



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

Initial Comments of the State E-rate Coordinators’ Alliance
 In Response to DA 19-738
 Proposed Eligible Services List for FY 2020

The State E-rate Coordinators’ Alliance (“SECA”) offers the following Initial Comments to the Proposed Eligible Services List for FY 2020 (E-rate year beginning July 1, 2020).

Our comments mirror and build on the recommendations submitted with the Schools, Health & Libraries Broadband Coalition in the Joint Initial Comments submitted on August 12, 2019 concerning the Notice of Proposed Rulemaking in the same docket (FCC 19-58) issued on July 9, 2019.¹

- I. **Managed Internal Broadband Services and Basic Maintenance of Internal Connections Should be Eliminated as Separate Service Types and Instead these Items Should Become Yes/No Questions on Each Function Intake Page.**

With the implementation of the EPC system, applying for equipment and services in the proper “Service Type” or “Function” has become critically important. If an applicant

¹ <https://www.fcc.gov/ecfs/filing/10816253278092>.

inadvertently does not make the proper selection to ensure that their Form 470 matches the products or services in their Form 471, their funding request(s) will be disapproved during the PIA review process as a competitive bidding violation.

Prior to EPC, applicants were not required to select individual categories of internal connections equipment on the Form 470 and then ensure that they matched exactly to their Form 471 funding requests. Applicants could simply provide a narrative of the equipment and services in their Form 470 that described their requests for price quotes. Since FY 2015, hundreds of funding requests have been denied, despite applicants' attempts to select the correct category that described the service or equipment they were seeking on both the Forms 470 and 471 applications. Any time the Form 470 did not explicitly request the service or equipment that is listed on the Form 471, the funding request is denied. This occurs even when applicants clearly articulate their requested services in the narrative text box section of the form.

To remedy this problem, SECA proposes the following simple form modifications to greatly reduce or eliminate this unfortunate situation:

1. Eliminate Separate Service Types:

The current Category 2 Form 470 application has three Service Types: Internal Connections, MIBS and BMIC.

Add New Service Request

Service Type *

Internal Connections

Basic Maintenance of Internal Connections

Managed Internal Broadband Services

When completing this form, applicants must first select the correct Service Type and then further select the specific Function (such as firewalls, routers, switches, cabling, etc.).

Function *

Please select a value ▼

Please select a value

- Antennas, Connectors, and Related Components
- Cabling
- Caching
- Firewall Service and Components
- Racks
- Router
- Switches
- UPS/Battery Backup
- WAP
- Wireless Controller

There is no practical need, however, for the two-part selection process and it has become an inadvertent and common ‘trap’ for applicants who may unknowingly fail to select the correct Service Type in their Form 470 application. Later, upon receipt of proposals from vendors, they may discover that the vendor classifies a service as either MIBS or BMIC, but the applicant may have only chosen the Internal Connection Service Type option on the Form 470. Consequently, the applicant is found to have committed a competitive bidding violation and is then denied funding for the service category mismatch.

2. MIBS should be converted to Yes/No options.

Rather than compel the applicant to select MIBS as a separate service category and then select them again as a function, these options should be reflected as a yes/no question to any Form 470 seeking Category 2 bids. These Yes/No options would be nearly identical to the existing Form 470 Category 2 Function question for installation, activation and initial configuration. Currently, the form asks:

Are you also seeking Installation, Activation and Initial Configuration for this service? *

Yes

No

We propose the following question would be added to the Form 470 Category 2 section:

Are you also seeking bids for Managed Internal Broadband Services?

Yes

No

This simple modification will resolve this mismatch problem and eliminate an unnecessary point of failure for applicant as well as streamline the Form 470 and Form 471 applications.

