

---

# **The E-rate Program: Bringing Broadband Connectivity to Native Communities**

**2015 International Conference of Indigenous  
Archives, Libraries, and Museums**

**Washington, DC**

**September 11, 2015**

---

# Part 1

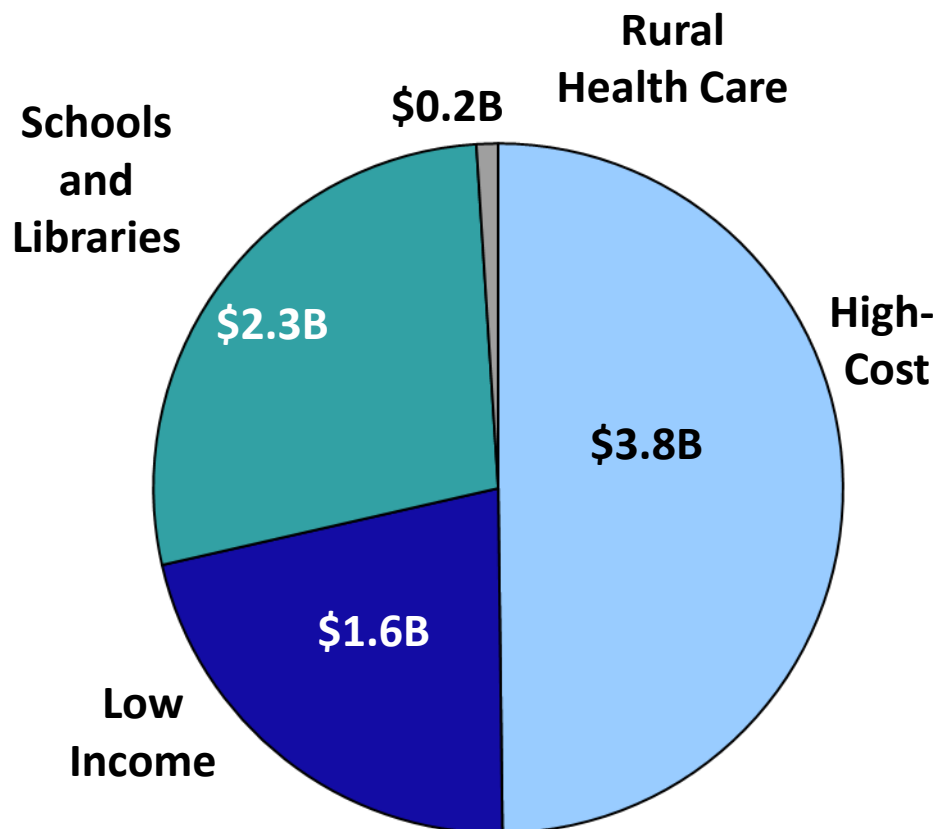
## **E-rate 101 – An Introduction to the Program**

*2015 International Conference of Indigenous Archives,  
Libraries, and Museums*

# What Is The Universal Service Fund?

## 2014 Universal Service Fund

Disbursements =  
\$7.9 Billion



- **High-Cost (Connect America Fund)** focuses on service to all consumers (both residential and business) in high cost, rural, and insular areas
- **Low Income (Lifeline/Link Up)** makes basic, local telephone service affordable for low-income consumers
- **Schools and Libraries (E-rate)** enables schools and libraries to connect to the Internet
- **Rural Health Care** provides reduced rates to rural health care providers

# Who Manages E-rate?

---

- **Federal Communications Commission (FCC)**

- Federal government agency
  - ▶ Office of Native Affairs and Policy (ONAP)
  - ▶ Other FCC Bureaus and Offices
- Creates the E-rate rules and policies
- Directs and guides the work of USAC

- **Universal Service Administrative Company (USAC)**

- Not-for-profit corporation
- Administers all four universal service programs, including E-rate
- Under the direction and guidance of the FCC

# What is E-rate?

---

- The federal government's largest educational technology program
- Supports discounts to eligible schools and libraries nationwide to enhance access to advanced telecommunications and information services
- Authorized by Congress as part of the Telecommunications Act of 1996 and created by the FCC in 1997

