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Funding Status for E-Rate and ECF

E-Rate for FY 2023:

USAC issued Wave 16 for FY 2023 on Thursday, August 10th, for \$78.3 million including \$78 thousand for four North Carolina applicants. Total funding is now \$1.88 billion including \$65.3 million for North Carolina. At this point, USAC has already funded 90.5% of the originally submitted applications representing 64.0% of the dollars requested.

ECF for 2021-2023:

Wave 31 for Window 3 was <u>issued</u> on Wednesday, August 9th, for \$46.4 million including \$230 thousand for seven North Carolina applicants. Total commitments for all three ECF windows are now \$6.86 billion including \$193 million for North Carolina. USAC has funded 90.3% of the ECF applications representing 67.7% of the requested funding.

Recent Cybersecurity Developments and Resources

White House Cybersecurity Conference:

The biggest news on the K-12 cybersecurity front last week was a White House conference on Monday hosted by First Lady Dr. Jill Biden. Although there was some initial confusion on the webcasting of the meeting, a <u>video</u> of the session is now available online. To us, the highlights of the meeting were:

• Introductory remarks on the importance of cybersecurity in schools by Miquel Cardona, Secretary of Education, and Alejandro Mayorkas, Secretary of Homeland Security.

- A review by Alberto Carvalho, Superintendent of Los Angeles Unified School District, of actions taken before, during, and after LAUSD's major ransomware attack.¹
- Remarks by Paul Abate, Deputy Director of the FBI, on the extensive coordination provided by the FBI and other governmental agencies beginning the day after the LAUSD attack. Mr. Abate also stressed the services that can be provided to other schools throughout its regional and local offices facing similar attacks.
- An introduction by Jen Easterly, Director of the new Cybersecurity & Infrastructure Security Agency ("CISA") to the resources available through that agency (see <u>CISA</u> <u>Resources</u>).
- Most disappointing, but perhaps not surprisingly, were the brief remarks by Ramesh Nagarajan, Chief Legal Advisor to FCC Chairwoman Jessica Rosenworcel, about a possible \$200 million, three-year, cybersecurity pilot project for schools and libraries, not yet formally adopted by the full Commission (see our <u>newsletter of July 17th</u>).

Microsoft's FCC Outreach on Cybersecurity:

A <u>Microsoft *ex parte* filing</u>, following a meeting with the FCC on July 31st, makes a strong case for allowing the use of E-rate funds for advanced or next-generation firewalls and other network security services. Microsoft's filing noted "the importance of education institutions securing their networks using current techniques such as taking a Zero Trust approach; identified seven practices that could improve cybersecurity protection for schools, as well as eligibility for cybersecurity insurance; and explained the benefits of using third-party security operations centers for managed cybersecurity services." The "seven practices" recommended were:

- 1. Multifactor authentication
- 2. Email security
- 3. Data backups
- 4. Privileged access management
- 5. Endpoint detection and response ("EDR")
- 6. Vulnerability management
- 7. 24/7 centralized log monitoring

Stressing the unique vulnerability of educational entities to cyberattacks, Microsoft included the following bar chart in its *ex parte* filing:

¹ Importantly noting, before even getting the question, that LAUSD did <u>not</u> pay any ransom.

Most affected industries Reported enterprise malware encounters in the last	30 days
Education	
Retail and consumer goods	
Healthcare and pharmaceuticals	
Telecommunications	
Financial services and insurance	
Power and utilities	
To	tal devices with encounters: 8,535,077

Note: For additional cybersecurity resources, we recommend the <u>Cybersecurity Concerns in K12</u> <u>Education</u> website of the State Education technology Directors Association ("SETDA").

FCC "U.S. Cyber Trust Mark" Proposal:

Following up on FCC Chairwoman Rosenworcel's proposal made a few weeks ago to initiate a voluntary cybersecurity labeling program to help consumers, including schools and libraries, to identify trustworthy products² (see our <u>newsletter of July 24th</u>), the FCC released a Notice of Proposed Rulemaking (FCC 23-65) to solicit public comment on the effort. Comments are being sought on the:

- Establishment of the labeling system
- Devices or products to be covered
- Development of cybersecurity criteria and standards
- Administration, management, and oversight of the program
- FCC's legal authority

As proposed, we view the development of printed labels, even with QR codes, to be only marginally beneficial to schools and libraries who have the resources to research and purchase internet devices in bulk. Although the labels would provide a useful purchasing guide for individual consumers, we had hoped to see a proposal to explore an electronic labeling system incorporated into devices themselves. This could permit schools and libraries to recognize "trusted" devices upon connection to their systems. Footnote 74, however, indicates the FCC's intention to have its labeling proposals "operate distinct and separate from the provisions for the electronic labeling of radiofrequency devices contained in our equipment authorization rules (47 CFR § 2.935)."

² The NPRM constantly refers to connected devices, targeted in the proposal, as the "Internet of Things" — or for those who love acronyms, "IoTs."

Comments on the NPRM are due 30 days after its publication in the *Federal Register*. Reply comments will be due 15 days thereafter.

Updates and Reminders

Upcoming Dates:

August 18	The Form 486 deadline for FY 2022 Wave 53. More generally, the Form 486 deadline is 120 days from the FCDL date or from the service start date (typically July 1 st), whichever is later.
August 25	Due date for comments to the Senate's Universal Service Fund ("USF") Working Group (see our <u>newsletter of July 31st</u>).
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> <u>Deadline Tool.</u>
September 25	Due date for comments on the FCC's Further Notice of Proposed Rulemaking portion of (FCC 23-56) regarding additional rule changes to simplify E-rate (see the second half of the article in our <u>newsletter of July 3rd</u>). Reply comments are due October 23 rd .
October 30	The first Form 486 deadline for FY 2023, for FCDLs issued on or before July 1^{st} .

Comment Period Set for E-Rate NPRM

The FCC's Report and Order ("R&O") and Further Notice of Proposed Rulemaking ("FNPRM") (FCC 23-56) was published in the *Federal Register* last week. This means that the new E-rate rules, primarily for Tribal libraries, will become effective within the month. It also sets the comment period — see dates above — for the FNPRM portion to address an even broader range of program simplifications that would benefit all E-rate applicants.

Newsletter information and disclaimer: This newsletter may contain unofficial information on prospective E-rate developments and/or may reflect E-Rate Central's own interpretations of E-rate practices and regulations. Such information is provided for planning and guidance purposes only. It is not meant, in any way, to supplant official announcements and instructions provided by USAC, the FCC, or NCDPI.

Additional North Carolina specific E-rate information is available through our Web site — http://www.eratecentral.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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