Before the
Federal Communications Commission
Washington, DC 20054

In the Matter of:

Modernizing the E-Rate Program for	)	
Schools and Libraries	)	**WC Docket No. 13-184**

Category 2 Reply Comments of the
Wisconsin Department of Public Instruction
(Filed September 3, 2019)

The Wisconsin Department of Public Instruction (WIDPI, department) is the state education and library agency. The department has statutory oversight for our state's 421 public school districts and 384 public libraries. We have provided E-rate support to our schools and libraries since the program's inception. At the national level, our staff are active in the State E-rate Coordinators' Alliance (SECA) and the American Library Association's E-rate Task Force. Our department has commented on many E-rate rulemaking notices back to the start of the program in 1996. We appreciate the opportunity to file these reply comments on this *Notice of Proposed Rulemaking*[1] regarding the E-rate's Category 2 (C2) services, funding, application processes and rules.

The impact in Wisconsin of the C2 changes made as part of the 2014 *E-rate Modernization* reforms has been dramatic. According to data from the Schools and Libraries Division website[2] for the previous four funding years (2011 − 2014) under the preceding Category 2 funding regimen Wisconsin schools and libraries received a total of just $2,545,828. But based on the

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[1] *Modernizing the E-Rate Program for Schools and Libraries. Notice of Proposed Rulemaking*. WC Docket No. 13-184. Released July 9, 2019. (*Notice*.)
[2] *Funding Request Data Retrieval Tool*. https://slpin.universalservice.org/DRT/Default.aspx.

Commission's own report,[3] in the four years (2015 – 2018) under the new C2 funding regimen Wisconsin schools and libraries have received a total of $73,338,258!

In September 2017 the Commission released a notice seeking comments on Category 2 budgets.[4] Our department filed reply comments per this notice in November 2017.[5] In our 2017 comments we stated our strong support for the Category 2 changes made in 2014. In these reply comments we want to once more state our support for the Category 2 changes. (In reviewing the comments initially filed in this proceeding we did not find any party who advocated for the previous "2-in-5" year funding regimen.) While supporting the overall changes made to Category 2 in 2014 we do have several additional recommendations we think will be beneficial to applicants, providers and the program administrator. Below we note these recommendations and hope the Commission will consider them in its final Order.

Eligible services (Notice ¶18): We strongly support the various parties who filed comments in support of making content filters E-rate eligible. For example, comments from Alaska stated, "Alaska applicants overwhelmingly agreed that basic filtering should be added to the eligible services list, whether in category one or category two."[6] We are certain Wisconsin applicants feel the same. We also call attention to the joint comments filed by the State E-rate Coordinators' Alliance (SECA) and the Schools, Health & Libraries Broadband Coalition (SHLB).[7] Their comments provide the legal rationale on why filtering should be eligible. In addition to making filtering E-rate eligible we agree with a number of commenters who said it is equally necessary to make a wide array of security tools Category 2 eligible.[8] In this regard, we encourage the Commission to review the comments by Cisco[9] which clearly articulate the need for both our schools and libraries to have robust network security.

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[3] *Modernizing the E-Rate Program for Schools and Libraries, Report*, WC Docket No. 13-184. *Category Two Budget Report*. Released February 11, 2019. Page 17.
[4] *Wireline Competition Bureau Seeks Comment On Category Two Budgets*. WC Docket No. 13-184. Released September 22, 2017.
[5] Wisconsin Department of Public Instruction reply comments filed November 7, 2017.
[6] Alaska Department of Education & Early Development (DEED) comments filed August 15, 2109. Page 4.
[7] Joint comments of the E-rate Coordinators' Alliance and the Schools, Health & Libraries Broadband Coalition filed August 16, 2019. Pages 27-28. (*SECA/SHLB comments.*)
[8] For example, see EducationSuperHighway comments filed August 16, 2019. Pages 6-7. (*ESH comments.*) And E-Rate Management Professionals Association comments filed August 15, 2019. Page 14. (*E-mpa comments.*)
[9] Cisco Systems, Inc. comments filed August 16, 2019. Page 7.

