



August 8, 2019

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: Universal Service Fund Contribution Methodology, FCC 19-46, WC Docket No. 06-122

Secretary Dortch:

The Association of California School Administrators and the California School Boards Association (the “ACSA-CSBA Federal Partnership”) oppose the Federal Communications Commission’s (Commission) proposal to establish an aggregate cap on the Universal Service Fund’s (USF) four programs and merge the existing program-level caps for the E-rate and Rural Health Care programs. These two changes to the E-rate and other USF programs could hinder California’s efforts to connect all students to high capacity broadband for learning, including by making it more difficult for school districts to conduct the long-term planning required for major infrastructure initiatives.

ACSA’s more than 17,000 school leader members and CSBA’s 5,000 locally elected school board members are committed to meeting the learning needs of California’s nearly 6.2 million students. Preparing all students for success after graduation, depends on offering them improved access to the rich array of educational resources and experiences that are now available online. The E-rate helps California school districts expand students’ access to digital learning at school. With the E-rate’s help, in just the past few years, California’s median school bandwidth speeds have increased by 3.1x from 209 kbps to 658 kbps. Despite this progress, Education Superhighway estimates that 207,001 California students still need more bandwidth.¹ Consistent with this estimate and discussions with our members about their broadband needs, California E-rate applicants sought nearly \$357 million in 2019.²

¹ Education Superhighway, *State of the States Report 2018*. www.educationsuperhighway.org

² Funds for Learning, *E-rate Manager*. www.fundsforlearning.com

Establishing an aggregate cap on the four Universal Service programs – in addition to the existing individual program spending caps – could hamper the Universal Service Fund’s impact without providing the system any new operational or financial benefits. Congress established the E-rate and other USF programs to meet the connectivity needs of unserved and underserved consumers, and community anchor institutions. Designed to work in concert, the USF programs will instead be pushed into conflict over limited resources, if the Commission establishes an aggregate budget cap and adopts a system for prioritizing the four programs. The Telecommunications Act provides no statutory basis for prioritizing the programs. Furthermore, the Commission has not provided any clear justification for transitioning from the well-functioning existing budgeting system, which provides the certainty that school districts need to make the long-term budgeting and technology planning decisions associated with major infrastructure projects, like those that are often supported by the E-rate.

Our members are similarly concerned about the Commission’s proposal to combine the caps for the Rural Health Care and E-rate programs. The Telecommunications Act directs the Commission to ensure that there is “specific, predictable, and sufficient” universal service support, including for the E-rate and Rural Health Care programs. Achieving this statutory requirement will be difficult if the E-rate and Rural Health Care program – programs with distinctly different goals – are combined into a single cap and USAC is forced to choose between the critical education and health needs that these programs aim to address. Similar to the overarching cap discussed above, this policy change would create uncertainty for school districts. This uncertainty would likely cause even greater numbers of smaller California school districts – applicants already disaffected by the complex E-rate application process – to forgo trying to obtain these direly needed broadband resources.

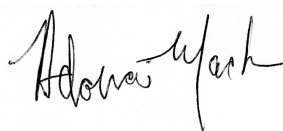
Our members are deeply committed to ensuring California’s students receive the best possible education and the E-rate has proven to be an invaluable tool for them as they work to connect more learners to the resources and experiences available through high capacity broadband connections. The existing caps for the E-rate and other USF programs provide a proven system for guiding the Commission’s oversight and policymaking and we urge you to reject the changes proposed in the NPRM.

We appreciate your consideration of our comments. If you have any questions about our concerns, please let us know.

Sincerely,



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