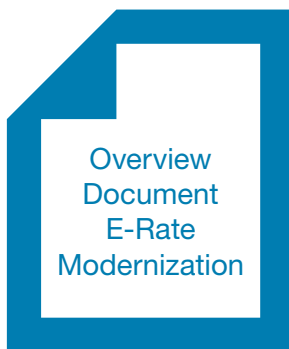


## The E-rate Opportunity: E-rate Modernization Resources for Policymakers and Digital Leaders

### Overview Document

#### OVERVIEW

Billions of dollars are available to help state and local jurisdictions expand broadband and Wi-Fi connectivity in schools and libraries based on recent changes in the federal E-rate program. SETDA and Common Sense Kids Action, the advocacy arm of Common Sense Media, are working together to help state and local policymakers and digital technology leaders successfully apply for these new funds. The goal of the three documents in this resource is to help state and local leaders achieve high-speed connectivity in their jurisdictions and to support the national goal of connecting every classroom and library in America to high-speed Internet by 2018.



#### GOAL: TAKE ADVANTAGE OF NEW E-RATE FUNDING

This resource is designed to help eligible state and local jurisdictions successfully apply for new funds available for broadband construction and Wi-Fi expansion in schools and libraries. These funds became available under the Federal Communications Commission's (FCC) 2014 E-rate Modernization Orders (FCC 14-99 and FCC 14-169). Easy access to reliable, robust, and cost-effective broadband and Wi-Fi provides the opportunity for engaging digital learning opportunities. As states, districts, and schools strive to provide effective digital learning environments, a solid infrastructure for broadband access and capacity is critical. This resource is intended to ensure that states and districts leverage all elements of the modernized E-rate program so that all students across the country have seamless access to high-speed broadband for learning.

#### COMPETITIVE BIDDING REQUIREMENTS: A REMINDER

As with all aspects of the E-rate program, these new funds are subject to strict competitive bidding requirements. Applicants must conduct fair, open, and competitive bidding processes and must select the most cost-effective service provider in order to receive E-rate funds. The price of eligible products and services must be the most heavily-weighted factor, but not necessarily the majority factor, considered in choosing equipment and services to bring broadband to and establish internal connections in schools and libraries.

## BACKGROUND

SETDA and Common Sense Kids Action developed this resource with advice from state Department of Education leaders, E-rate coordinators, K-12 network administrators, and state educational technology directors. SETDA has an established track record of coordinating national data collection and reporting on behalf of all fifty U.S. states and territories. Broadband access has been a priority area for SETDA members, and SETDA has provided policy recommendations to support state school improvement and reform goals via multiple publications including the [Broadband Imperative](#). The FCC included SETDA's broadband capacity targets in the E-rate Modernization Orders. Common Sense Kids Action works with state, local, and national leaders to advance policies and programs that increase every child's opportunity to succeed in the 21st century. Common Sense actively supported the creation of the federal ConnectEd program and the modernization of E-rate. Expanding student access to broadband and Wi-Fi at school and at home [is a priority for Common Sense](#).

## STATE LEADERSHIP BROADBAND CONSORTIA STEERING COMMITTEE

Thank you to the leaders that volunteered their time and expertise to develop these documents:

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- **Derrel Fincher**, OUSF Recertification Coordinator, Oklahoma Corporation Commission
- **Carla Wade**, Education Specialist, Oregon Department of Education
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## STAFF LEADERSHIP

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- **Jeff Mao**, Senior Director of the Learning Solutions Program, Common Sense Education
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- **Susannah Savage**, Honors Policy Associate, Common Sense Kids Action



Founded in 2001, the State Educational Technology Directors Association (SETDA) is the principal nonprofit membership association representing US state and territorial educational technology leaders. Our mission is to build and increase the capacity of state and national leaders to improve education through technology policy and practice. [setda.org](http://setda.org)



Common Sense Kids Action works with policy makers, business leaders, and other advocates to ensure that every child has the opportunity to succeed in the 21st century. Our mission is to make kids and education our nation's top priority by building a membership base and driving policies that promote access for all kids to high-quality digital learning experiences; protect kids' online privacy; expand access to affordable, high-quality early education; and reduce child poverty. <https://commonsensemedia.org/kids-action>

## WHAT IS E-RATE?

The Federal Communication Commission's (FCC) Universal Service for Schools and Libraries Program (often referred to as E-rate) provides most schools and libraries with discounted rates for specific services and products related to telecommunications services, telecommunications, Internet access, internal connections, and basic maintenance. The amount of the discount depends on the level of poverty at and location of each individual school or library. Schools and libraries can research their E-rate eligibility here <http://www.usac.org/sl/>.

