

July 29, 2019

Commission's Secretary
Office of the Secretary
Federal Communications Commission
445 12th Street, SW
Room TW-A325
Washington, DC 20554

Re: WC Docket No. 06-122; FCC 19-46

Dear Sir or Madam:

I am writing to provide the comments of the Council of Chief State School Officers (CCSSO) on the Federal Communication Commission's (FCC's or the Commission's) proposed rule on the Universal Service Fund (USF), as published in the Federal Register on June 13, 2019. CCSSO ensures states are leading to create a more equitable education system that provides every student – across all backgrounds – with access to the right resources and rigor at the right moment in their education. We are a nationwide, nonpartisan, nonprofit organization with a membership of 50 State Chiefs, the District of Columbia, the Department of Defense Education Activity, the Bureau of Indian Education, and five U.S. extra-state jurisdictions, who are responsible for the education of the more than 50 million students in our nation's public schools.

In its announcement of the proposed rule, the FCC seeks comment on the potential establishment of a single cap covering the four components of the USF: the High-Cost program, the Schools and Libraries program (commonly known as the E-Rate), the Rural Health Care program, and the Lifeline program. Currently each of these four programs has its own annual spending cap or authorized budget. The FCC also seeks comment on a proposal to merge the E-Rate and Rural Health Care caps. As the representative of the leaders of public education systems in the states, CCSSO is specifically interested in the continued funding and operation of E-Rate to meet the needs of schools and libraries and strongly opposes the proposed rule. E-Rate continues to be a critical component of creating a more equitable education system for many students across our country, particularly in low-income and rural areas where schools and libraries receive a greater discount, and should be implemented consistent with congressional intent to meet student demand for digital learning.

The E-Rate program has been highly successful in connecting students to 21st century academic opportunities and helping to bridge opportunity and achievement gaps. It has enjoyed broad bipartisan support since its creation in 1996, and is an essential element of the federal-state partnership in education. When Congress first authorized E-Rate, only 14 percent of classrooms had access to the Internet and three-quarters of schools with Internet access had only dial-up access. Today, almost all schools are connected to basic Internet service and, thanks to the E-Rate, more and more students now are gaining access to broadband and other

modern technologies in their schools. While much progress has been made, not all schools are connected to high-speed broadband, leaving many students across the country without the necessary access to critical educational opportunities.

As the Federal Register notice acknowledges, the annual funding for the E-Rate was capped for a period of years at some \$2.25-\$2.4 billion. During most of those years the cap was well short of demand for services, as reflected in program applications. In response, in 2014 the Commission increased the cap to \$3.9 billion for 2015, with an index for inflation such that the 2018 cap was \$4.06 billion. It also modernized the program to provide dedicated funding and a new formula for allocating E-Rate funding for wireless connections necessary for adequate broadband infrastructure in schools and libraries. CCSSO and our member states strongly supported the E-Rate Modernization Orders, and applaud the Commission for its bold action in improving this historic program.

In its current NPRM, the Commission notes that since the E-Rate cap was raised annual demand for services has fallen below the cap; however, we anticipate increased demand in the future that will require additional E-Rate investments. The Universal Service Administrative Company (USAC) estimated that demand for E-Rate funding in 2019 is \$2.896 billion.¹ Given the increased utilization of digital learning services in schools and the long-term broadband speed goals established in the Modernization Orders, however, we do not expect for demand to remain constant at the current level. In fact, in the recent Funds for Learning 2019 E-Rate Trends Report, 88 percent of respondents said they expect bandwidth needs in schools to grow over the next three years, increasing the need for the E-Rate.² We urge the Commission to allow E-Rate to work as Congress intended to meet the continued and still growing demand for digital learning.

In authorizing E-Rate with overwhelming, bipartisan support³ in the 1996 Telecommunications Act, Congress required the FCC to provide “sufficient” funding for Universal Service. Congress directed the FCC to provide elementary and secondary schools and classrooms with advanced telecommunications services that are essential to education, public health, or public safety. To ensure that funding is sufficient to meet the demand and achieve the program’s purpose to provide universal access to Internet service adequate to meet students’ educational needs, we urge the Commission to ensure the Schools and Libraries program maintains a separate cap. This will ensure states, particularly in rural and low-income areas that are most challenged in providing Internet-enabled educational programs, have access to the funding necessary for sufficient bandwidth. In a time of rapidly evolving telecommunications services, it is essential to ensure that schools and libraries, particularly those serving concentrations of children from low-income families and those in isolated rural and remote areas, have the wherewithal to

¹ See <https://www.usac.org/res/documents/sl/pdf/FY2019-E-rate-Demand-Estimate.pdf>.

² See <https://edscoop.com/demand-for-broadband-in-schools-strong-e-rate-survey-shows/>;
<https://www.fundsforlearning.com/2019ErateTrends>.

³ The Act received 91 affirmative votes in the U.S. Senate, and 414 affirmative votes in the U.S. House of Representatives.

access broadband and other technologies that will enable our students to receive the education they deserve.

CCSSO and our member states share the Commission's concerns in promoting efficient and effective uses of limited E-Rate funds. CCSSO has in the past and continues today to advocate for the most effective use of all taxpayer dollars. We stand ready to coordinate closely with the FCC and USAC to streamline the program's procedures so that more states and districts can take greater and more efficient advantage of the program. For example, many states administer statewide broadband networks that leverage E-Rate funds to provide more cost-effective and comprehensive E-Rate services to schools and libraries across the state. CCSSO believes the FCC should incentivize and support states in this approach to promote program efficiencies and reduce burdens upon local applicants.

In sum, CCSSO advises against creation of a single cap covering the four USF programs or of a more limited cap covering only the E-Rate and the RHC. We strongly support maintenance of the current, separate cap for the E-Rate, along with continuation of a cost-of-living adjustment. At the same time, CCSSO supports working with the FCC and USAC to explore how to streamline and strengthen the program so that more states and school districts can leverage E-Rate and provide more digital learning opportunities to students, particularly those in areas of the country that are the hardest to serve and benefit most from the necessary support that E-Rate currently provides.

If I may be of any additional assistance to the Commission as it reaches a final decision on this important issue, please do not hesitate to contact me.

Sincerely,



Carissa Moffat Miller
Executive Director
Council of Chief State School Officers