# Who Is Eligible For E-rate?

- **Schools**

- Public and non-profit elementary and secondary schools
- Non-traditional facilities (determined by the state)
  - ▶ Head Start
  - ▶ Pre-K
  - ▶ Juvenile Justice

- **Libraries**

- Eligible for state Library Services and Technology Act (LSTA) funding
  - ▶ Public, private, academic, and research libraries
  - ▶ Tribal libraries

# What Services Are Eligible For E-rate?

- **Category One: To the Premise**

- Telecommunications services
- Internet access and data transmission services

- **Category Two: Within the Premise**

- Internal connections
- Basic maintenance of internal connections
- Managed Wi-Fi (beginning in funding year 2015)

- **Eligible Services List (ESL) released each year**

- 2015 ESL can be found at  
[http://www.usac.org/res/documents/sl/pdf/ESL\\_archive/EligibleServicesList-2015.pdf](http://www.usac.org/res/documents/sl/pdf/ESL_archive/EligibleServicesList-2015.pdf)

# How Does Funding For E-rate Work?

---

- **\$3.9 billion cap for FY 2015**
- **Discounts range from 20% to 90%**
  - Eligibility for the National School Lunch Program
  - Rural v. non-rural area
- **Priority based on poverty/discount level and category level**
  - Category One requests funded first
  - Category Two requests funded next, starting with the highest discount levels



# How Does the E-rate Application Process Work?

---

***Funding year runs from July 1 – June 30***

- **Conduct competitive bidding process**
- **Select service provider and sign contract**
- **File request for support**
- **Receive funding commitment decision letter**
- **Invoice for services**
- **Funding provided**

---

## Part 2

# E-rate Modernization – Recent Changes to the Program

*2015 International Conference of Indigenous Archives,  
Libraries, and Museums*

# E-rate Modernization – Why Now?

---

- **Changes in Educational Technology**

- Increased importance of Wi-Fi
- Digital learning initiatives that are increasing the demand for broadband

- **Program Challenges**

- Spend funds in most cost-effective manner
- Improve administration
- Collect better data
- Protect against waste, fraud, and abuse

## The New E-rate – Key Takeaways

- Raised the annual cap from \$2.4 billion to \$3.9 billion, beginning in 2015
- Increased emphasis on making funding for Wi-Fi available for every school and library
- Re-focused E-rate on high-speed broadband for all schools and libraries
- Five year phase out of support for voice service
- Because of adjustments to the program, the FCC fully expects to **meet all demand** for E-rate, for both category one and category two services

---

## Part 3

# E-rate Reforms That Will Take Effect in Funding Year 2015

*2015 International Conference of Indigenous Archives,  
Libraries, and Museums*

# E-rate Program Goals

- **Goal #1: Ensuring affordable access to high-speed broadband sufficient to support digital learning in schools and robust connectivity for libraries**
  - *Internet access targets for schools*
    - ▶ Short-term: at least 100 Mbps per 1,000 users
    - ▶ Longer-term: 1 Gbps per 1,000 users
  - *Internet access targets for libraries*
    - ▶ Small libraries (serving fewer than 50,000 people): at least 100 Mbps
    - ▶ Larger libraries (serving more than 50,000 people): 1 Gbps

# E-rate Program Goals

---

- **Goal #2: Maximizing the cost-effectiveness of spending for E-rate purchases**
  - Pricing transparency
  - Emphasis on consortia purchasing and lowest corresponding price rules
- **Goal #3: Simplifying E-rate processes**
  - Streamlining applications
  - Simplifying discount rates
  - Improving USAC processes

## Increased Emphasis on Wi-Fi

---

- **Annual target of \$1 billion for category two Wi-Fi equipment**
- **Category Two budgets**
  - Schools: \$150 per student, pre-discount over five years, on a school by school basis
  - Libraries: \$2.30 per square foot over five years, on a library by library basis (note: increased to \$5 per square foot for larger urban and suburban libraries)
  - \$9,200 “floor” for all schools and libraries
- **Managed Wi-Fi now eligible**
  - Vendor provides, installs, manages, and maintains all equipment