## FCC

The Federal Communications Commission (FCC) is the administrator of the Universal Service Fund. Funding for E-rate comes from the Universal Service Fund.

## USAC

The Universal Service Administrative Company (USAC) is an independent, not-for-profit corporation designated by the FCC to protect the integrity of universal service through informing and educating program audiences, collecting and distributing contributions, and promoting program compliance. USAC oversees the administration of the E-rate program, including organizing and approving applications, conducting audits, and providing technical support to state and district E-rate coordinators.

## WHAT IS E-RATE MODERNIZATION?

In 2014, after over a year of deliberation, the FCC Commissioners updated the E-rate program by implementing programmatic changes to increase the efficiency and effectiveness of the program, ensuring E-rate funds are spent smartly, improving program administration, focusing on closing the Wi-Fi gap, and dramatically increasing funding for school broadband, while transitioning support away from legacy technologies to 21st century broadband connectivity. The updating took place in two phases. On July 11, 2014, the FCC released the First E-rate Modernization Order (see Order Summary) and on December 11, 2014, the FCC released the Second E-rate Modernization Order (see Order Summary). To stay most up to date on the E-rate Modernization process visit: <http://fcc.gov/E-rate-update>.

## HIGHLIGHTS OF THE MODERNIZED E-RATE PROGRAM

- **Lit services special construction:** The Second Modernization Order changed the rules surrounding funding for the capital portion of a broadband provider delivering a traditional lit service to an applicant. The requirement that applicants seek E-rate reimbursement for large, up-front construction costs over several years is suspended. The Order also allows applicants to pay their share of one-time, up-front construction costs over multiple years.
- **Dark fiber options:** Equalizing the treatment of schools and libraries seeking support for dark fiber with those seeking support for lit fiber. Long-term capital leases of existing or new build dark fiber (often referred to as Indefeasible Right of Use or IRU) and/or applicant construction of dark fiber allow the applicant beneficial ownership of the dark fiber separate from the service of transmitting data—lighting the fiber. Dark fiber can be an especially cost-effective option for smaller, rural districts. Applicants must seek comparative bids for traditional lit service to evaluate against the proposed IRU or self-construction options.
- **State match:** Providing an incentive for state support of last-mile broadband facilities through a federal match from E-rate of up to 10% of the cost of construction or IRU'd fiber, with special consideration for Tribal schools.
- **Connect America Fund recipients:** Requiring carriers that receive subsidies from the universal service program for rural areas (called the Connect America Fund program) to offer high-speed broadband to schools and libraries located in the subsidy area at rates reasonably comparable to similar services in urban areas.

- **Category Two:** Increasing the certainty and predictability of funding for Wi-Fi by expanding the five-year budget approach to providing more equitable support for internal connections— known as Category Two— through funding year 2019.

## FEDERAL COMMUNICATIONS COMMISSION RESOURCES:

1. First E-rate Modernization Order (July 2014): [https://apps.fcc.gov/edocs\\_public/attachmatch/FCC-14-99A1.pdf](https://apps.fcc.gov/edocs_public/attachmatch/FCC-14-99A1.pdf)
2. E-rate Modernization Order Summary (July 2014): Summary of the Order adopted in July 2014, updated to account for changes made in the Second Order. <https://www.fcc.gov/page/summary-e-rate-modernization-order>
3. Second E-rate Modernization Order (December 2014): [https://apps.fcc.gov/edocs\\_public/attachmatch/FCC-14-189A1.pdf](https://apps.fcc.gov/edocs_public/attachmatch/FCC-14-189A1.pdf)
4. Summary of the Second E-Rate Modernization Order: <https://www.fcc.gov/page/summary-second-e-rate-modernization-order>
5. E-rate Modernization Data Sets and Resources (2015). <https://www.fcc.gov/encyclopedia/e-rate-modernization-data>
6. FCC’s E-rate Fiber Build Workshop <https://www.fcc.gov/events/e-rate-fiber-build-workshop>

## UNIVERSAL SERVICE AND ADMINISTRATIVE COMPANY (USAC) RESOURCES

1. Getting Started: E-rate application overview of the requirements: <http://usac.org/sl/about/getting-started/default.aspx>
2. List of Eligible Services: <http://www.usac.org/sl/applicants/beforeyoubegin/eligible-services-list.aspx>
3. USAC Glossary of Terms: <http://www.usac.org/res/documents/sl/pdf/handouts/SL-Glossary-of-Terms.pdf>
4. Non-Traditional Education Settings: <http://www.universalservice.org/sl/applicants/beforeyoubegin/non-traditional/default.aspx>
5. Educational Services Agencies: <http://usac.org/sl/applicants/beforeyoubegin/esa.aspx>

