Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of	)
	)
Modernizing the E-rate	) WC Docket No. 13-184
Program for Schools and Libraries	)

Initial Comments of the Colorado Association of Libraries
Regarding
FCC Public Notice DA 17-921 Seeking Comment on Category 2 Budgets

The Colorado Association of Libraries (CAL) respectfully submits these comments in response to the Public Notice requesting comment on the sufficiency of budgets for Category two services under the E-rate program.

CAL is a membership organization for library staff and other library and school-related personnel that support improved access to information through libraries of all types and their communities.[1] We believe that high-capacity broadband is a key infrastructure for libraries, K-12 schools, community colleges, colleges and universities, health services, media, public housing and other anchor institutions in the 21st century. Continuous enhancement of the broadband capabilities in the state and nation of these community anchor institutions is especially important to the most vulnerable segments of our population: people in rural areas, low-income consumers, those who are disabled and elderly, students, minorities, and many other disadvantaged and underserved members of our society.

CAL appreciates the opportunity to submit these comments from our collective members' experience. CAL applauds the Commission's action through the 2014 Modernization Order to establish a relatively predictable and equitable funding model for Category 2 funding. This is an opportunity for a welcome change to what has often been an unpredictable and inequitable distribution of scarce E-rate dollars in the 'old' priority system.

In brief, CAL supports the Category two funding framework as it exists today. We certainly believe the Category two (CATEGORY 2) budgets should not be reduced and that the framework has generally been a success so far. Further, CAL believes that the recommendations discussed below would make the Category two funding framework even more successful.

As with many things in the E-rate program, there are many variables that affect the story that are not easy to present during the filing or comment process. We would like to point out that the data available at this stage of the Modernization Order's 5-year Category 2 budget cycle (with almost 3

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[1] CAL members include representatives of schools, libraries, academic institutions, special libraries, public library trustees, and others who work individually and collectively to sustain and improve library services for anyone needing and using libraries across the state. More can be found at http://www.cal-webs.org/

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years now completed) does not tell the whole story. The Commission should not interpret the statistical data that may appear to show underutilization of the increase to the annual funding cap as meaning that any of those funds should be used anywhere other than for the E-rate program providing substantial benefit libraries and schools.

Many State initiatives had been undertaken to support infrastructure build-out in schools just prior to the adoption of the Modernization Order in July 2014. Current infrastructure was not adequate enough to support the advent of mandated online testing in schools for example, nor to support the needs of residents using libraries for educational, business, and learning needs that rely increasingly on online tools and databases. Colorado has had 8-12 libraries apply for Cat 2 funding in recent years, yet find, as do many applicants, their 5 year refresh cycle will not again occur until Funding Years 2019 and 2020. We would like to see more libraries apply, and offer a few recommendations below that would help reduce barriers, make the program more effective, and lead to libraries being more encouraged to seek E-rate funds for the Category 2 service needs.

Bandwidth and infrastructure problems are rampant and well documented anecdotally and in broadband maps prepared in the state[2]. Yet libraries are just one part of the overall solution to increasing access to broadband by residents. Often the directors and staff are unable to make inroads into correcting the problem as single institutions. Yet that doesn't mean E-rate access and funds are any less important. It in fact means libraries and their staffs need MORE assistance in navigating the process and understanding the best means of working to build local coalitions to tackle broadband improvements to make the E-rate funds more effective.

We do know the phase-out of voice related product support and/or services significantly impacted the apparent under-utilization of Category 2 funding. Applicants who had typically relied on such funding had to seek other ways to pay for these critical services that are so important to our rural areas especially. Further, applicants whose E-rate discounts were 60% or lower arguably had their ability to pay their non-discount share adversely affected by the reduction in support for voice. This created difficult decisions about whether to pay for their voice services, fund their Category 2 undiscounted share, hire new staff, purchase print or online materials, or update and repair building infrastructure.

CAL supports the per-student budget calculation for schools and the current per-square foot calculation for libraries. These approaches seem to address the needs of the populations served by schools and libraries in a straightforward manner that does not inappropriately over or understate their needs. Because of the short timing of this request and lack of adequate information relative to library E-rate participation, we are not able to fully represent the specific challenges or successes libraries face in the E-rate submission process. Doing so would require contact with each library director and/or staff associated with E-rate applications, and there is insufficient time before the posted FCC due date for this comment period for a thorough review of library staff experiences in this area. As stated earlier however, a lack of comment should not be interpreted as lack of interest in and need for the program. This is a critical and essential program for libraries and schools in helping meet the needs of Coloradans and the population nationally. The comments below if accepted by and acted on by the FCC will be a step toward improving the program for all and allow even more funds to be made available to improve broadband access to residents through libraries.

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[2] http://maps.co.gov/HTML5Viewer_2_5/?viewer=Map last accessed October 20, 2017.

A) CAL SUPPORTS THE APPROACH TO CATEGORY TWO FUNDING AS OUTLINED AND ADOPTED IN THE MODERNIZATION ORDERS

CAL urges the Commission to retain the current framework for Category two services and recommends giving sufficient time to come to full fruition. The approach to funding Category 2 services adopted in the *Modernization Orders* has been successful so far. Raising the cap and establishing the Category two budgets has expanded the availability of Wi-Fi funding, and the nation's schools and libraries have seen concrete results. Because the E-rate program actually funded Category 2 requests over the past two funding years, after not having disbursed any Category two funding in the previous two years, demonstrates that the *Modernization Orders'* framework has made a difference. Likewise, the new framework has only just begun to extend the benefits of Wi-Fi to school districts and libraries.

