INFRASTRUCTURE FUNDING AND WHAT'S NEW IN WASHINGTON

Adam Jorde, Director of Government Affairs

ajorde@ntca.org
701-303-0041

NTCA THE RURAL BROADBAND ASSOCIATION

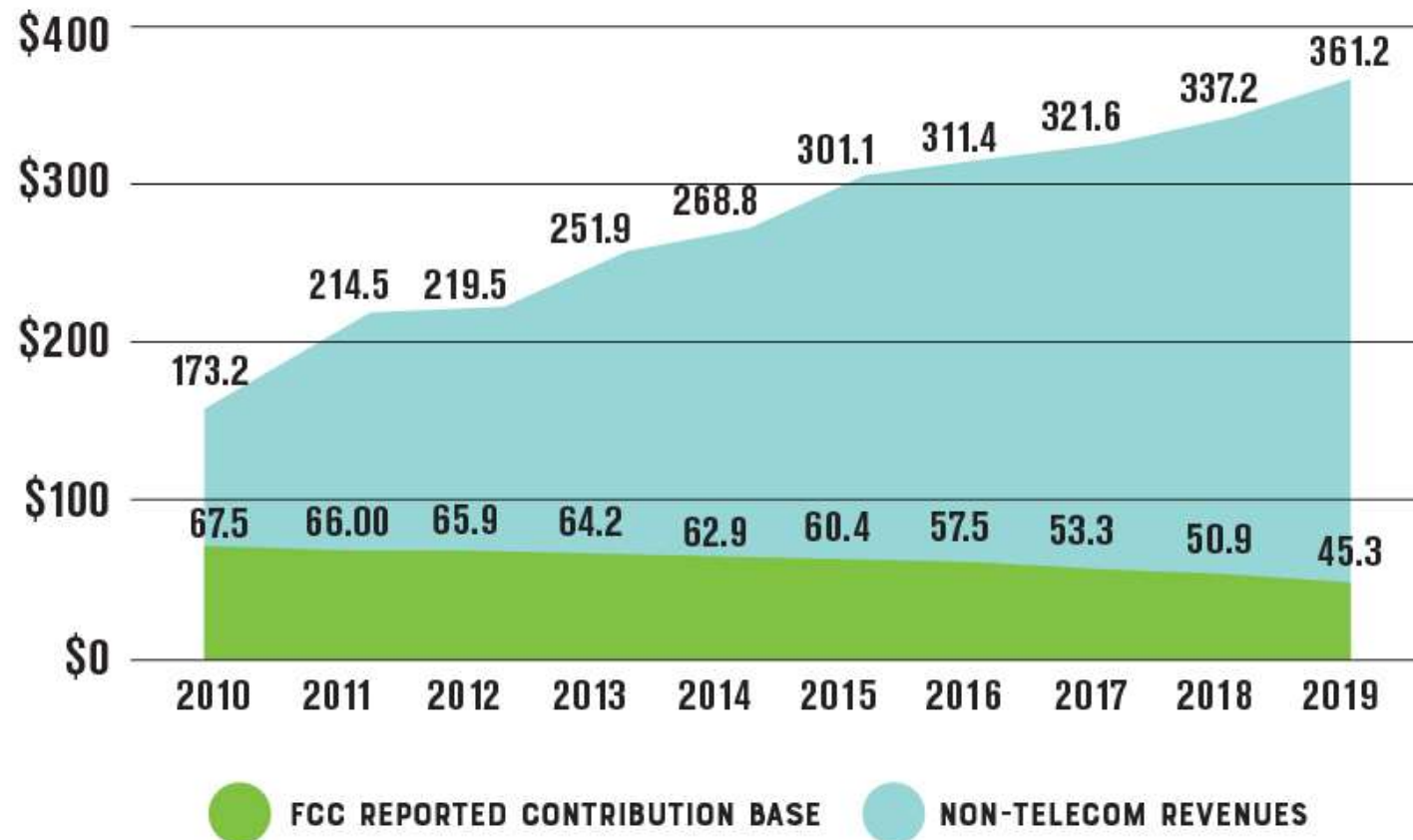# Rural Digital Opportunity Fund

Robocalls

Small Provider (Fewer than 100K) extension from call-Authentication rules

- FCC data shows that 'small' providers are responsible for originating large amounts of unwanted calls – _yet these are not rural carriers_

- FCC proposal to solve this problem in overinclusive and would sweep in innocent actors.

