



Telecommunications Priorities in the 118th Congress

Broadband plays a crucial role in our daily lives and is essential for economic development, education, healthcare, and social interaction. In recent years, historic amounts of funding have been allocated to support programs aimed at solving the digital divide, especially in rural America. From the American Rescue Plan Act (ARPA) to the Infrastructure Investment and Jobs Act (IIJA), billions of dollars are available for broadband deployment, affordability, and digital equity efforts. Working in collaboration with broadband service providers, NATaT is committed to bringing accessible, affordable, reliable, and secure high-speed internet to both unserved and underserved areas within its member states.

Ensure the Long-Term Stability of the Universal Service Fund

NATaT Supports Efforts to Reform the Universal Service Contributions System

Universal Service is the principle that all Americans should have access to quality telecommunications and information services at “just, reasonable, and affordable rates,” regardless of where they live or their economic status. The Federal Communications Commission (FCC) has established several programs to fulfill the goals of Universal Service: Connect America Fund (formerly known as High-Cost Support) for rural areas; Lifeline (for low-income consumers); Schools and Libraries (E-Rate); and Rural Health Care. These programs are funded by the Universal Service Fund (USF) through contribution fees assessed on the revenues of providers of telecommunications services, such as service over traditional circuit-switched or mobile lines.

These contributions are declining dramatically as customers migrate from traditional telecommunications services to broadband and other services that contribute at lower rates or not at all. NATaT supports the Reforming Broadband Connectivity Act (H.R. 1812/S. 975), which would direct the FCC to initiate a rulemaking process to reform the USF contributions system in a fair and equitable manner for consumers and businesses to ensure the long-term viability of the Universal Service programs.

NATaT Opposes Efforts to Preempt Local Authority

NATaT Supports Reversal of Franchise Fee Order

NATaT opposes any federal efforts that further limit the authority of local franchising authorities (LFAs) to regulate and assess fees on cable operators and other providers of wireline video and broadband

services. In August 2019, the FCC adopted new rules that permit cable operators to reduce their franchise fee payments by the fair market value of their non-cash “in-kind” contributions. The rule change meant that any non-monetary benefit negotiated by an LFA in a franchise agreement could be charged back against franchise fees, including institutional networks, complimentary cable service to government buildings, electronic program guides, and the value of PEG channel capacity itself. Congress did not intend these in-kind obligations to be franchise fees and neither the plain language nor the legislative history of the Cable Act supports the Commission’s adoption of the new rules.

NATaT supports the Protecting Community Television Act (H.R. 907/S. 340), which would reverse the FCC’s 2019 order requiring that cable-related, in-kind contributions be subjected to the statutory five percent franchise fee cap.