



February 27, 2020

Kris Monteith  
Chief, Wireline Competition Bureau  
Federal Communications Commission  
445 12<sup>th</sup> St. SW  
Washington, DC 20554

**RE: WC Docket No. 17-310**

Dear Ms. Monteith,

The Schools, Health & Libraries Broadband (SHLB) Coalition hereby asks the Federal Communications Commission (FCC) Wireline Competition Bureau to extend the filing window for FY2020 Rural Health Care (RHC) applications to the end of June.

We understand that the Commission moved up the filing window for FY 2020 applications to end on April 30 in order to prepare applicants for the earlier time period that is required for FY 2021 applications. However, there are several issues this year that have increased the challenge for FY 2020 applicants as they work to meet that deadline:

- Unfortunately, most applicants for FY 2019 funding have not yet learned whether their applications are being funded, even though these applications were filed in May/June of last year. Our members report that the pace of funding commitments is behind the pace of approvals for last year, which was slower than the year before that.
- The extended delay in funding for FY 2019 applications means that many applicants have to start the process of applying for FY 2020 funding now, even though the request duplicates funding requests already submitted in FY 2019.<sup>1</sup> Those FY 2019 multi-year applications may also contain FY 2018 requests rolled forward to FY 2019.
  - This unnecessary duplication causes applicants to go through a time-consuming and difficult application process that may be unnecessary if their FY 2019 applications are funded.
  - This situation also creates unnecessary work for USAC, which must review RFPs and applications for FY 2020 that duplicate applications already submitted in FY 2019.
  - This situation also increases the gross demand for funding and makes it more difficult for USAC to winnow out the duplicate applications to determine the “true” demand for funding.

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<sup>1</sup> To meet the April 30 deadline, applicants must post their RFP by mid-March to comply with the 28-day RFP requirement and to allow enough time to review bids and enter a contract with the service provider. Even before posting the RFP, applicants are supposed to submit the RFP to USAC for pre-approval.

- The April 30 filing deadline required in the RHC Order for FY 2021 assumes that the competitive bidding process will open on July 1 of the previous year. But this year, the competitive bidding process could not begin until January 1, leaving applicants only four months to complete their competitive bidding processes.
- Furthermore, applicants do not know whether a contract receives “evergreen” status until a funding commitment has been issued. If a contract is deemed “evergreen”, then the applicant does not need to go through the RFP/competitive bidding process this year. If a contract is not deemed “evergreen”, then the applicant must go through an RFP/competitive bidding process again for this filing year. This uncertainty due to the late issuance of Funding Commitment Letters (FCLs) is causing confusion, extra work and duplicate/un-needed RFPs.
- In addition, many applicants recently received Payment Quality Assurance “mini-audits.” These responses take time and are due within the next few weeks.
- This year’s applicants are also dealing with the difficulty of understanding the changes to the program rules as a result of the new Report and Order from last August. For instance:
  - We recently learned that USAC is interpreting the August 2019 Order as revoking the grandfathering of some sites.
  - As consortia applicants drop non-rural sites in order to comply with the majority rural requirement, these non-rural sites are automatically dropped from prior year applications as well (even though they were eligible for funding in those years).
  - Finally, the Commission’s December 2019 Public Notice detailing effective dates of the August Report and Order indicated that the bandwidth portion of the new definition of “similar services” takes effect on January 1. This timing, which was not noted in the August Report and Order, will mean that applicants have to identify new urban rates just for this year’s funding requests, even though this will be USAC’s responsibility next year.

Last year, RHC applicants faced a similar dilemma, and the Commission decided to extend the filing window until May 31 for some applicants and June 30 for other applicants. While this extension was certainly helpful, the bifurcated application deadlines created a significant amount of confusion for applicants. Last year’s applicants also did not face all the added difficulties described above.

Because of these issues, we respectfully ask the Bureau to extend the filing window for all FY2020 applications until June 30, 2020, comparable to the timing for FY2018 applications.

Sincerely,



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 Schools, Health & Libraries Broadband (SHLB) Coalition

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