## LEVERAGING DIGITAL LEARNING

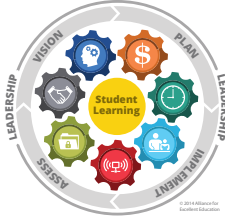
School districts across the country are shifting to digital learning environments to support teaching and learning. Modernizing your school district’s broadband and Wi-Fi networks is only the first step towards developing a high-quality digital learning environment for students and teachers. For more resources on how to integrate digital learning tools, we recommend the following organizations and publications:



### Building Your Roadmap For 21st Century Learning Environments:

Created by the Cable Impacts Foundation, SETDA, and the Partnership for 21st Century Learning, the roadmap is a free resource designed to help educators transform schools into 21st century learning environments. “Infrastructure” is just one of many components the roadmap asks educators to consider as they plan to re-vamp their classrooms—it also offers tools for Learning, Teaching & Professional Learning, Assessment & Accountability, and Leadership, along with additional Resources. <http://www.roadmap21.org/index.html>

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**The Future Ready Framework:** Designed by the Alliance for Excellent Education, the framework focuses on seven main areas: Curriculum, Instruction, and Assessment; Use of Time; Technology, Networks, and Hardware; Data and Privacy; Community, Partnerships; Professional Learning; and Budget and Resources. <http://dashboard.futurereadyschools.org/app/framework>



**The Guide to Implementing Digital Learning**

includes six topic areas: Planning, Professional Learning, Content and Software, Broadband, Devices, and Tech Support. <http://digitallearning.setda.org/>

**Guide to Implementing Digital Learning:** A free, web-based resource to support school and district leaders as they work to implement successful investments in digital learning, SETDA's guide includes six topic areas: Planning, Professional Learning, Content and Software, Broadband, Devices, and Tech Support. <http://digitallearning.setda.org/>

**ISTE Essential Conditions:** The International Society for Technology in Education provides 14 Essential Elements necessary to effectively leverage technology for learning. <http://iste.org/standards/essential-conditions>



**Technology-Enabled Personalized Learning Summit:** The Summit Report incorporates suggestions from the conference of over 100 education leaders held at the Friday Institute at NC State University. The convening was unique in that the leaders included similar representation from industry, associations and nonprofits, and university and K-12 educators. Together, they compared experiences, discussed common challenges, explored case studies, and identified potential solutions to scale the implementation of personalized learning through technology. [http://fi.ncsu.edu/wp-content/uploads/2014/02/TEPLS\\_report-FINAL-051415.pdf](http://fi.ncsu.edu/wp-content/uploads/2014/02/TEPLS_report-FINAL-051415.pdf)



**State Digital Learning Exemplars:** Published jointly by SETDA and the Friday Institute, this national report highlights examples of states with policies in support of five key areas: innovating funding streams and policy; digital content; human capacity; network infrastructure; and data management and privacy. The report is a valuable resource for states looking for policies to replicate. [http://setda.org/wp-content/uploads/2015/06/DigitalLearningExemplars\\_June2015.pdf](http://setda.org/wp-content/uploads/2015/06/DigitalLearningExemplars_June2015.pdf)

**School Privacy Zone Campaign:** Launched by Common Sense in 2013, the School Privacy Zone Campaign helps parents, teachers, and policymakers to keep students' personal information out of the hands of non-educational, commercial interests and other third parties. <https://www.common SenseMedia.org/kids-action/issues/privacy-and-safety/school-privacy-zone>.

\*Please note that the information provided in this document is based on state leaders' input, review of the FCC's E-rate Modernization Orders, the May 20, 2015, E-rate Workshop, and information provided during meetings with the FCC in January and June 2015. If you have any questions specific to your school, district, or state E-rate eligibility, please contact the FCC directly. For questions about self identification of fiber projects or special construction please contact: Dana Shaffer, Deputy Managing Director, FCC ([dana.shaffer@fcc.gov](mailto:dana.shaffer@fcc.gov)); Charles Eberle, Attorney Advisor, FCC Wireline Competition Bureau ([Charles.Eberle@fcc.gov](mailto:Charles.Eberle@fcc.gov)); or Joe Freddoso, Dark Fiber Consultant, USAC ([jfreddoso@gmail.com](mailto:jfreddoso@gmail.com)). If you have any additional questions or concerns, please contact Susannah Savage at Common Sense Kids Action ([ssavage@commonsense.org](mailto:ssavage@commonsense.org)) or Christine Fox at SETDA ([cfox@setda.org](mailto:cfox@setda.org)).

