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Funding Status

E-Rate for FY 2024:

Wave 26 for FY 2024 was released on Thursday, October 17th, for \$17.9 million including \$308 thousand for three North Carolina applicants. Total funding is now \$2.30 billion including \$66.5 million for North Carolina. Currently, USAC has funded 95.4% of the originally submitted applications, representing 77.4% of the dollars requested.

FCC Hotspot Compliance Guide

The E-Rate eligibility of loanable Wi-Fi hotspots, new for FY 2025, is likely to prove attractive to many schools and libraries seeking to provide short-term, at-home, internet service to students, school staff, and library patrons. As we have been advising both applicants and service providers, however, the use of E-Rate-funded hotspots will require both applicants and service providers to pay close attention to strict usage and administrative rules.

Last week, in a move that we have not seen with other E-Rate eligible services, the FCC issued a special hotspot Small Entity Compliance Guide (<u>DA 24-1083</u>). As indicated in its introduction, the "Guide is not intended to replace or supersede these rules, but to facilitate compliance with the rules." Specifically, the Guide notes that the hotspot rules establish clear "safeguards to ensure E-Rate-funded Wi-Fi hotspots and services are used for their intended purpose, including recordkeeping and usage requirements for applicants and service providers."

Those safeguards fall into several categories including:

- 1. Hotspot applicants will be required to:
 - a. Update and publicly post an acceptable use policy that states that the off-premises use of the Wi-Fi hotspot and/or service is "primarily for educational purposes;" and certify to meeting these requirements.
 - b. Maintain an asset and service inventory that identifies the:
 - i. Equipment make/model;
 - ii. Equipment serial number;

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- iii. Full name of the person to whom the equipment was provided (for schools only);
- iv. Dates the equipment was loaned out and returned, or the date the school was notified that the equipment was missing, lost, or damaged; and
- v. Service detail the line number or other unique identifier that associates a device to that particular line of service.
- 2. Applicants must work with their service providers to "establish verification processes to ensure that E-Rate-supported Wi-Fi hotspots are in use." Specifically:
 - a. At least once every 31 days, service providers are required to determine whether any E-Rate-supported lines have zero data usage in the prior 60 days and provide notice to the applicant of those particular lines within 5 business days.
 - b. If there is zero data usage for 90 days, service providers must discontinue service to such lines.
 - c. Service providers must provide reports regarding Wi-Fi hotspot data usage for off-premises use to applicants, and applicants are required to make those reports available to program administrators and/or auditors.

In addition to these requirements, we should also note that the FCC has a pending Further Notice of Proposed Rulemaking ("FNPRM") on hotspots seeking comments on additional and/or modified restrictions on the hotspot program (see our <u>newsletter of October 14th</u>). Reply comments on the FNPRM are due November 4th.

One lesson we take away from these hotspot requirements and restrictions is that schools and libraries planning to provide hotspot services to students, staff, and patrons will be well-served to work with service providers who best understand and can demonstrate their ability to fulfill their share of the regulatory burden.

Updates and Reminders

Upcoming Dates:

| October 24 | USAC webinar - Fal | Training: EPC Administrative V | Window (| (registration). |
|------------|--------------------|--------------------------------|----------|-----------------|
|------------|--------------------|--------------------------------|----------|-----------------|

October 28 Form 486 deadline for FY 2023 Wave 57. More generally, the Form 486 deadline is 120 days from the FCDL date, or the service start date (typically July 1st), whichever is later. The next Form 486 deadline for FY 2023 is:

| Wave 58 | 11/07/2024 |
|---------|------------|
| Wave 59 | 11/14/2024 |
| Wave 60 | 11/21/2024 |

October 28 Nomination due date for eight positions on the USAC Board of Directors (see DA 24-867).

October 28 E-Rate invoice deadline for FY 2023 recurring services and final date to request an invoice deadline extension.

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October 29 Form 486 deadline for FY 2024 Waves 1-10. More generally, the Form 486 deadline is 120 days from the FCDL date, or the service start date (typically July 1st), whichever is later. Upcoming Form 486 deadlines for FY 2024 are:

Wave 11 10/31/2024 Wave 12 11/08/2024 Wave 13 11/15/2024 Wave 14 11/22/2024

November 1 Close of the FCC's Cybersecurity Pilot Program Form 484 Part 1 application

window.

November 4 Due date for reply comments on the Further Notice of Proposed Rulemaking

("FNPRM") on the FCC's recent hotspot order (FCC 24-76).

E-Rate Administrative Window Now Open:

As a prelude to the opening of the FY 2025 Form 471 application window (expected in mid-January), USAC opened the "administrative window" to permit applicants to update their entity data in EPC. The opening of the administrative window is an annual event indicating that USAC has completed updating EPC entity data with any changes it made while reviewing the previous year's applications. Applicants now have a chance to review and or update their entity profiles (including student count and NSLP percentages) in preparation for filing their FY 2025 applications.

USAC typically closes the administrative window just prior to opening the next application window, at which point USAC locks the entity profiles to keep entity data from being changed during the Form 471 filing period. This prevents an applicant, typically an individual school or district, from changing any data that would affect a pending application of a related entity, such as a consortium or library. Entity profiles are usually locked until shortly after the Form 471 application window closes (expected in late March).

E-Rate with a Capital "R":

The FCC recently advised USAC to always refer to the E-Rate program in print with a capital "E" and a capital "R." Historically, we have seen the program referenced in print in several different ways including "E-rate", "e-Rate," or even "e-rate." We are particularly pleased to see the FCC standardize the "two-capital" version if only because it means that we will not have to change the E-Rate Central name in any of our promotional material. Obviously, we remain a spelling leader in the E-Rate industry.

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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.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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