2. Add Software, Licenses, and Maintenance Yes/No Questions:

Software and licenses to operate equipment, in addition to maintenance of eligible equipment, should be considered adjunct to the specific equipment for which bids are requested on the Form 470 application. Consistent with the previous proposal to include MIBS as a Yes/No question on the Form 470, we also propose that there should be an additional Yes/No question on the Form 470 for applicants to identify whether they are seeking bids on the software and licenses, and maintenance for the equipment in their service requests. It is

especially important for these items to be grouped together since some vendors classify licenses and software as an internal connection, whereas others may classify the license or software as maintenance.

We envision the form will appear as follows:

<p>Are you also seeking proposals for software, license and/ maintenance for this equipment?</p> <ul style="list-style-type: none"><input type="radio"/> Yes<input type="radio"/> No
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A “Yes” answer will put vendors on notice that their proposals and price quotes may include these critically important components needed for broadband equipment to operate properly, while at the same time an affirmative answer from the applicant will help ensure that applicants properly seek bids for all services and equipment, and do not inadvertently select the wrong service request or fail to include these adjunct categories. It also will help eliminate the uncertainty that applicants routinely face regarding whether vendors classify their licenses as internal connections or maintenance.

II. [Revise Definition of Basic Maintenance to Be Consistent with Definition of MIBS.](#)

The maintenance definition should be aligned with the MIBS definition. MIBS allows for third party service contracts that include “operation, management, or monitoring of a LAN or WLAN.”² Yet the current definition of maintenance prohibits network management services

² *Modernizing the E-rate Program for Schools and Libraries*, Report and Order and Further Notice of Proposed Rulemaking, WC Docket No. 13-184 (FCC 14-99) (released July 23, 2014) at ¶ 127.

including 24-hour network monitoring.³ This dichotomy is a relic of prior Commission decisions enacted before the allowance of MIBS as an eligible service and should be removed. Although in the past the Commission may have been concerned with the financial impact of expanding the Eligible Services List, such concern was ameliorated with the imposition of Category 2 budget caps. Specifically allowing for network monitoring to be eligible will remove this inconsistency and empower applicants to choose how best to direct their use of Category 2 funds to facilitate their broadband availability throughout their buildings.

III. Eligibility of Firewall Products and Services Should Include Advanced Security Features

Part of network monitoring also should include allowance for network security features and services to protect networks against intrusion and interference. Networks security and intrusion detection services are often bundled together with firewalls, but currently, these features of firewall appliances are not eligible and must be deducted from firewall appliances. Considering how frequently cyber-attacks occur, it is essential that networks be protected against such malicious attacks. Schools and libraries have been forced to equip themselves with such protection measures, but they must separately bear the burden of these network security costs, because they are ineligible for E-rate funding. This restriction leads to more complex application preparation and processing in order to perform cost allocations to quantify associated costs and remove them from funding requests and for the costs to be borne fully from local budget resources. Allowing advanced network security features to be eligible as part

³ *Modernizing the E-rate Program for Schools and Libraries*, Report (DA 18-1173) (released November 16, 2018) at Appendix B, p. 12.

of firewall service or equipment would also create an even playing field for applicants that select Category 1 Internet providers who have cleverly chosen to bundle these features with their standard service offerings.

IV. Multi-Year Maintenance Service Should Be Subject to the Same Eligibility Provisions as Multi-Year Licenses.

Another modification needed to reduce the complexity and streamline the E-rate program's eligible services relates to prepayments of multi-year maintenance components. Currently, the program allows for full funding of prepaid multi-year licenses in the first year of purchase, but for pre-paid maintenance funding requests, only the annual costs may be claimed each year. This cumbersome and tedious restriction is unnecessary for software support and license annual updates – the kinds of maintenance service that is eligible at the present time without having to prove that the service was in fact used. While break/fix maintenance requests may need to continue to be requested for funding annually in order to verify that the service was in fact used, the same such restriction is unnecessary and should be lifted from software support and technical assistance services. Of course, the other option is for the FCC to eliminate break/fix maintenance from the Eligible Services List and limit maintenance solely to software support and technical support service. But whatever course of action is selected, the requirement to annually apply for prepaid software updates and technical support should be removed.

