Weekly E-Rate Newsletter Vol. 18, No. 02 January 15, 2024

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# **Funding Status for E-Rate and ECF**

#### *E-Rate for FY 2023:*

USAC issued Wave 38 for FY 2023 on Thursday, January 11<sup>th</sup>, for \$47.0 million, none for North Carolina. Total funding is now \$2.54 billion including \$84.3 million for North Carolina. At this point, USAC has funded 97.1% of the originally submitted applications representing 89.8% of the dollars requested.

## ECF for 2021-2023:

Total commitments for all three ECF windows are \$6.45 billion including 192 million for North Carolina.

#### *E-Rate for FY 2024:*

The Form 471 filing window for FY 2024 opens this Wednesday, January 17<sup>th</sup>, at noon EST and will close on Wednesday, March 27<sup>th</sup>, at 11:59 p.m. EDT. The EPC administrative window, which allowed applicants to update their entity profiles, closed last Friday. At this point, entity profiles will be locked down while the application window is open. Changes necessary for FY 2024 applications should be discussed with PIA during application review.

### **Facing the End of ACP Funding**

The Affordable Connectivity Program ("ACP") is running out of money. ACP, introduced during the COVID pandemic, provides discounts on internet services (up to \$30 per month) and connected devices (up to \$100) for low income families. ACP is currently serving nearly 23 million households nationwide. Although ACP is not an E-rate program, it has been promoted by some schools and libraries as an alternative to, or as a means of extending, the ECF program. Without renewed funding, ACP will not last beyond April or May of this year.

Last week, the FCC issued an ACP <u>Fact Sheet</u> stressing the need for Congressional action to extend the life of the program and that, given the absence of new funding, the FCC is beginning to take steps to start winding down the program.

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The Administration had already asked Congress for additional \$6 billion in ACP funds to carry the program through 2024. FCC Chairwoman Rosenworcel reiterated this request last week in <a href="Letters">Letters</a> to eight Senate and House committee and subcommittee chairpersons and ranking members indicating that, due to a lack of funding, the FCC was about to take steps to:

- 1. Offer guidance to ACP providers on the timing and requirements for notifying participating households on the projected end of ACP;
- 2. Announce a date for stopping the enrollment of new households into ACP; and
- 3. Formally determine the projected end date of the program.

By Thursday, the FCC had issued its first order (<u>DA 24-23</u>) on the initial steps in the wind-down process. Most immediately, as summarized in a USAC <u>release</u> the same day, service providers must send a first notice to ACP subscribers by January 25<sup>th</sup> advising them of the program's possible termination. New ACP enrollments will stop being accepted February 7<sup>th</sup>.

As a reprieve for ACP, albeit temporary, a bipartisan bill entitled the Affordable Connectivity Program Extension Act was introduced in the both the House and Senate last Wednesday that, if enacted, would keep ACP funded, at least throughout 2024, through an additional \$7 billion appropriation. With Congress still deadlocked on other budget matters and with near term government shutdowns still possible this month and/or next, it is hard to envision the timely passage of the ACP Extension Act, even if broadly supported, within the shutdown process now underway.

For schools and libraries, the demise of the ACP program may be offset — but with less funding — by the FCC's proposed hotspot loan program. Initial comments on the Notice of Proposed Rulemaking ("NPRM") to provide E-rate funding for Wi-Fi hotspots and services for students and library patrons are due tomorrow, January 16<sup>th</sup> (see our newsletter of November 13<sup>th</sup>).

#### **Updates and Reminders**

#### **Upcoming Dates:**

January 16	Due date for comments on the FCC's hotspot eligibility NPRM (FCC 23-91)
	(see our <u>newsletter November 13<sup>th</sup></u> ). Reply comments are due January 29 <sup>th</sup> .

January 17 Form 471 filing window for FY 2024 opens at noon EST.

January 19 Form 486 deadline for FY 2023 Wave 22. More generally, the Form 486 deadline is 120 days from the FCDL date or from the service start date (typically July 1<sup>st</sup>), whichever is later. Upcoming Form 486 deadlines are:

Wave 23 01/26/2024 Wave 24 02/02/2024

Applicants missing their Form 486s deadlines should, within the week, receive Urgent Reminder Letters from USAC providing a 15-day grace period.

January 29 Due date for comments on the FCC's cybersecurity pilot NPRM (<u>FCC 23-92</u>). Reply comments are due February 27<sup>th</sup>.

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January 29 Invoice (or invoice deadline extension request) deadline for FY 2022 non-recurring service FRNs.

February 27 Extended invoice deadline for FY 2022 recurring services FRNs.

February 28 Last day to file a Form 470 for FY 2024 so as to allow its posting for at least 28 days before the close of the Form 471 application window.

Please note that any applicant waiting until February 28th to file a Form 470 would have to review all bids, select vendors, sign contracts, and upload them into EPC, create and file their Form 471, all on March 27th when the EPC is likely to be at its busiest. This is **NOT** a recommended course of action!

March 27 Close of the Form 471 application window for FY 2024. To be considered as having been filed "in window," Form 471s must be filed and certified by

11:59 p.m. EDT.

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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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