



FCC REPORT

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FCC Establishes New Broadband Data Collection

On August 6th, the FCC released a [Report and Order and Second Further Notice of Proposed Rulemaking](#) that initiates the “Digital Opportunity Data Collection,” a new data collection that is distinct from the existing Form 477 and that will gather geospatial data on broadband service availability. Under the Digital Opportunity Data Collection, all fixed broadband providers will be required to submit granular maps of areas where they have broadband-capable networks and make service available. This new data collection is aimed at advancing the FCC’s universal service goals by producing broadband deployment maps that will enable the Commission to precisely target universal service funding where broadband service is lacking.

Report and Order

All fixed broadband service providers will be required to submit broadband coverage maps (polygons) depicting the areas where they actually have broadband-capable networks and make service available to end-user locations. The filings must reflect the maximum download and upload speeds actually made available in each area, the technology used to provide the service, and a differentiation between residential-only, business-only, or residential-and-business broadband services. A separate polygon will be required for each combination of download speed, upload speed, and technology. Separate polygons will also be required where different maximum speeds are offered to residential and business customers, even if the offerings use the same technology. Where offered speeds vary by location or distance from network facilities, separate polygons will be required to reflect the differing maximum offered speeds.

For purposes of the data collection, service is considered to be available in an area if the reporting provider has a current broadband connection or could provide a connection within ten business days of a customer request, without an extraordinary commitment of resources, and without construction fees exceeding an ordinary service activation fee. The provider must be able to establish a connection within this timeframe to every end-user location contained in the reported coverage polygon.

The Order directs the FCC’s Office of Economics and Analytics (OEA) to oversee USAC in developing a new online portal and filing processes for fixed providers to submit their broadband coverage polygons. The OEA will carry out the implementation details including: (1) publishing instructions for filing data and issuing an order that designates the specifications for the broadband coverage polygons; (2) modifying as needed the list of fixed technologies that should be reported; and (3) defining the

Geographic Information System (GIS)-compatible file format(s) in which providers will be required to submit their polygons.

The new data collection will become effective after an order is released designating the specifications for the coverage polygons, and after the OEA issues a public notice announcing the availability of the new collection platform and the reporting deadlines. Fixed broadband providers will be required to file initial reports within six months of the public notice announcing availability of the data collection platform. Providers must also submit updates within six months of completing new broadband deployments, making changes to existing offerings, or acquiring or selling network facilities that affect their previously submitted data. In addition, providers must revise their filings any time they discover a significant error in the original data that they submit. Filers must also certify on or before June 30th of each calendar year that as of December 31st of the previous year all of their service availability data continues to be accurate.

The Order also directs OEA to work with USAC to create an online portal for local, state, and Tribal governmental entities and members of the public to review and dispute the broadband coverage polygons filed by fixed providers. This crowdsourcing will identify locations where a member of the public or a governmental entity indicates that the fixed provider is not able to provision broadband service despite the location being within a coverage polygon. USAC will make public the information about the location that is the subject of the dispute. This includes the street address and/or latitude and longitude coordinates provided by the complainant, the name of the service provider(s), and any relevant details concerning the basis for challenging the reported broadband coverage. OEA will work with USAC to establish an appropriate method for making the crowdsourced data publicly available.

USAC is directed to integrate the geolocation data submitted in the High Cost Universal Broadband (HUBB) portal with the broadband coverage polygons submitted for the Digital Opportunity Data Collection. This will aid in the verification of the broadband coverage data, as well as benefit the FCC's understanding of how high-cost support is used in conjunction with overall broadband deployment. USAC is also directed to submit a plan to OEA for independently verifying the fixed broadband coverage polygons filed by providers.

For now, the Commission will continue to require fixed providers to submit broadband deployment data on the Form 477 in census block format, in addition to submitting coverage polygons for the new data collection.

Further Notice of Proposed Rulemaking

In the FNPRM, the FCC asks for comment on a variety of steps it could take to improve the quality of fixed broadband availability data. First, it asks what technical standards and other methods can be adopted that will ensure accuracy and consistency in the submitted coverage maps. Second, it seeks comment on what steps the FCC and USAC can take to make the best use of crowdsourcing data. At a high level, the FCC proposes that USAC track coverage disputes, follow up with providers to ascertain whether there is agreement that there is a problem with the data, and ensure that providers file corrected data in a timely fashion. Third, it asks for comment on how USAC can collect and incorporate location information into the Digital Opportunity Data Collection. The Commission believes that broadband coverage polygons submitted by providers could be overlaid onto nationwide location data in order to precisely identify the homes and small businesses that have and do not have access to broadband. To accomplish this, the FNPRM proposes to create and integrate a broadband-serviceable location database into the new data collection.

