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Funding Status for E-Rate and ECF

E-Rate for FY 2023:

USAC issued Wave 14 for FY 2023 on Thursday, July 27th, for \$57.0 million including \$7.54 million for five North Carolina applicants including NCDPI. Total funding is now \$1.75 billion including \$65.0 million for North Carolina. At this point, USAC has already funded 88.7% of the originally submitted applications representing 59.3% of the dollars requested.

ECF for 2021-2023:

Wave 30 for Window 3 was <u>issued</u> on Wednesday, July 26th, for \$54.9 million including \$191 thousand for three North Carolina applicants. Total commitments for all three ECF windows are \$6.82 billion including \$193 million for North Carolina. USAC has funded 90.3% of the ECF applications representing 67.7% of the requested funding.

Updates and Reminders

Upcoming Dates:

August 4

The Form 486 deadline for FY 2022 Wave 51. 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 52 08/11/2023 Wave 53 08/18/2023

The first Form 486 deadline for FY 2023, for FCDLs issued on or before July 1st — normally October 29th (which is a Sunday this year) — will be Monday, October 30, 2023.

August 25

Due date for requested comments to the Senate's Universal Service Fund ("USF") Working Group (see article below).

August 29

Invoice deadline for most Window 1 and Window 2 committed FRNs with service delivery deadlines of June 30, 2023. For details on other upcoming invoice deadlines, see USAC's <u>Emergency Connectivity Fund Invoice</u> Deadline Tool.

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Senate Committee Seeks Comments on USF Reform:

The Universal Service Fund ("USF") funding mechanism, supporting E-rate and three other USF programs is broken. As we have reported quarterly (most recently in <u>our newsletter of June 19th</u>), the contribution factor, paid by telecommunications companies, has ballooned in recent years up to the 30% level and threatens to rise still further. The FCC has taken no concrete steps to address the problem, perhaps, some would argue, other than to constrain funding for E-rate that is needed to support cybersecurity.

A small Senate subcommittee is now starting to explore alternatives. In May of 2023, Senators Luján (D, NM) and Thune (R, SD) convened a hearing titled "The State of Universal Service" to hear from expert stakeholders on the importance of, and necessary reforms to, the USF programs. Last week, the subcommittee issued a call for <u>comments</u> on the following topics:

- 1. How should Congress and the Commission evaluate the effectiveness of the existing USF programs in achieving universal service goals for broadband?
- 2. To what extent have the existing USF programs been effective in carrying out section 254 of the Communications Act of 1994?
- 3. Is the FCC's administration of the USF and its four programs sufficiently transparent and accountable?
- 4. What reforms are necessary to address inefficiencies and waste, fraud, and abuse in each of the four programs and duplication with other government programs?
- 5. What additional policies beyond existing programs are necessary for the preservation and advancement of universal service?
- 6. Should Congress eliminate the requirement that a provider must be an "Eligible Telecommunications Carrier" to receive USF subsidies?
- 7. What reforms are necessary to ensure that the contribution factor is sufficient to preserve and advance universal service?
- 8. What actions are necessary and appropriate to improve coordination between USF programs and other programs?
- 9. Is the USF administrator, USAC, sufficiently accountable and transparent?
- 10. Is Congressional guidance needed to ensure future high-cost program rollouts?

The due date for comments is August 25, 2023.

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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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