (DA 20-395) approving Alaska Communications Systems’ 10 Year CAF Phase II Deployment Plan.
- On April 3, the WCB released an [Order](#) (DA 20-377) waiving certain network performance pre-testing requirements for recipients of CAF Phase II model-based support due to the COVID-19 pandemic.
- On March 31, the WCB released an [Order](#) (DA 20-358) temporarily waiving rules requiring a competitive ETC to spend all high-cost support in one particular service area. This allows a competitive ETC the flexibility to reallocate its use of legacy high-cost support amongst the service areas of any affiliated ETC. This flexibility will be afforded until June 30.
- On March 20, the Wireline Competition Bureau, in coordination with the Rural Broadband Auctions Task Force and the Office of Economics and Analytics, [provided guidance](#) to applicants for and recipients of USF support allocated through a competitive bidding mechanism regarding the eligibility of non-U.S. banks to issue letters of credit. Under the

guidance, a non-U.S. bank that has a branch office located in New York City, New York and will accept a letter of credit draw certificate from the Universal Service Administrative Company (USAC) via overnight courier, in addition to in-person presentations, will be considered qualified to issue letters of credit if the bank also meets the Commission's other non-U.S. bank eligibility requirements.

- On March 17, the Wireline Competition Bureau, in coordination with The Rural Broadband Auctions Task Force and the Office of Economics and Analytics, [announced the release](#) of the preliminary list of census blocks and a map of areas that have been deemed initially eligible for the Rural Digital Opportunity Fund Phase I auction.
- On March 17, the Wireline Competition Bureau issued a Public Notice seeking comment on a request for expedited waiver filed by Skybeam, LLC requesting that the Commission waive the letter of credit rules for rural broadband experiments support recipients and instead allow Skybeam to comply with the recently adopted letter of credit provisions of section 54.804(c).
- On March 16, a CAF II Auction supply was [authorized](#) for a tribal provider in Idaho.
- On March 13, The Wireline Competition Bureau issued a Public Notice seeking comment on a Request for Waiver and Petition for Rulemaking filed by the Connect America Fund Phase II Coalition.
- On March 2, the FCC [proposed bidding procedures](#) for this year's \$16 billion rural broadband auction.
- On March 2, two [petitions were granted](#) for waiver of the letter of credit commitment letter deadline for the Connect America Fund Phase II auction (Auction 903).

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