North Carolina E-Rate Forum

Weekly E-Rate Newsletter
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Funding Status for 2021-2022

E-Rate:

Wave 30 for FY 2021 was released on Thursday, November 4th, for a total of \$26.5 million including \$304 thousand for three North Carolina applicants. Cumulative commitments are \$2.36 billion including \$84.1 million for North Carolina. Nationwide, USAC has now funded 97% of the FY 2021 applications representing 83% of the requested funding.

ECF:

Wave 3 of the Emergency Connectivity Fund ("ECF") was released on Monday, October 25th, for a total of \$269 million (see <u>FCC News Release</u>). Cumulative ECF funding is now \$2.63 billion including \$104 million for North Carolina.

The second shorter ECF application window closed on Wednesday, October 13th resulting in total additional funding requests of \$1.29 billion. Total funding requests in both windows were \$6.43 billion, comfortably under the ECF cap of \$7.17 billion.

Broadband Funding in the Infrastructure Legislation

Included in the \$1.3 trillion infrastructure legislation passed by the House late last week is \$43 billion for broadband infrastructure and an addition \$23 billion for projects dealing with digital inclusion and broadband's impact. Although we expect additional details to be forthcoming, the following summary prepared by *Consumer Reports* highlights the key broadband benefits included in the legislation:

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- \$42.5 billion for broadband infrastructure and the deployment of grants to be distributed to the states and territories with a focus on unserved and underserved markets.
- Requirement of a low-cost option to be offered by providers who take federal grant money.
- A consumer broadband label that internet service providers must provide for all service offerings. The broadband label will serve as a standardized, easy-to-read broadband label that will include pricing information, additional fees, promotional discounts and length, and performance information (i.e., expected speeds).
- \$14.2 billion to extend the Emergency Broadband Benefit program that will now be the Affordable Connectivity Program (administered by the FCC).
- Restrictions on upselling or restricting the use of the benefit to particular service offerings.
- \$2.75 billion over the next five years to fund grant programs to boost digital equity, inclusion, and literacy programs.
- A call to end the practice of "digital redlining" to provide greater access to high-speed internet for lower-income areas. The Federal Communications Commission is tasked to conduct a rulemaking on this issue in the next two years.

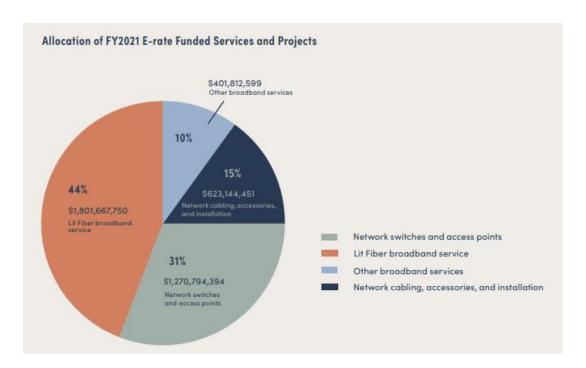
The Affordable Connectivity Program ("ACP") funding effectively extends the current, COVID-related, Emergency Broadband Benefit ("EBB") program, but with lesser benefits. The maximum discount on internet services for low-income subscribers is reduced from \$50/month to \$30/month. Hopefully, the FCC's development of the ACP rules will accommodate bulk internet subscriptions coordinated by schools and libraries — a provision that we believe was permitted under EBB rules, but never implemented.

FFL's Eleventh Annual E-Rate Survey

Earlier this year, we encouraged all our readers to participate in an annual E-rate survey conducted by Funds For Learning (see our <u>newsletter of April 19th</u>). Now in their eleventh year, these surveys have become an increasingly important source of information for Congress, the FCC, and USAC to help them evaluate the E-rate program. The results of this year's survey were released to the FCC last week (see <u>FFL</u>'s *ex parte* filing dated November 3rd).

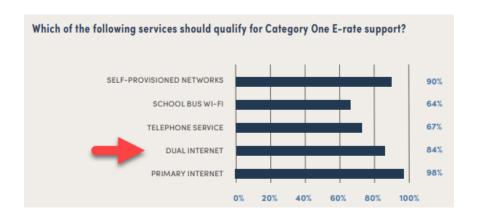
The 2021 survey looks both backwards and forwards. Requests for FY 2021 E-rate funding, for example, are shown in the chart below.

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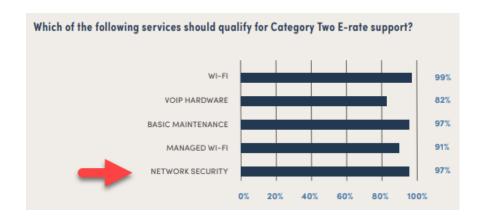


Over 95% of the applicants surveyed reported that E-rate had permitted them to serve more students and patrons at higher broadband speeds, with almost 90% of them indicating that they plan to increase their requests for Category 1 services within the next three years. A significant majority also plan to submit Category 2 applications in FY 2022.

