



E-rate Modernization

April 22, 2014

E-rate Basics

- Schools and Libraries Universal Service Support Mechanism (E-rate)
 - Authorized by the 1996 Telecommunications Act
 - Created by the FCC in 1997; first funding year was 1998
- Schools and libraries apply for discounts on:
 - Priority 1:
 - ▶ Telecommunications
 - ▶ Telecommunications Services
 - ▶ Internet Access Services
 - Priority 2:
 - ▶ Internal Connections (*e.g.*, WiFi)
 - ▶ Basic Maintenance of Internal Connections
- Funding cap
 - Indexed to inflation, \$2.38 billion for FY 2013
 - Demand currently exceeds the cap

E-rate Modernization NPRM – July 2013

- Three Goals:
 - (1) Ensure schools and libraries have affordable access to 21st century broadband that supports digital learning
 - (2) Maximize cost-effectiveness of E-rate funds
 - (3) Streamline administration of the E-rate program

- Sought comment on:
 - Modernizing program to achieve proposed goals
 - Cost of achieving proposed goals
 - Collecting high quality data to measure goal progress

E-rate Modernization Public Notice – March 6, 2014

- Seeks focused comment on:
 - How best to focus E-rate funds on high-capacity broadband, especially high-speed Wi-Fi and internal connections
 - Phasing out or reducing support for traditional voice services in order to focus more funding on broadband
 - Demonstration projects that would help the Commission test new, innovative ways to maximize cost-effective purchasing
- Comments due April 7; Reply comments due April 21

State and Local Government Outreach

- Focus on state network and purchasing models
- Rigorous data analysis
 - States and school districts have provided data on connectivity, costs

Questions?