The FNPRM also asks for comment on incorporating mobile wireless voice and broadband coverage into the Digital Opportunity Data Collection. In particular, it asks what additional steps the Commission should take to obtain more accurate and reliable mobile broadband deployment data.

Finally, the FNPRM seeks comment on sunseting the Form 477 broadband deployment data collection. Over the long term, the Commission expects that the Digital Opportunity Data Collection will largely displace the Form 477 for collecting granular deployment data. Therefore, the FNPRM asks for comment on discontinuing the broadband deployment data collection on the Form 477 at some point after the new data collection has been established.

Comments on the FNPRM are due 30 days after publication in the Federal Register; reply comments are due 45 days after publication.

FCC Seeks Comment on Rural Digital Opportunity Fund

On August 2nd, the FCC released a [Notice of Proposed Rulemaking](#) (NPRM) that seeks comment on a new Rural Digital Opportunity Fund (RDOF), which would target high-cost support in price cap areas that lack access to 25/3 Mbps broadband service. The FCC proposes to assign funding in two phases using a reverse auction. Phase I would target wholly unserved census blocks based on current Form 477 data. Phase II would target unserved locations in partially unserved census blocks based on a new, more granular Digital Opportunity Data Collection, along with areas not won in Phase I.

RDOF Budget and Term of Support

The NPRM proposes a budget for the RDOF of \$20.4 billion. Of this amount, \$16 billion would be made available for Phase I, while the remaining \$4.4 billion, as well as any unawarded funds from Phase I, would be made available for Phase II. Both phases would have 10-year support terms.

Auction Mechanism

The FCC proposes to use a multi-round, descending clock auction to identify the providers that will be eligible to receive RDOF support. Bids for different areas in three specified performance tiers and two latency levels would be compared to each other based on area reserve prices, and performance tier and latency weights. The use of weights would account for the different characteristics of service offerings that bidders propose to offer when ranking bids and reflect the Commission's preference for higher speeds, higher usage allowances, and low latency. The NPRM seeks comment on whether census block groups are an appropriate minimum geographic unit for bidding.

Deployment Obligations

The FCC proposes that authorized support recipients would have the flexibility to use any fixed broadband technology to meet the required performance obligations and service milestones. RDOF support recipients would be required to offer standalone voice service and offer voice and broadband services at rates that are reasonably comparable to those offered in urban areas. RDOF support recipients would be subject to the same framework for measuring speed and latency performance that is applicable to all other fixed providers that receive high-cost support.

The NPRM proposes that RDOF support recipients commercially offer voice and broadband service to 40 percent of the requisite number of locations in a state by the end of the third year of funding, and an additional 20 percent in subsequent years, with 100 percent by the sixth year. It also proposes that RDOF support recipients be required to annually file location and technology data in the HUBB portal and certify when they have met their service milestones. In addition, the FCC proposes to apply the same non-compliance measures that are applicable to all high-cost ETCs.

Furthermore, the Commission seeks comment on whether it should adopt additional performance targets to provide better incentives for RDOF support recipients to sign up customers. For example, it seeks comment on a proposal to adopt subscribership milestones.

Areas Eligible for the Auction

The NPRM proposes to make the following areas eligible for Phase I of the RDOF auction: (1) census blocks for which price cap carriers currently receive CAF Phase II model-based support; (2) census blocks that were eligible for, but did not receive, winning bids in the CAF Phase II auction; (3) any census blocks where a CAF Phase II auction winning bidder has defaulted; (4) the census blocks excluded from the offers of model-based support and the CAF Phase II auction because they were served with voice and broadband of at least 10/1 Mbps; (5) census blocks served by both price cap carriers and rate-of-return carriers to the extent that census block is in the price cap carrier's territory; (6) any census blocks that are currently unserved outside of price cap carriers where there is no certified high-cost ETC providing service (e.g. Hawaiian Homelands), and any other populated areas unserved by either a rate-of-return or price cap carrier; and (7) any census blocks identified by rate-of-return carriers as ones where they do not expect to extend broadband.

For all census blocks on the initial list of eligible areas, the FCC proposes to exclude those blocks where a terrestrial provider offers voice and 25/3 Mbps service, as well as blocks where a winning bidder in the CAF Phase II auction is obligated to deploy broadband service. However, it proposes to include in the RDOF Phase I auction census blocks in which a price cap carrier receiving model-based support is the only terrestrial provider reporting the deployment of 25/3 Mbps service, but has not deployed such service to all locations in the block. The Commission proposes to conduct a challenge process for the RDOF in which parties would have the opportunity to identify areas on the preliminary list of eligible census blocks that have subsequently become served.