Most importantly, thinking about the future of E-rate, respondents focused on both existing services and critical, currently unsupported, services such as network security and fail safe (i.e., dual path) internet services.



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Updates and Reminders

Upcoming Dates:

November 9 Introductory E-rate webinar for Tribal schools and libraries (<u>registration</u>).

November 9 USAC supply chain audit webinar (<u>registration</u>).

November 12 Form 486 deadline for FY 2021 covering funding committed in Wave 14. More generally, the Form 486 deadline is 120 days from the FCDL date or from the service start date (typically July 1st), whichever is later. Upcoming Form 486 deadlines are:

Wave 15 11/19/2021 Wave 16 11/26/2021 Wave 17 12/03/2021 Wave 18 12/10/2021

November 15 Deadline to submit comments on the FCC's Notice of Proposed Rulemaking (FCC 21-107) to update the E-rate rules defining the eligibility of Tribal libraries (see our newsletter of October 4th). Reply comments will be due by November 29th.

November 16-18 USAC fall training webinar series.

November 23 Presumptive first invoice deadline for ECF applicants funded in Wave 1 who had received or ordered approved equipment before they had filed their first window applications (see our <u>newsletter of November 1st</u>). Similar upcoming ECF invoicing deadlines are:

Wave 2 12/13/2021 Wave 3 12/24/2021

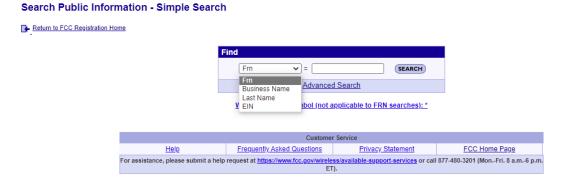
November 29 Effective date of FCC Report and Order (FCC 21-79) requiring holders of FCC Registration Numbers ("FRNs") to update their CORES registration information (if necessary) to include email addresses (see article below).

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CORES Email Updates:

Earlier this summer, the FCC issued a Report and Order (FCC 21-79) requiring holders of FCC Registration Numbers ("FRNs") — including E-rate applicants — to update their information in the FCC's Commission Registration System ("CORES") to include valid email addresses. This requirement becomes effective November 29th. Although this is most likely to affect applicants who initially registered for FRNs before 2000, when an email address became a required field in the registration form, we recommend that all applicants review their FRN registrations to make sure that their Contact Email is current.

The easiest way to review current FRN information is by using the FCC's **Simple Search** lookup.



USAC Administrative Procedures:

The latest version of USAC's <u>Administrative Procedures</u> — subtitled "2021 Procedures Not in Rules Document" — is dated October 31, 2021. The document, released annually, summarizes "current USAC administrative procedures identifying, where appropriate, the specific rule(s) or statutory requirements that such procedures further, and those procedures that serve to protect the Universal Service Fund (USF) against waste, fraud and abuse." The major topics covered, always worth reviewing, are:

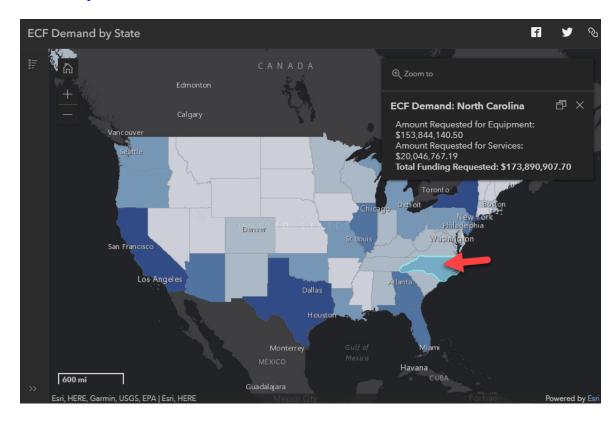
- Appeals
- Commitment Adjustments ("COMADs")
- Equipment Transfers
- Forms Processing
- Invoicing
- Program Integrity Assurance ("PIA")
- Service Substitutions
- SPIN Changes

USAC ECF Newsletter Dated November 2 – Open Data Update

<u>USAC's Emergency Connectivity Fund Program Newsletter of November 2, 2021</u>, largely repeats the information from last week's Newsletter but does note that USAC's <u>ECF Form 471 dataset</u> has been updated to include application data from ECF both windows and applicant contact data.

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Demand data by state, as shown below, can be found by clicking on the individual states in an interactive map.



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Additional North Carolina specific E-rate information is available through our Web site — http://www.e-ratecentral.com/us/stateInformation.asp?state=NC. Note that this site provides easy access to formatted North Carolina applicant E-rate histories via the Billed Entity Number ("BEN") search mechanism in the upper left-hand corner. Detailed information can be obtained by "drilling down" using the links for specific funding years and individual FRNs.

If you have received this newsletter from a colleague and you would like to receive your own copy of the North Carolina E-Rate Forum, send an email to join-ncerate@lists.dpi.state.nc.us. Please include your name, organization, telephone, and e-mail address.

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