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Funding Status

E-Rate for FY 2025 – Application Window:

Application Window: The Form 471 application window for FY 2025 opened January 15th, and will close in 9 days 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 [E-Rate News Brief dated February 20th](#).

E-Rate for FY 2024:

Wave 47 for FY 2024 was released on Thursday, March 13th, for \$2.2 million, none for North Carolina. Total funding is now \$2.63 billion including \$73.6 million for North Carolina. Currently, USAC has funded 98.2% of the originally submitted applications, representing 90.8% 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.

FCC’s “Delete, Delete, Delete” Initiative

FCC Chairman Brendan Carr last week launched a fast-tracked “massive” deregulation initiative ([DA 25-219](#)) to reexamine every FCC rule, regulation, or guidance document. Points made in the Public Notice include:

- Commenters are encouraged to identify rules to be repealed or modified in as much detail as possible and to provide a rationale for their recommendations.
- Costs and benefits of a rule are relevant to the analysis.
- Marketplace and technological changes are likely to be the most commonly identified criteria for determining unnecessary rules.
- Comments are sought on regulations that impose costs unequally on large and small businesses.
- As a result of the Supreme Court’s *Chevron* decision, there are rules based on past FCC interpretations of statutory language that should be revisited.
- Comments are sought on whether constitutional concerns provide a basis for repealing any existing FCC rules or statutory provisions.

Given that E-Rate accounts for only a small segment of the FCC rules, we would not expect E-Rate to be a major focus of the “Delete” proceeding. But, for those of us who have been encouraging the FCC to adopt new E-Rate rules, this docket is an opportunity to eliminate others such as the Form 486 requirement. This might also be an appropriate time to suggest officially killing earlier talk of an online E-Rate bidding portal as a burdensome and cost-ineffective approach.

Updates and Reminders

Upcoming Dates:

March 18	Opening of the Cybersecurity Pilot Form 471 application window.								
March 18	USAC Cybersecurity Pilot Program Form 471 webinar: 3:00-4:00 PM EST Register								
March 21	FY 2024 Form 486 deadline for Wave 31. 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: <table data-bbox="565 1276 1003 1423"> <tr> <td>Wave 32</td><td>03/27/2025</td></tr> <tr> <td>Wave 33</td><td>04/04/2025</td></tr> <tr> <td>Wave 34</td><td>04/11/2025</td></tr> <tr> <td>Wave 35</td><td>04/18/2025</td></tr> </table>	Wave 32	03/27/2025	Wave 33	04/04/2025	Wave 34	04/11/2025	Wave 35	04/18/2025
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Wave 33	04/04/2025								
Wave 34	04/11/2025								
Wave 35	04/18/2025								
March 26	Close of the E-Rate Form 471 application window for FY 2025.								
March 26	Oral arguments before the U.S. Supreme Court regarding the constitutionality of the Universal Service Fund (see our newsletter of November 25, 2024).								
April 11	Comments due on the FCC’s “Delete, Delete, Delete” Initiative (DA 25-219).								
April 28	Reply comments due on the FCC’s “Delete, Delete, Delete” Initiative.								
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 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.

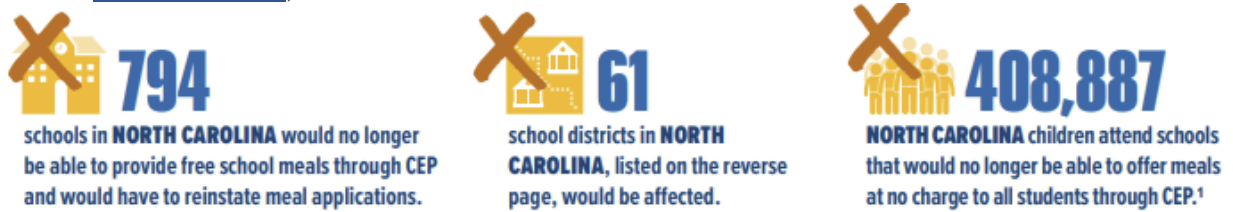
House Proposes Major Cut in CEP:

In October 2023, the U.S. Department of Agriculture ("USDA") finalized new rules reducing the school eligibility threshold for participation in the Community Eligibility Provision ("CEP") program from an Identified Student Percentage ("ISP") of 40% to 25%. That action not only made more students eligible for free meals but simplified NSLP accounting and, in some cases, increased E-Rate discount rates for some schools.

