

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
)	
Connect America Fund)	WC Docket No. 10-90
)	
ETC Annual Reports and Certifications)	WC Docket No. 14-58
)	

ORDER

Adopted: June 8, 2020

Released: June 8, 2020

By the Chief, Telecommunications Access Policy Division, Wireline Competition Bureau:

1. In this Order, the Wireline Competition Bureau provides clarity on an upcoming reporting obligation by, on its own motion, temporarily waiving the requirement that privately held rate-of-return eligible telecommunications carriers (ETCs) that receive loans from the Rural Utilities Service (RUS) file electronic copies of their annual RUS Operating Report for Telecommunications Borrowers with their FCC Form 481 filings by July 1, 2020.

2. In the *USF/ICC Transformation Order*, the Commission required that all recipients of federal high-cost universal service support (high-cost support) provide annual reports pursuant to section 54.313 of the Commission’s rules.¹ High-cost support recipients must submit this information annually by July 1st.² The Universal Service Administrative Company (USAC) is responsible for collecting these annual reports, which are filed as part of FCC Form 481.³

3. The Commission also required all privately held rate-of-return ETCs to provide a full and complete annual report on their financial condition and operations.⁴ This information is also filed as part of FCC Form 481. Because ETCs “that receive loans from the RUS are already required to provide RUS with annual financial reports . . .” the Commission allowed “these carriers to satisfy their financial reporting obligation by simply providing electronic copies of their annual RUS reports to the Commission . . .”⁵

4. The RUS is a unit within the United States Department of Agriculture (USDA) that “provides financing for the construction, maintenance, improvement, and expansion of telephone service

¹ 47 CFR § 54.313; *See also Connect America Fund et al.*, WC Docket Nos. 10-90, et al., Report and Order and Further Notice of Proposed Rulemaking, 26 FCC Rcd 17663 (2011) (*USF/ICC Transformation Order*) (adopting section 54.313 of the Commission’s rules). *See also Connect America Fund; ETC Annual Reports and Certifications*, Report and Order, 32 FCC Rcd 5944 (2017) (*ETC Reporting Streamlining Order*) (streamlining and reorganizing section 54.313(a) of the Commission’s rules).

² 47 CFR § 54.313(j).

³ *See Connect America Fund; ETC Annual Reports and Certifications*, Report and Order, 32 FCC Rcd 5944, 5948, para. 15 (2017) (instructing USAC to serve as the single source of data collection for the FCC Form 481); *see also* USAC, *File FCC Form 481*, <https://www.usac.org/high-cost/annual-requirements/file-fcc-form-481/> (last visited Jun. 8, 2020).

⁴ *USF/ICC Transformation Order*, 26 FCC Rcd at 17857, paras. 598- 599.

⁵ *Id.* at para. 599.

and broadband in rural areas.”⁶ ETCs that receive loans from the RUS program must file year-end operating and financial reports with USDA by March 31 of the following year.⁷ To satisfy this element of their annual financial reporting obligations, privately held rate-of-return ETCs who utilize RUS loan programs file a copy of this report with the Commission with their Form 481 filing.⁸

5. On May 4, 2020, USDA issued a notice of actions taken to help rural residents, businesses, and communities impacted by the COVID-19 pandemic.⁹ Among these actions, USDA waived all financial reporting requirements for RUS loan recipients through June 30, 2020.¹⁰

6. Accordingly, we now grant a temporary waiver of the requirement for privately held rate-of-return ETCs who utilize RUS loans to provide copies of their RUS Operating Report for Telecommunications Borrowers as part of their annual Form 481 filing. We find 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.¹¹ We still require 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, 2020 deadline.

7. Accordingly, IT IS ORDERED that, pursuant to the authority contained in sections 0.91, 0.291, and 1.3 of the Commission's rules, 47 CFR §§ 0.91, 0.291, 1.3, the financial reporting deadline of July 1, 2020, codified at 47 CFR § 54.313(f)(2)(i), IS WAIVED to the extent described herein.

8. IT IS FURTHER ORDERED that, pursuant to the authority contained in sections 0.91, 0.291, and 1.102 of the Commission's rules, 47 CFR §§ 0.91, 0.291, 1.102, this Order SHALL BE EFFECTIVE upon release.

FEDERAL COMMUNICATIONS COMMISSION

Ryan Palmer
Chief
Telecommunications Access Policy Division
Wireline Competition Bureau

⁶ USDA, *Telecommunications Infrastructure Loans & Loan Guarantees*, <https://www.rd.usda.gov/programs-services/telecommunications-infrastructure-loans-loan-guarantees> (last visited Jun. 8, 2020).

⁷ USDA, *Data Collection System (DCS) Information Page*, <https://www.rd.usda.gov/uep-data-collection-system-information-page> (last visited Jun. 8, 2020).

⁸ 47 CFR § 54.313(f)(2).

⁹ USDA, *USDA Rural Development COVID-19 Resources*, (2020), https://www.rd.usda.gov/sites/default/files/USDA_RD_SA_COVID19_ProgramImmediateActions.pdf (USDA Release).

¹⁰ *Id.* at 5.

¹¹ ETCs still must be prepared to produce the underlying financial documentation to the Commission or USAC upon request. 47 CFR § 54.320(b).