All of these recommendations are designed to more accurately define the service and equipment necessary to effectively use broadband and Internet access services inside buildings.

Applicants should be provided the flexibility of purchasing the service or equipment they need and obtain E-rate discount funding for these purchases subject to their Category 2 budget caps.

V. Filtering Should Be Eligible.

The Children’s Internet Protection Act requires any E-rate recipient of Category 2 funding or Internet access funding to have filtering measures in place. Yet, the E-rate Program historically has been unwilling to cover filtering as an eligible service. SECA believes there is no legal restriction against deeming filtering to be an eligible service and that the time has come to include it on the Eligible Services List. When the CIPA statute was first enacted, the Act included language that stated there was no associated appropriation for filtering.⁴ We believe this language has been incorrectly construed to mean that the FCC lacks authority to include filtering on the Eligible Services List. We believe that such an interpretation is incorrect, and that it simply means that when the CIPA statute was enacted there was no Congressional funding or appropriation to defray the costs of compliance in the statute. However, that language does not preclude the FCC from including filtering as an eligible service and allowing applicants to choose to use their Category 2 budget to purchase filtering hardware or software.

⁴ Consolidated Appropriations Act, 2001. (PL 106-554). Title XVII – Children’s Internet Protection; Subtitle B -- Universal Service Discounts; Section 1721(g). <https://www.govinfo.gov/content/pkg/PLAW-106publ554/pdf/PLAW-106publ554.pdf>.) ““No other sources of funds for the purchase or acquisition of such measures are authorized by this title, or the amendments made by this title.” (

VI. Connections Between Different Schools on the Same Physical Campus Should Be Eligible as Either Category 1 or Category 2 Service.

The draft ESL proposes to continue the current eligibility explanation for “Connections between buildings of a single school.” The ESL already has clarified that when there are multiple schools in the same physical building, these connections are classified as internal connections. We appreciate this helpful guidance because it reflects the marketplace realities of bidding wiring inside a building. Cabling inside a building, whether the cabling is interconnecting two school entities or simply connecting classrooms back to the network hub or closest distribution frame closet, is generally performed by the same group of vendors. These group is distinct from Internet or data transmission service providers that specialize in installing cabling and conduit in the public right of way in order to configure wide area network service.

There remains a vexing situation, however, when there are two different schools located on the same parcel of property and the E-rate applicant needs to install a very short run of cabling between the two schools to configure their wide area network service. Typically, the E-rate applicant determines that it is most cost effective to install the connection between the two buildings and own the facility rather than leasing a few hundred feet of cable from a telecommunications or fiber provider. In the past, relying on the Fourth Order on Reconsideration in CC Docket No. 96-45, such facilities were considered internal connections since the connection did not cross a public right of way.

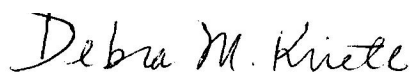
The FCC now classifies cabling connections, which typically are short distances, between two different schools that are located adjacent to one another or on the same physical campus as a Category 1 digital transmission service, since the wiring is not internal to the buildings. However, we respectfully request the FCC to allow applicants the choice to procure these connections through Category 1 or Category 2 E-rate funding. The rationale is that the connections are internal to the school campus and

to the public right of way, which has traditionally been the demarcation point between wide area network and internal connections facilities.

We believe that the continued reliance on the public right of way standard as delineating the difference between internal connections and digital transmission services is appropriate. Applicants are far more likely to obtain more competitive bids in response to a Form 470 seeking Category 2 bids for these short haul connections between different schools located on the same campus than posting a Category 1 service request for a digital transmission service. Since the applicant's funding is capped for Category 2, it should be up to the applicant to decide whether they want to pursue Category 1 or Category 2 funding for this service.

VII. CONCLUSION

SECA respectfully requests the Wireline Competition Bureau to adopt a final Eligible Services List for FY 2020 consistent with the recommendations set forth herein.



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