# New Tribal Consultation, Training, and Outreach Program

---

- **Commitment to enhancing the FCC's Tribal consultation, training, and outreach on the E-rate program**
- **Objectives**
  - To ensure that Tribal schools and libraries are able to participate effectively in E-rate
  - To gain a better understanding of the current state of connectivity among Tribal schools and libraries
  - To enable the FCC to take steps that will reduce the digital divide and promote high-speed broadband connectivity to Tribal lands

- **More extensive government-to-government consultation with Tribal Nations is necessary**
  - To determine how best to gather data on current connectivity levels AND
  - To better determine the need for E-rate support among Tribal schools and libraries

# Tribal Consultation

---

- **Data, and how best to gather it, is critically important and will be an integral part of Tribal consultation, led by the Office of Native Affairs and Policy in coordination with other FCC Bureaus and Offices**
  - How has E-rate impacted connectivity on Tribal lands?
  - Which Tribal schools and libraries receive E-rate and for what uses?
  - What services are available on Tribal lands?
  - What is the price structure on Tribal lands?
  - What speeds are available and needed on Tribal lands?
  - Where is broadband infrastructure still most needed?

# Tribal-Specific E-rate Training

- **Training specific to the individual and often unique needs of Tribal schools and libraries is necessary**
  - Tribal-specific E-rate training
  - Most appropriate timing and mechanism to provide Tribal-specific training, outreach, and materials
  - Incorporate and distribute E-rate training materials when mobilizing the Native Learning Lab
- **Tribal-specific training workshops**
  - First workshop was held at the Santa Fe Indian School in November 2014
  - In 2015, four workshops are being planned across Indian Country

# E-rate Modernization - Tribal Outreach

- **USAC Tribal Liaison – *Mackenzie Howard***

- The FCC directed USAC to appoint an E-rate Tribal liaison to assist with Tribal-specific outreach, training, and assistance
- Will coordinate closely with the FCC on all Tribal training initiatives
- Responsibilities include:
  - ▶ Point person at USAC for Tribal schools and libraries throughout the E-rate process
  - ▶ Helping to conduct and coordinate Tribal-specific trainings and materials
  - ▶ Fielding questions from Tribal schools and libraries

---

## Part 4

# E-rate Reforms That Will Take Effect In Funding Year 2016

*2015 International Conference of Indigenous Archives,  
Libraries, and Museums*

# Maximizing Options For High-Speed Broadband – Fiber Builds

- Beginning in funding year 2016 (July 1, 2016 – June 30, 2017), schools and libraries will have a number of new options available for building out fiber networks to support high-speed broadband
- Additional discount, up to 10%, for special construction to match funds provided by states
  - ***Tribal schools and libraries can get the match from states, Tribal Nations, or federal government agencies other than the FCC***

# Maximizing Options for High-Speed Broadband

---

- Installment payment option for special construction charges
- Equalized treatment of lit and dark fiber
- Permit self-construction when cost effective
- Require recipients of high-cost universal service support to offer broadband to schools and libraries
  - This will be phased in over time



# Contact Information

---

- **Office of Native Affairs and Policy/FCC**

- **Geoffrey Blackwell**

- 202-418-3629 (desk) // 202-253-4846 (cell)

- [geoffrey.blackwell@fcc.gov](mailto:geoffrey.blackwell@fcc.gov)

- **Irene Flannery**

- 202-418-1307 (desk) // 202-262-4549 (cell)

- [irene.flannery@fcc.gov](mailto:irene.flannery@fcc.gov)

- **Sayuri Rajapakse**

- 202-418-2579 (desk) // 202-567-1213 (cell)

- [sayuri.rajapakse@fcc.gov](mailto:sayuri.rajapakse@fcc.gov)

- **E-rate Tribal Liaison/USAC**

- **Mackenzie Howard**

- 202-772-4535

- [mhoward@usac.org](mailto:mhoward@usac.org)