



TELECOMMUNICATIONS

SNAP UPSMdate

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Upgraded E-Rate Program: Schools and Libraries E-Ticket to the Internet and Broadband Fast Lane?

Last month the FCC modified the E-rate program to bring fast, affordable Internet access to schools and libraries through the National Broadband Plan. Formerly called the Schools and Libraries Universal Service program, the E-rate program, which provides up to \$2.25 billion annually to support schools and libraries telephone and Internet connections, was adopted 13 years ago to help ensure that almost every school and library across America has Internet access. The E-rate program has, however, not kept pace with technological advances or funding requirements in the broadband era. Accordingly, on September 28th the FCC upgraded the program by:

- allowing participants to use E-rate funds to connect to the Internet in the most cost-effective way possible, including via unused fiber optic (dark fiber) lines;
- opening the door to “School Spots” -- where schools have the option to provide Internet access to the local community after students go home;
- launching a pilot program that supports off-campus wireless Internet connectivity for mobile learning devices such as digital textbooks and other wireless devices; and
- indexing the cap on E-rate funding to inflation, supporting connections to the dormitories of schools that serve students facing unique challenges (such as Tribal schools or schools for children with physical, cognitive, or behavioral disabilities), codifying competitive bidding requirements, clarifying ethics obligations, and streamlining the E-rate application process for educators and librarians.

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Perhaps the most significant and controversial part of the FCC's Order from the service provider's perspective is the FCC's conclusion that "eligible schools and libraries should be free to meet their communications needs by leasing fiber from entities other than telecommunications carriers that are able to provide schools and libraries the same services that a traditional telecommunications carrier can provide a school or library over a fiber network." This means that schools and libraries can now lease E-rate eligible fiber from any provider—including research and education networks, regional, state and local governments, non-profit and for-profit providers, and utility company---purportedly giving schools and libraries "more flexibility to select the most cost effective broadband solutions" and allow them to "pay less for the same or greater bandwidth . . ." While the FCC claims that the competitive bidding process will help protect against waste, fraud, and abuse of the E-rate program, non-public entities raise fairness concerns about competing with taxpayer-funded entities such as state and local governments.

Others raise concerns regarding the services that are ineligible for E-rate support, including wireless Internet access applications such as those that could be used on school buses to transmit emergency information, track students, and locate buses with global positioning service technology.

Will the E-rate program modifications live up to their promise of enhancing the speed and availability of high speed Internet and broadband access for schools and libraries? Will the competitive bidding process really protect against waste, fraud and abuse of the E-rate program, or are more protections necessary? Is the competitive bidding process based on a level playing field where all bidders have equal or comparable access to funding? Does the e-Rate program exclude key services and applications that should be eligible for E-Rate funding?

We welcome your thoughts! Please feel free to comment at our interactive blog at blog.tlgdc.com.

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