Budget Levels (Notice ¶19-21): Many parties advocate for an increase in the minimal Category 2 funding floor amount and the amount per school or library. In part, based on a report from Funds For Learning[10] several parties support an increase in the original $150/student to $250/student. [11] We agree that the per student amount should be increased to at least $250/student. From a library perspective the American Library Association (ALA) states that "64% of library respondents to the recent Funds for Learning survey and subsequent report indicate that the current [per library square foot] amounts of $2.45 non-urban/$5.32 urban are not adequate to meet their needs." We agree with ALA that these amounts should be increased to at least $3.00 and $6.00 respectively.[12]

As part of the 2014 E-rate Modernization process the Commission set a Category 2 minimal funding floor of $9,200 for individual school and library buildings.[13] Several commenters support an increase in the floor to between $15,000 and $30,000. We especially encourage Commission staff to review the comments on this issue filed by the E-Rate Management Professionals Association (E-mpa).[14] In relation to this, the Commission's own February 2019 report documents problems with the current low floor amount.[15] We think the ALA comments quoting Maria Bernier, Connecticut state E-rate coordinator, are spot-on when she said that "with the minimal Category 2 funding and the burden of the E-rate application process, most [small libraries] don't bother to apply."[16] We very much think this is a critical issue for smaller libraries in most other states too thus we support ALA's comment that the minimal funding floor for libraries be increased to at least $15,000.[17]

District-Wide or Library System-Wide Budget Calculations (Notice ¶22-27): We note that many parties including the American Library Association, the State E-rate Coordinators' Alliance and the EducationSuperHighway (ESH) advocate for C2 funding to be allocated and distributed to

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[10] *2019 E-rate Trends Report*. Funds For Learning ex Parte Submitted August 1, 2019. Page 22.
[11] For example, see *ESH comments*. Page 7; *E-mpa comments*. Page 4.
[12] American Library Association comments filed August 16, 2019. Page 4. (*ALA comments.*)
[13] *Notice*. Page 2.
[14] *E-mpa comments*. See especially page 7-8 and "Chart 2: Sample Small School Network" on page 18.
[15] *Category Two Budget Report*. Para. 12.
[16] *ALA comments*. Page 3.
[17] *Id*. Page 4.

school district and library systems.[18] The current system of allocating funding to individual schools and library branches is fraught with issues and unnecessarily complicates the fund allocation process. In addition, it impedes the district or system's ability to manage the technology needs of their school or branch locations. As the EducationSuperHighway so aptly stated in its comments: "In Funding Year 2019, 9,762 school districts applied for and received Category 2 funding for 51,193 schools. If the funding amounts were at the district level, districts would have to manage 5 times less the number of school level budgets. Eliminating these 'mini-budgets' and giving the applicants one budget to work with would greatly reduce the administrative burden on applicants."[19] And ALA notes that budgets are almost always made at the library system level and so it "makes sense to give the system the authority to spend its C2 funds as needed."[20] We strongly encourage the FCC to eliminate this unnecessary regulatory burden on schools and libraries that directly impacts their ability to maximize the benefits of the program to their students and patrons.

Budget Calculations (Notice ¶29): The current inflation adjustment process just adds needless complexity to the C2 application and follow-up processes. With inflation at historically low levels we think an inflation adjustment every five years is better than the current annual adjustment. In this regard, we encourage the Commission to review carefully the detailed comments that SECA/SHLB has made on this issue.[21]

Application and Administration (Notice ¶30): With C2 budgets set for a five year period we think it makes sense to allow applicants to have two years in which to spend funding requested during a specific application year.[22] Thus we agree with ALA that "Giving applicants two years provides them with added flexibility to implement hardware upgrades, which is particularly helpful with new building projects that often take more than a year to complete."[23] This adjustment is one more critical step in optimizing the program's efficiency while creating maximum value for schools and libraries.

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[18] The department also supported this in our comments filed November 2017. See footnote #5 above.
[19] *ESH comments*. Page 4.
[20] *ALA comments*. Page 5.
[21] *SECA/SHLB comments*. Pages 16-17.
[22] The department also supported this in our comments filed November 2017. See footnote #5 above.
[23] *ALA comments*. Page 6.

Transition to Permanent Extension of Category Two Budget Approach (Notice ¶31-36): We agree with a number of parties submitting initial comments that a fixed, five-year budget for all applicants is the best way to fund C2 because doing this establishes a clear start-and-end date that is the same for all applicants. As SECA/SHLB states in its comments, "Rolling budgets may appear to offer flexibility to applicants, but in reality, they perpetuate confusion and uncertainty."[24] We also think that comments from the Pennsylvania Department of Education make a good point in that a set date framework for all applicants allows the Commission to "make changes to the Category 2 program moving forward without grandfathering applicants that have or have not utilized their Category 2 funding."[25]

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In conclusion, the Wisconsin Department of Public Instruction strongly supports a permanent extension of the Category 2 changes made as part of the 2014 *E-rate Modernization* process. In addition, we encourage the Commission to review the various changes in Category 2 we recommend in these reply comments and in the supporting comments filed by other parties. We look forward to the Commission's decisions on Category 2.

Respectfully submitted,

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[24] *SECA/SHLB comments*. Page 15.
[25] Pennsylvania Department of Education comments filed August 16, 2019. Page 7.