Reserve Prices

The NPRM proposes to use the Connect America Cost Model (CAM) to establish the reserve prices for high-cost and extremely high-cost areas based on the annual cost per location, less a benchmark to account for end-user revenue. Specifically, the reserve price would be equal to the difference between the high-cost threshold of \$52.50 (\$39.38 in Tribal areas) and the CAM-estimated cost of deployment, up to a \$200 cap (\$212.52 in Tribal areas).

Application Process

The NPRM proposes to adopt generally the same two-step application process that was used for the CAF Phase II auction. Applicants for the RDOF auction would provide basic information in a short-form application that enables the FCC to assess whether the applicant is eligible to participate in the auction. Then, winning bidders would be

required to submit a long-form application showing that they are legally, technically and financially qualified to receive support. The NPRM also proposes to adopt the same letter of credit rules and ETC designation procedures for the RDOF that were used for the CAF Phase II auction.

Comments are due 30 days following publication in the Federal Register; reply comments are due 60 days following publication.

Lifeline Minimum Service Standards Increase, Support for Voice-Only Service Decreases Effective December 1st

Minimum Lifeline Service Standards Effective Dec. 1, 2019

Fixed Broadband:

- 20/3 Mbps
- 1,024 GB/month data usage

Mobile broadband:

- 8.75 GB/month data usage
- 3G speed

Mobile voice:

- 1,000 min./month

Voice-Only Support Decrease:

- From \$9.25 to \$7.25

On July 25th, the FCC's Wireline Competition Bureau released a [Public Notice](#) announcing the updated minimum service standards for speed and usage allowances for Lifeline-supported services. The updated standards will become effective December 1st.

Fixed Broadband. The new Lifeline minimum service standard for fixed broadband speed will be 20 Mbps downstream and 3 Mbps upstream. There is an exception to the fixed broadband minimum speed standard when the Lifeline provider does not offer any generally available residential fixed broadband packages that meet the minimum service standard at a subscriber's residence. In such situations, the provider may receive Lifeline support for the highest performing generally available residential fixed broadband service offering of at least 4/1 Mbps. In addition, the new minimum standard for fixed broadband data usage will be 1,024 GB per month.

Mobile Broadband. The new Lifeline minimum service standard for mobile broadband data usage will be 8.75 GB per month. The minimum speed standard remains 3G technology.

Mobile Voice. The Lifeline minimum service standard for mobile voice remains unchanged at 1,000 minutes per month.

Support for Voice-Only Service. Effective December 1st, Lifeline support for voice-only service will decline to \$7.25 per month. Therefore, in order for Lifeline providers to receive the full \$9.25 reimbursement from the program for a voice-data bundled service offering, the broadband component of the bundle must meet the broadband minimum service standards (both speed and data usage allowance). If the broadband component does not meet the minimum service standards, but the voice component meets the minimum service standard, then the voice-only support amount of \$7.25 will be provided.

FCC Adopts Rules to Improve Access to 911 From Multi-Line Phone Systems

On August 2nd, the FCC released a [Report and Order](#) that adopts rules to help ensure that people who call 911 from multi-line telephone systems—which commonly serve hotels, office buildings, and campuses—can reach 911 and be quickly located by first responders. The new rules will also improve emergency response for people who call 911 from other calling platforms.

The Report and Order implements two laws enacted in 2018 that are designed to strengthen emergency calling. First, the Order acts to implement Kari's Law, which requires multi-line telephone systems to enable users to dial 911 directly, without having to dial a prefix (such as "9") to reach an outside line. Kari's Law also requires multi-line telephone systems to provide notification, such as to a front desk or security office, when a 911 call is made in order to facilitate building entry by first responders. The new rules provide clarity and specificity to these statutory requirements so that companies can effectively meet their legal obligations.

Second, RAY BAUM'S Act requires the Commission to consider adopting rules to ensure that "dispatchable location" information, such as the street address, floor level, and room number of a 911 caller, is conveyed with 911 calls, regardless of the technological platform used, so that first responders can be quickly dispatched to the caller's location. The new rules apply dispatchable location requirements to multi-line telephone systems, fixed telephone service, interconnected VoIP services, Telecommunications Relay Services, and mobile texting services. *In particular, fixed telephony providers are required to deliver automated dispatchable location with 911 calls beginning one year after the effective date of this rule.* To the extent that a fixed telephony provider faces limitations in providing automated dispatchable location due to factors beyond the provider's control, relief may be requested under the Commission's waiver process.

The new rules will generally become effective 30 days after publication in the Federal Register, with the exception of those containing information collection requirements that require approval from the Office of Management and Budget (OMB).