Call authentication/blocking/labeling – things to look out for

- 'Out-of-band' call authentication standard (that would allow TDM carriers to sign calls) is progressing – but real battles are ahead in terms of implementation.

- Call 'labelling' is an unregulated wild west – there are no protections in place if rural carriers' calls are labeled as suspicious

- IP interconnection remains a concern for rural carriers seeking to authenticate calls – service quality, transports, costs and transaction costs are all in play here.

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Revenue Trends Over the Last Decade (billions)

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Year	FCC Reported Contribution Base	Non-Telecom Revenues (total)
2010	67.5	173.2
2011	66.00	214.5
2012	65.9	219.5
2013	64.2	251.9
2014	62.9	268.8
2015	60.4	301.1
2016	57.5	311.4
2017	53.3	321.6
2018	50.9	337.2
2019	45.3	361.2

USForward

Read the New Report

● FCC REPORTED CONTRIBUTION BASE   ● NON-TELECOM REVENUES

Source: Contribution base from 2020 USF Monitoring Report Table 1.5; Non-Telecom Revenues from 2020 USF Monitoring Report Table 1.2.

ReConnect

USDA Rural Development

Committed to the future of rural communities.

New Federal Broadband Funding

- **Consolidated Aid, Relief and Economic Security (CARES) Act, March 2020**
  - Coronavirus Relief Fund ($150 billion to State governments, subject to U.S. Treasury Guidance)
  - COVID-19 Telehealth Program, Round 1 ($200 million to the FCC)

- **Consolidated Appropriations Act, Dec. 2020**
  - Emergency Broadband Benefit Program ($3.2 billion to the FCC)
  - COVID-19 Telehealth Program, Round 2 ($249.95 million to the FCC)
  - Funding for Secure and Trusted Communications Network Reimbursement Program ($1.9 billion to the FCC)
  - Tribal Broadband Connectivity Program ($1 billion to NTIA)
  - Broadband Infrastructure Program ($288 million to NTIA)
  - Connecting Minority Communities Pilot Program ($285 million)
  - Funding for ongoing USDA programs:
    - ReConnect Pilot Program ($635 million)
    - Rural Telecommunications Loan Program ($690 million)
    - Broadband Access Loan and Loan Guarantee Program ($11.8 million)
    - Community Connect Grant Program ($35 million)
    - Distance Learning and Telemedicine Grants Program ($60 million)

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New Federal Broadband Funding Continued

- **American Rescue Plan Act, March 2021**
  - Coronavirus State and Local Fiscal Recovery Funds ($350 billion to State and Local Governments, subject to U.S. Treasury guidance)
  - Capital Projects Fund ($10 billion to State Governments, subject to U.S. Treasury guidance)
  - Emergency Connectivity Fund ($7.17 billion to the FCC)
  - Homeowner Assistance Fund ($9.61 billion to Treasury)

  *Allowable use for broadband expansion under each program listed above

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Even More Broadband Funding Incoming

NTCA Priorities for Infrastructure Broadband Deployment

Deploy Future-Proof Networks

Direct Funding to Unserved Areas First

Coordinate with and Leverage Existing Broadband Programs

Both Commercials and Cooperatives Should Be Included

Address Supply Chain Shortages

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BIF Package Passes
$64 Billion for Broadband

- **$42.45 billion** grant program through NTIA

- **$14.2 billion** for affordability program (renames EBB)

