

2024 OTA ACCOUNTING CONFERENCE

Washington, D.C. Update

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LEGAL PROCEEDINGS

Consumers' Research v. FCC

- 5th Circuit Court of Appeals rules USF, as currently administered, is unconstitutional

MCP No. 185 Open Internet Rule (FCC 24-52)

- 6th Circuit review of FCC's Open Internet Rule
- Panel of judges held hearing on October 31

Minnesota Telecom Alliance, et al v. FCC

- 8th Circuit review of FCC's Digital Discrimination Rules

Loper Bright Enterprises v. Riamondo

- Supreme Court overturned *Chevron* deference

FUTURE OF THE UNIVERSAL SERVICE FUND

Congressional USF Working Group

- Bipartisan group lead by Senators Ben Lujan (D-NM) and John Thune (R-SD)

Issues under consideration:

- Overall fund/individual program size
- Funding mechanism
- Contributors
 - ISPs
 - Edge Providers
- Reforms to Lifeline and E-Rate

FUTURE OF THE UNIVERSAL SERVICE FUND

USF Contributions Estimates

	Factor %	Average Consumer Fees on Broadband Bill
ISP Assessment		
- FCC	3.3%	\$4.00
- USForward Study	3.4%	\$1.52-1.72
- Brattle Group Study	3.7%	\$2.59-\$3.31
Edge Provider Assessment		
- Strand Consult Study	.8-.2%	

LOOKING AHEAD - TAXING BROADBAND GRANTS

Bonus Depreciation – Will it get Extended?

- Current law: 60% bonus depreciation for property placed in service in 2024
 - Phase out: 2025-40%, 2026-20%
- Bipartisan tax bill passed House – Extends 100% bonus depreciation through 2026

Broadband Grant Tax Treatment Act

- S. 341/H.R. 889 - Bipartisan legislation to exempt broadband grants from taxation

2017 Tax Cuts and Jobs Act – Many provisions expiring next year

IMPLICATIONS OF ELECTIONS

Presidency

- BEAD implementation
- FCC Leadership
- Technology preferences

Congressional Committees

- Senate Commerce
- House Energy and Commerce

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