North Carolina E-Rate Forum

Weekly E-Rate Newsletter
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Funding Status for 2021-2022

E-Rate:

Wave 32 for FY 2021 was released on Thursday, November 18th, for a total of \$35.8 million including \$35 thousand for two North Carolina applicants. Cumulative commitments are now \$2.42 billion including \$84.1 million for North Carolina. Nationwide, USAC has now funded 97% of the FY 2021 applications representing 86% of the requested funding.

ECF:

After four funding waves (the last being on November 8th), cumulative ECF funding is over \$3.05 billion including \$109 million for North Carolina. Already, ECF funding for 2021-2022 exceeds E-rate funding for FY 2021.

Additional Clarity on ECF Invoice Deadlines

Last Tuesday, one week before the first ECF invoice filing deadline for some applicants funded in Wave 1 — a day we had designated as "Blacked-Out Tuesday" as a result of the dearth of information (see our <u>newsletter of November 15th</u>) — USAC did provide additional clarity in the form of an updated FAQ (see USAC's ECF Newsletter of November 16th reference below). The revised FAQ, with the critical section highlighted in yellow, reads as follows:

For equipment and non-recurring services, what is the deadline for filing requests for reimbursement? For equipment or other non-recurring services that have not been received or ordered at the time the application was submitted, applicants may use June 30, 2022 as the service end date on the ECF FCC Form 471 and the invoice filing deadline will be 60 days from the date of the funding commitment decision letter; a revised funding commitment decision letter approving a post-commitment change or a successful appeal of previously denied or reduced funding; or August 29, 2022 (i.e., 60 days after June 30, 2022), whichever date is later. FCDLs include the Invoice Deadline Date. If applicants had ordered, but had not received the equipment or non-recurring services at the time they filed the ECF FCC Form 471, they can use June 30, 2022 as the service delivery date because applicants did not know the actual delivery date at the time they submitted their application.

Please see the <u>FCC's Public Notice DA 21-881</u> for more information about the deadline submitting invoices for non-recurring services and equipment purchases.

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The confusion, up until this point, had been that the language in DA 21-881 seemed to imply that applicants who had <u>ordered</u> or received equipment prior to filing their ECF applications would be required to file their associated invoices within 60 days for receiving their FCDLs. Because many applicants had at least ordered equipment before filing their applications — indeed probably used their orders as the basis for their applications — this interpretation seemed to require these applicants to invoice for equipment they had not received. Such a problem would be magnified as a result of supply chain delays currently being experienced.

The updated FAQ clarifies that applicants who may have ordered, <u>but had not received</u>, equipment at the time they filed their application are <u>not</u> required to file invoices within 60 days of receiving their FCDLs. Indeed, the basic invoice deadline for these applicants is August 29, 2022.

The receipt of equipment clarification is good news for many funded ECF applicants — but not for all. Applicants who <u>did receive</u> their equipment before they filed their ECF applications are still required to file their invoices within 60 days of their FCDLs. For the four ECF waves issued to date, those invoice deadlines — including the Wave 1 deadline <u>next week</u> — are:

	FCDL	Invoice	
Wave	Date	Deadline	
1	09/24/2021	11/23/2021	
2	10/12/2021	12/13/2021	60th day is Saturday
3	10/25/2021	12/24/2021	
4	11/08/2021	01/07/2022	

This past weekend, the State E-Rate Coordinators' Alliance ("SECA") filed a waiver petition with the FCC asking for expedited relief from these early invoice deadlines. The <u>SECA petition</u> asks the FCC to designate June 30, 2022, as the service delivery date — and thus August 29, 2022, as the invoice deadline — for all equipment and all non-recurring ECF services. This would align the invoice deadline for non-recurring services with the same invoicing deadline for all recurring services. Unless and until the FCC rules favorably on this petition, we will continue to show the invoice deadlines for early receipt of ECF equipment in our *Upcoming Dates* section below.

FCC Seeks Comments on New Affordable Connectivity Program

Last Thursday, the FCC issued a Public Notice (<u>DA 21-1453</u>) requesting comments on the implementation of the new Affordable Connectivity Program ("ACP"). The action is in response to the recently signed Infrastructure Investment and Jobs Act that requires, among all its other provisions, that the FCC move swiftly to implement ACP as a modified and extended version of the existing Emergency Broadband Benefit ("EBB") program. The EBB program and the extended ACP program both provide discounts to low-income families on monthly internet services and connected devices. For rulemaking purposes, ACP is to become effective December 31, 2021. The major differences in benefits between EBB and the new ACP are as follows:

• EBB as a COVID relief program funded is at \$3.2 billion with a limited time horizon. ACP is funded at \$14.2 billion with expected benefits to be available well beyond — hopefully — the pandemic.

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- EBB provides monthly discounts up to \$50 for low income families (\$75 in Tribal lands). ACP lowers the basic monthly discount to \$30 but retains the \$75 discount for Tribal lands and for "high cost areas" (yet to be fully defined).
- Both EBB and ACP provides discounts up to \$100 on one connected device per family assuming family payments of \$10-50.
- EBB internet discounts applied only to specific broadband provider plans. ACP internet discounts apply to all plans offered by participating providers.

Our original understanding of the EBB rules would have permitted schools and libraries to coordinate discounted bulk internet subscriptions for their students and patrons. The rules specifically approved the eligibility of "entities such as school districts, health care providers, assisted living or nursing facilities, and local governments who purchase service 'in bulk' for eligible households." As implemented, this was not the case.

The ACP Public Notice requests comments on the bulk broadband services but mentions such arrangements only in terms of multiple dwelling units such as mobile home parks and apartment buildings.¹ We encourage schools and libraries to comment on the benefits of bulk subscription options for their students and patrons.

Even without bulk subscription options, schools and libraries can play an important outreach role² promoting and coordinating ACP discounts on behalf of their low-income student families and patrons.³ ECF applicants, in particular, may find ACP useful in extending home internet services for their students and patrons when ECF-funded internet services end June 30, 2022.

Comments on the new Affordable Connectivity Program are due December 8th. Reply comments are due December 28th

Updates and Reminders

Upcoming Dates:

November 23

First invoice deadline for ECF applicants funded in Wave 1 who had received equipment before they filed their first window applications (see article above). Similar upcoming ECF invoicing deadlines are:

Wave 2	12/13/2021
Wave 3	12/24/2021
Wave 4	01/07/2022

November 26

Form 486 deadline for FY 2021 covering funding committed in Wave 16. 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:

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¹ See paragraph 57.

² One intriguing possibility noted in the Public Notice is that the Infrastructure Act permits the FCC to provide financial grants to outreach partners (see paragraph 112).

³ Schools can also play an important role by working with broadband providers to validate household income eligibility using NSLP data (see paragraphs 31-35).

Wave 17 12/03/2021 Wave 18 12/10/2021

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 our newsletter of

November 8th).

December 8 Comments due on the new Affordable Connectivity Program (DA 21-1453)

(see article above). Reply comments are due December 28th.

USAC ECF Newsletter Dated November 16 – Revised Invoicing FAQ

<u>USAC's Emergency Connectivity Fund Program Newsletter of November 16, 2021</u>, repeats — with one exception — the section entitled "Request for Reimbursement Submission" and all the FAQs from last week's ECF newsletter. The one exception — an important one — is the invoicing FAQ, discussed above that was revised to clarify that the invoice deadline for equipment <u>ordered</u>, <u>but not received</u>, at the time an ECF application was filed is August 29, 2022.

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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.

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