FCC Adopts Rules to Ban Malicious Spoofing of Text Messages and Foreign Calls

On August 5th, the FCC released a [Report and Order](#) banning malicious caller ID spoofing of text messages and foreign calls. The new rules close a loophole in the law that prevented the FCC from pursuing scammers sending spoofed text messages and international fraudsters making spoofed calls to Americans.

The Truth in Caller ID Act of 2009 prohibits anyone from causing a caller ID service to knowingly transmit misleading or inaccurate caller ID information ("spoofing") with the intent to defraud, cause harm, or wrongly obtain anything of value. However, until passage of the RAY BAUM'S Act in 2018, the Truth in Caller ID Act did not extend to text messages or international calls. The Report and Order amends the FCC's Truth in Caller ID rules to implement the amendments to the law adopted as part of the RAY BAUM's Act. Specifically, it amends the Truth in Caller ID rules to encompass text messages, calls originating from outside the United States to recipients within the United States, and additional types of voice calls, such as one-way VoIP calls. The amended rules will allow the FCC to bring enforcement actions against bad actors who spoof text messages and who seek out victims in the United States from overseas.

The new rules become effective six months after the August 5th release of the Report and Order, or 30 days after publication in the Federal Register, whichever is later.

FCC Grants Price Cap Carriers Forbearance from UNE Analog Loop and Avoided-Cost Resale Obligations

On August 2nd, the FCC released a [Memorandum Opinion and Order](#) that grants price cap ILECs forbearance from two regulatory obligations. The first requires price cap ILECs to unbundle two-wire and four-wire analog voice-grade copper loops, including the attached TDM equipment (UNE Analog Loops). The second requires price cap ILECs to offer for resale at wholesale rates telecommunications services that the ILEC offers at retail to non-carrier customers (Avoided-Cost Resale). In light of the increasing migration of customers away from legacy TDM voice services, the Commission finds that the public interest is no longer served by maintaining these legacy regulatory obligations.

To enable competitive LECs and their customers to make alternative voice service arrangements, the FCC conditioned its grant of forbearance from the UNE Analog Loop and Avoided-Cost Resale obligations for price cap ILECs on a two-part transition. First, competitive LECs are permitted to order new UNE Analog Loops and Avoided-Cost Resale services for an additional six months after the effective date of the Order. Second, there is a three-year grandfathering period for all competitive LEC customers. During this three-year transition timeframe all UNE Analog Loops must be transitioned to alternative arrangements. In addition, any Avoided-Cost Resale services that a competitive LEC purchases during the transition must be made available by the ILEC at regulated rates. The three-year transition period began on August 2nd, the effective date of the Order.

FCC Reporting Requirements

Aug 12

MOSS ADAMS REGULATORY WEBCAST

8:30 am PT - 9:30 am MT - 10:30 am CT – 11:30 am ET

As part of Moss Adams' monthly regulatory compliance webcast series, we will discuss upcoming FCC, NECA, and USAC regulatory compliance reports that are due. Moss Adams will provide an overview of monthly reporting requirements followed by an opportunity for questions and answers. In addition, Moss Adams staff will discuss key FCC issues that have an immediate business impact.

Sep 1

FCC Form 477: Local Telephone Competition and Broadband Reporting

FCC Form 477 is due twice a year, on March 1 (reporting data as of December 31 of the previous year) and September 1 (reporting data as of June 30 of the current year). Four types of entities must file: (1) An entity that is a facilities-based provider of broadband connections to end users must complete and file the applicable portions of Form 477 if it has one or more broadband connections in service to an end user on June 30, 2019; (2) each incumbent or competitive LEC must complete and file the applicable portions of Form 477 if it has one or more end-user customers of local exchange telephone service on June 30, 2019; (3) each provider of interconnected VoIP service must complete and file the applicable

portions of the form for each state in which it provides interconnected VoIP service to one or more end-user customers on June 30, 2019; and (4) each facilities-based provider of mobile telephony service must complete and file the applicable portions of Form 477 if its network serves one or more mobile telephony subscribers on June 30, 2019. Filers are required to submit their filings online via the FCC's [Form 477 filing interface](#).

Sep 8**Lifeline Claims Reporting**

Service providers that file certified reimbursement claims through USAC's E-File system by the eighth day of the month can receive payment for the claim at the end of the same month. Service providers that do not file by the eighth day of the month will receive payment the following month. All service providers are required to use the Lifeline Claims System (LCS) online reimbursement process. Service providers can access the LCS online through the [National Lifeline Accountability Database \(NLAD\)](#). Detailed instructions are available by clicking on the "[Instructions](#)" link in the upper-right corner of the LCS interface.