Last week, as a part of a broader effort to cut the cost of social service programs, House Budget Committee Chairman Jodey Arrington (R-TX) released a list of proposals that includes \$12 billion in cuts to the Community Eligibility Provision ("CEP"). This would be done, not just by increasing the 25% ISP threshold back to the pre-2023 40% level, but by increasing it to 60%. This would increase the cost of collecting free meal paperwork for many schools, dramatically reduce the number of students eligible for free meals, and cut E-Rate discounts by at least one notch for many schools (and libraries).

Based on a [study](#) by the Food and Research & Action Center ("FRAC"), the proposal, if enacted, would make more than 24,000 schools across the country, serving more than 12 million children, no longer eligible to participate in CEP. (We note that the FRAC study was apparently based on preliminary 2023-24 eligibility data that may overestimate the potential impact.)

Within [North Carolina](#), FRAC estimated that:



In a related action, the House Budget Committee Chairman also proposed requiring schools to verify parental income for free or reduced-price meals. Such verifications, if required, would clearly increase school costs for administering these programs and would likely decrease participation.

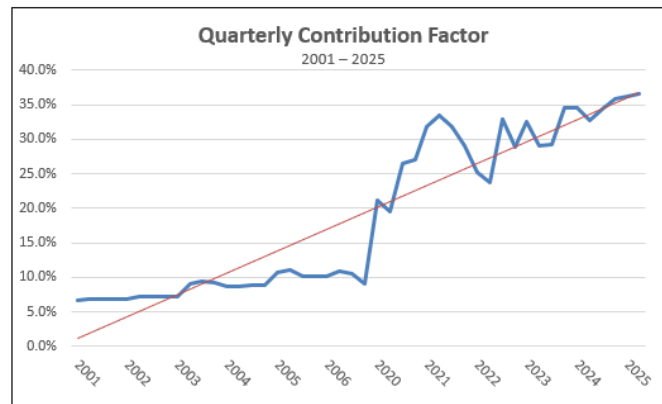
Democratic States Sue to Halt Massive Education Department Cuts:

A group of 21 Democratic attorneys general [sued](#) the Trump administration last week in an effort to halt the mass layoffs — almost half the employees — of the U.S. Department of Education ("DOE"). The layoffs are seen as a first step in eliminating the entire Department and transferring some functions and funding to other Federal departments or the states. We see little direct impact of this move on E-Rate but do note that the DOE has been playing an important role in the development of best practices for [K-12 cybersecurity](#).

In a related development, potentially affecting cybersecurity best practices, the Cybersecurity and Infrastructure Security Agency (“CISA”) has reported a \$10 million reduction in funding for its Multi-State Information Sharing and Analysis Center (“MS-ISAC”).

USF Quarterly Contribution Factor Hits a New High — Again:

The FCC announced ([DA 25-223](#)) that the Proposed Second Quarter 2025 Universal Service Contribution Factor will be 36.6%. For the third quarter in a row, this is a new high. Again, we say, “This cannot go on,” but it does.



As we have discussed in the past, the underlying problem continues to be, not so much that Universal Service Fund (“USF”) expenses are rising but that interstate telecommunications revenues (i.e., the contribution base) have fallen sharply over the last decade and a half. The only real long-term solution is to expand the contribution base with internet service and/or content provider revenues.

For the first time in a long time, a change may be at hand. On March 26th, the same day as the close of the FY 2025 application window, the U.S. Supreme Court has scheduled a hearing on the constitutionality of USF. Although we do not expect the Court to ultimately rule that USF is unconstitutional, the hearing may suggest that the Justices are concerned with certain aspects of the USF’s administration. That could be the goad needed to convince Congress and/or the FCC to undertake USF reform.

USAC Cybersecurity Pilot Program Newsletter dated March 11th

[USAC’s Schools and Libraries Cybersecurity Pilot Program Newsletter, dated March 11, 2025,](#) covered:

- Competitive bidding and the CBR Form 470 including six FAQs.
- The CBR Form 484 Part 2 including one FAQ on confidentiality.
- A brief list of key dates including the opening of the CBR Form 471 window tomorrow, Tuesday, March 18th.
- Eight additional Cybersecurity Pilot FAQs. Note: For a complete list of frequently asked questions, see the FCC’s [FAQ](#) webpage.

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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