- **$2.75 billion** for state-based adoption and digital literacy grants

- **$2 billion** to USDA's ReConnect program

- **$2 billion** for NTIA Tribal Broadband Connectivity Program
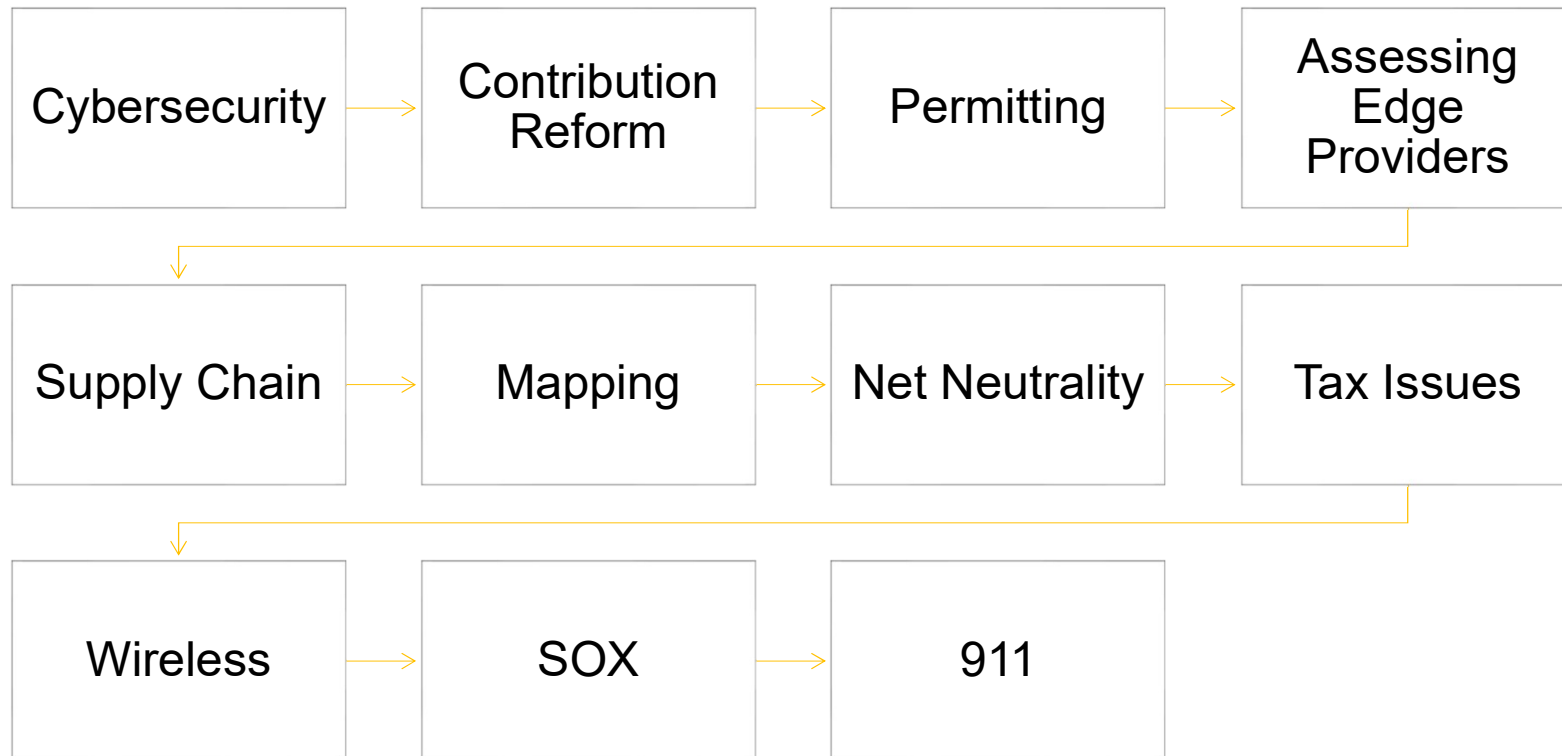
- **$1 billion** for NTIA middle-mile grant program

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NTIA Broadband Equity, Access, and Deployment (BEAD) program

- Grants funneled through state programs to providers promising to serve **80%** **without 25/3 Mbps** (then 100/20)

- No preference on type of broadband provider

- Providers must deploy at least **100/20 Mbps** within 4 years

- Each state gets at least **$100 million**, rest based on unserved

- Funding can't go out until new FCC maps are finished

- **Priority** broadband project language is key

- Coordination, vetting, challenge process policies included

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Affordable Connectivity Program

- Replacement of EBB is now a **permanent** program

- **$14.2 billion** to be used until expensed with

- Subsidy will provide **$30 per month** to low-income individuals

- Subsidy will provide **$75 per month** to tribal individuals

- Directs FCC to adopt rules on consumer protections, consumer broadband labels, and digital discrimination

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Other Issues

Cybersecurity	Contribution Reform	Permitting	Assessing Edge Providers
Supply Chain	Mapping	Net Neutrality	Tax Issues
Wireless	SOX	911	

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NTCA 2021

TELECOM EXECUTIVE FORUM

NOVEMBER 14–17

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THE MEETING FOR TELCO EXECUTIVES