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**Contact: Derrick Owens
202-548-0202, derrick@w-t-a.org**

**WTA Supports FCC Decision to Waive
Budget Control Mechanism for the Upcoming Tariff Year**

WASHINGTON, D.C. (June 4, 2021) – WTA – Advocates for Rural Broadband applauds the FCC waiving the application of the budget control mechanism for rate-of-return carriers that receive high-cost universal service Connect America Fund Broadband Loop Support (“CAF-BLS”) and High Cost Loop Support (“HCLS”) for the upcoming tariff year.

On May 3, 2021, USAC announced that the new budget control adjustment factor for July 2021 to June 2022 would be about 8.6%, which would mean that certain rural broadband providers would see their support cut as a result of investments made during the COVID pandemic. The FCC recognized that these cuts could “pose significant burdens on legacy carriers, by subjecting them to insufficient cash flow at a time when they are facing increased expenses.”

“As the nation recovers from the COVID-19 pandemic, it is critically important that rural telecommunications companies receiving CAF-BLS and HCLS support have the resources necessary to continue extending and upgrading their broadband networks and to continue providing broadband service to their customers at affordable rates,” said Derrick Owens, Senior Vice President of Government & Industry Affairs for WTA. “The FCC should take this opportunity to review and re-think the longer-term rationale and impact of the BCM.”

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WTA – Advocates for Rural Broadband is a national trade association that represents more than 360 small, rural telecommunications carriers providing voice, broadband and video-related services in the United States. WTA’s members serve some of the most rural and hard-to-serve communities in the country and are on the forefront of bringing 21st Century telecommunications services to rural America. To learn more about WTA, visit www.w-t-a.org.