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Funding Status

E-Rate for FY 2025 – Application Window:

Application Window: The Form 471 application window for FY 2025 opened Wednesday, January 15th, and will close on Wednesday, March 26th, 2025, at 11:59 p.m. EDT. For additional information on the FY 2025 filing window, including training opportunities, see USAC's <u>E-Rate</u> <u>Special Edition News Brief dated January 15th</u>.

E-Rate for FY 2024:

Wave 41 for FY 2024 was released on Thursday, January 30th, for \$3.94 million, none for North Carolina. Total funding is now \$2.56 billion including \$73.6 million for North Carolina. Currently, USAC has funded 97.9% of the originally submitted applications, representing 87.9% of the dollars requested.

Cybersecurity Pilot Program – Application Window:

Application Window: The CBR Form 471 application window for the Cybersecurity Pilot Program opens March 18th and will close September 15th. Total pilot funding is capped at \$200 million for 707 applicants. Initial commitments include an estimated \$10.1 million for seventeen North Carolina applicants.

The "Freeze" That Was, Then Wasn't

Last Tuesday was an unusual day. The previous evening, President Trump's Office of Management and Budget ("OMB") issued a memorandum ($\underline{M-25-13}$), "freezing" federal financial assistance funds on a wide variety of federal programs. More precisely, the memo

called for a temporary pause of agency grants, loans and other financial assistance programs pending the completion of a "comprehensive analysis" of those programs. Although it is not clear that the President had the authority to withhold funds appropriated by Congress, this action has raised substantial questions as to whether payments could be made across a wide range of federal programs.

Early on Tuesday, OMB followed up with an instructional memo detailing the requested information, along with a lengthy 51-page list in very small print that outlined all the agencies and programs from which this information was being sought. For the FCC, the programs referenced include all four Universal Service Fund ("USF") programs, including E-Rate, the closed Emergency Connectivity Fund ("ECF"), and the Cybersecurity Pilot Program.

Later on Tuesday, OMB released a "Clarification Memo" stating that only programs implicated in seven of the President's Executive Orders are subject to the "pause." Those programs, clearly having nothing to do with E-Rate, were:

Protecting the American People Against Invasion Reevaluating and Realigning United States Foreign Aid Putting America First in International Environmental Agreements Unleashing American Energy Ending Radical and Wasteful Government DEI Programs and Preferencing Defending Women from Gender Ideology Extremism and Restoring Biological Truth to the Federal Government Enforcing the Hyde Amendment

Still later on Tuesday, responding to the day's chaos and specifically to concerns that Medicaid payments had already been affected, the U.S. District Court for the District of Columbia issued a temporary stay of the original OMB freeze memo.

Wednesday morning, OMB blinked and released a two-line rescission memo ($\underline{M-25-14}$) indicating that "OMB Memorandum M-25-13 is rescinded." We here at E-Rate Central — and undoubtedly millions of others going well beyond E-Rate — could breathe again.

At least for the moment. What we do not know is whether a revised memo might be forthcoming — presumably without an immediate freeze — reinstating the request to complete a similar spreadsheet for all the Federal financial assistance programs with an implied threat of funding cuts.

We believe that the E-Rate program, with or without hotspots, remains an important, ongoing, program with broad bipartisan support, The uncertainty surrounding the upcoming changes, however, still persists.

Updates and Reminders

Upcoming Dates:

February 7	FY 2024 Form 486 deadline for Wave 25. The Form 486 deadline is 120 days after the FCDL date, or the service start date (typically July 1 st), whichever is later. The next Form 486 deadlines for FY 2024 are:
	Wave 2602/14/2025Wave 2702/21/2025Wave 2802/28/2025
February 25	Extended invoice deadline for FY 2023 recurring service FRNs with approved extensions beyond the original October 28, 2024, deadline.
March 18	Opening of the Cybersecurity Pilot Form 471 application window.
March 26	Close of the E-Rate Form 471 application window for FY 2025.
May 28	Extended invoice deadline for FY 2023 non-recurring service FRNs with approved extensions beyond the original January 28, 2025, deadline.
July 1	Withdrawal deadline for selected Cybersecurity Pilot participants opting not to continue in the Program.
September 15	Close of the Cybersecurity Pilot Form 471 application window and deadline for filing the Form 484 Part 2.

USAC E-Rate News Brief Dated January 30th

USAC's E-Rate News Brief dated January 30, 2025, covered the following topics:

- An extended list of E-Rate tips on the following topics:
 - The FY 2025 Form 471 application window, the available learning module, the training site, and the bulk upload tool.
 - Form 473 filing reminder and Form 470 tools for service providers.
 - Invoicing changes for BMIC requests.
- E-Rate waivers for disaster areas affected by the California wildfires.
- Tips for FY 2025 Form 471 filers.
- Upcoming Form 471 filing webinar on the E-Rate pre-commitment process February 11 (register).
- Audit confirmation letters issued to applicants and service providers in connection with the annual audit of USAC. Note this is <u>not</u> an E-Rate audit of applicants and service providers but does require a reply by a sampling of E-Rate beneficiaries.
- FCC's selection of Cybersecurity Pilot Program participants.

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 — <u>http://www.E-Ratecentral.com/us/stateInformation.asp?state=NC</u>. 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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