



E-rate Modernization

Part 2

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E-rate Modernization Order

Cost Effectiveness

- Increases pricing transparency
 - Helps schools and libraries obtain the best prices
 - USAC website publically displays equipment purchases
- Encourages consortia and bulk processing
 - Eliminates barriers to consortia participation
 - Preferred master contracts permitted for category two equipment only
 - Competitive bids individually and with consortiums

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E-rate Modernization Order

Process Improvements

- Simplifies the application, invoice and disbursement process
- Simplifies discount rate calculations
- Requires filing of appeals with USAC
- Directs USAC to adopt measures to improve the administration of the E-rate program
- Protects against waste, fraud and abuse
- Extends E-rate documentation inspection/retention requirements

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E-rate Modernization Order Process Improvement

- Simplifies discount rate application
 - Adopts district-wide discount rates
 - Updates the definition of “rural”
 - Addresses the NSLP community eligibility provision
 - Modifies the requirement for using school-wide income surveys

E-rate Order Tribal Considerations

- Ensure Tribal schools and libraries effectively participate in program
 - Extensive consultation between government and Tribal Nations to collect data.
 - Determine E-rate connectivity on Tribal lands
 - Ensure affordable access to high speed broadband that supports digital learning and educations mandates
 - Tailor training to unique needs of Tribal schools and libraries
 - USAC work with Office of Native Affairs and Policy to provide targeted E-rate training to Tribal community

E-rate Order Tribal Considerations

- Ensure Tribal schools and libraries effectively participate in program
 - Create a formal tribal liaison position at USAC for Tribal-specific outreach, training and assistance

E-rate Second Report and Order

- Raised the annual E-rate funding cap by **\$1.5 billion** to \$3.9 billion
 - Order was released on December 19, 2014
 - Cost for consumers will be about \$1.90 per phone line, per year
- Statement from FCC Chairman Wheeler about E-rate funding cap increase

“While the impact on consumers will be small, the impact on children, teachers, local communities and American competitiveness is great”

E-rate Second Report and Order

- Maximized affordable purchasing for high speed broadband connectivity
 - Flexible payment options for one time capital costs
 - Equalized treatment of lit and dark fiber
 - Allow self construction of facilities when cost-effective
 - Additional 10% category one construction funding from to match state funding
 - Obligated certain recipients of USF high cost program to offer high speed broadband services

E-rate Second Report and Order

- Increased certainty and predictability for category two services till 2019
- Adjusted E-rate funding cap to 3.9 billion dollars
- Directed USAC to track and provide performance information
- Clarified rules regarding appeals of USAC decisions
- Commissioners statements

E-rate Modernization Maps

- FCC website provides two maps displaying data on schools and libraries (<http://www.fcc.gov/maps/E-rate-fiber-map>)
- School or library not on the map, email data to SchoolFiberMap@fcc.gov or LibraryFiberMap@fcc.gov

E-rate Acronyms

- FNPRM Further Notice of Proposed Rulemaking
- NSLP National School Lunch Program
- SECA State E-rate Coordinators' Alliance
- SETDA State Education Technology Directors Association
- SHLB Schools Health and Libraries Broadband Coalition
- STEM Science Technology Engineering and Math Education
- USAC Universal Services Administrative Company