Although this inquiry is just beginning, data currently available indicate some success of the Category 2 funding framework. While there have been demonstrable successes in use of the Category two budgets to date, improvement is possible and desirable. Many schools and libraries have a shown they have more need for more Category two funding than they currently receive. Thus, CAL encourages the Commission to examine the data collected in this process and assess whether the current cap on internal connections is adequate to meets the needs of America's schools and libraries, especially those in rural areas. Regarding some of the specific questions asked in the *Public Notice*, CAL offers these position on behalf of its members for your consideration:

B) ADDRESS NON-TRADITIONAL SCHOOLS, PART-TIME STUDENTS AND SPECIAL NEEDS STUDENTS

We are aware that the Category 2 per-student calculation for schools employs a 'density' factor that allows applicants to count part-time student attendance at multiple schools to appropriately address the needs of the buildings' highest population.

In a District-wide budget solution as proposed, part-time students that attend non-traditional schools *within* a school district would not be counted by both schools. However, in those instances where there are ONLY part-time students such as stand-alone Vocational Schools or ESAs, etc., we would propose these non-traditional (but eligible) schools would utilize the long established 'snap-shot' method of calculating both their E-rate discount and their enrollment to establish their Category 2 budget(s). Libraries also serve part time and non-traditional students through various services that often rely on adequate broadband access. This may not be apparent in the application process, yet is a part of what libraries do to serve their communities even if this isn't factored into the application itself. It is yet another reason why E-rate must remain stable and accessible to libraries through an easy process that encourages—not discourages—participation.

Additionally, a District-wide budget calculation would align other established processes throughout the E-Rate program.
- The applicant files its forms at the District level.
- The District is the Billed Entity, not the school(s) as they are child entities.
- The Commission has already simplified the discount calculation to be performed at the District level so a District-wide budget allocation/calculation follows this logic.

In schools with special needs students, the commission's pre-discount $150 per student five-year budget model disproportionately penalizes residential facilities serving unique populations. Instead, the commission should move toward using a square foot model for these schools similar to that applied to libraries (e.g. $2.30/s.f.). This would benefit any facilities currently limited by a cap on amounts, but may serve a residential community larger than that cap allows, such as the Colorado School for the Deaf and Blind, with more than 500 students.

C) SEEK A CALCULATION INCREASE FOR PER-STUDENT CATEGORY 2 BUDGET

CAL supports a higher pre-discount, per-student budget allocation to address the evidence that the model used to establish the per-student pre-discount cost more than 3 years ago is not robust enough. A modest increase will address the proposed change to the method of calculating part-time students when those students attend two schools within the same district. A nominal increase to the per-student pre-discount amount may encourage Category 2 participation for those applicants who face budget shortfalls due to the phase out in support for voice products/services.

D) SEEK GREATER FLEXIBILITY IN RESOURCE ALLOCATION.

In Colorado we recognize that the size of a building and the building materials used in its construction are just two of many factors that influence Wi-Fi installation costs. This per-building approach does not account for these factors. The Commission should allow school districts or library systems more flexibility to direct unneeded category two funding from one school to another location that has maxed out its category two funds. Although the student-count and square-feet measurements are a good starting point for determining what support each building should receive, a school's or library's connectivity needs may or may not be met by the funding it receives. Current rules require that schools and libraries apply for funding on a per-building basis, based on the number of students the building serves. Funds requested for one building may not be used for another building.

E) STREAMLINE FORM 500

CAL encourages eliminating entirely the form 500; short of that, we request that less information be required on that FCC form by the Commission. Right now an applicant must specify what kinds of equipment shown on its FCC form 471 were not purchased or what services were listed but not taken in order to be able to use that part of its budget in a subsequent funding year. We propose that USAC simply calculate the amount of unused funding after invoices are due, then notify applicants about any budget remaining. During the audit or assurance review, USAC would be able to verify that the service or product requested on the FCC form 471 was purchased and could reconcile those purchases to submitted invoices.

F) CONCLUSION

CAL respectfully requests the Federal Communications Commission to adopt an order consistent with the recommendations outlined above. Removing barriers to applications for libraries and schools, reducing complexity and confusion during the application process will benefit citizens across the state and country. CAL's members support giving schools and libraries these kinds of options in order to increase competition and create even greater efficiency for use of E-rate funds.

In summary, members of the Association and those who work directly with E-rate funds CAL believe:

- The framework for Category 2 funding is working and should be continued.
- More Category 2 funding may be needed for certain circumstances (such as students in special needs schools).
- The option for schools and libraries to purchase managed Wi-Fi services by third parties should be continued.
- The form 500 should be eliminated as duplicative.
- Provide funding at a school district level or library system level, rather than per-building, to give schools and libraries greater flexibility to target funding to the greatest need because some facilities have more need than others.
- The student population for schools and square footage for libraries measurements are appropriate means for distribution, providing sufficient basis for allocating funds equitably.
- The addition of managed Wi-Fi will assist schools and libraries in being able to have the option of using a third-party to install and manage the Wi-Fi network.

Respectfully submitted,

Dana Abbey, President
Representing the members of the Colorado Association
of Libraries, An Affiliate of the American Library
Association

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