July 29, 2019

Commission’s Secretary

Office of the Secretary

Federal Communications Commission

445 12th Street, SW

Washington, DC 20554

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

Dear Sir or Madam:

The Kentucky Department of Education (KDE) is submitting comments in regard to 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. KDE represents 172 K-12 school districts, made up of 1,789 E-Rate eligible schools and facilities. Kentucky schools have participated in the effective and efficient use of the E-Rate program since the beginning of the program in 1996. We value the vital benefits the program has brought to Kentucky schools throughout the years in assisting with all aspects of connecting students to on-line instructional resources and tools. This access has definitely impacted students and learning in Kentucky, as well as across the nation. KDE also participates in multiple national organizations which advocate for the value of the E-Rate program. These include; the Council of Chief State School Officers, the State Education Technology Directors Association, the International Society for Technology in Education, and the State E-Rate Coordinators Alliance.

In the proposed rule the FCC seeks comment on the following;

* 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
  + Kentucky advises against the creation of a single funding cap for the four USF programs
* The proposed merger of the E-Rate and Rural Health Care caps
  + Kentucky advises against a combined cap covering only E-Rate and Rural Health Care

While the operation and participation levels of the E-Rate program has improved greatly over the years, for many applicants, the program is still complex and complicated. This complexity is especially evident in terms of the impact on managing and predicting budgets at the state, district, and school levels. A sustained budget/cap amount that is specific to the E-Rate program greatly reduces applicants’ challenges inherent to a fluctuating amount of funds; and overall provides a more predictable budget planning process for states, districts, and schools.

In addition, based on the E-Rate programs more robust and effective structure now in place for budget planning and forecasting, ongoing assessment and monitoring of the annual funding cap should be able to occur effectively. Allowing for carry-over of unused funds into the allocation for the following year, while maintaining the funding cap, is a practical and effective way for the FCC to account for the dynamic nature of states, districts, and schools technology needs.

Ultimately, combining all four USF programs under one funding cap provides for a potential competitive process between these programs. While on the surface this may seem a manageable structure, it potentially can lead to more abuse or misuse in any of the programs whether intentional or not, which then negatively impacts the other programs. Such potential competition between the programs could contradict the Congressional mandate in the establishing legislation to maintain a sufficient budget for each of the four USF programs.

The federal E-Rate program is essential to the Kentucky K-12 education technology funding for school districts. Kentucky has been a leader in maximizing E-Rate funding per student to address the digital divide. It is imperative for all schools to have the continued ability to leverage and count on the E-Rate program, and the current structure best assures this opportunity.

Sincerely,

Mike Leadingham

Director Office of Education Technology