

**Before the  
Federal Communications Commission  
Washington DC 20554**

In the Matter of:

) )  
Schools and Libraries Universal Service ) )  
Support Mechanism - Third Report and ) CC Docket No. 02-6  
Order and Notice of Proposed Rule Making ) )  
) )

**Reply Comments**  
from the  
**Wisconsin Department of Public Instruction**  
(Filed April 12, 2004)

The Wisconsin Department of Public Instruction (WIDPI) has reviewed many of the comments made in this docket and has the following reply comments.

**Changes to the Discount Matrix**

We are in full agreement with the State E-Rate Coordinators' Alliance (SECA) and many others in their support to decrease the maximum discount for Priority 2 services to 70%. As the WIDPI noted in our initial comments, we believe that lowering the maximum will not just help reduce waste and fraud in the program, but will give other applicants a chance to finally get discounts for internal connections. There is no need to wait several more years to determine if the FCC's two-out-of-five year rule will work. Enterprising applicants will simply adjust their Priority 2 requests to take this new rule into account. In brief, the time to act on this discount change is now.

**Competitive Bidding Process and Form 470**

Again, many commenters noted that the Form 470 process results in almost no applicants getting competitive bids. We support SECA's comments in this area and its support for relying on state or local procurement laws or regulations. The WIDPI emphasizes that the FCC should return

back to its original intent as found in paragraph 575 of its Report and Order adopted May 7, 1997, which states, “We emphasize, however, that the submission of a request for posting [as part of a Form 470 filing] is in no way intended as a substitute for state, local, or other procurement processes.” Regarding the total elimination of the Form 470, if the Commission believes that this would be too radical a step, then the WIDPI suggests that the 470 be, (1) Radically reduced, and (2) Eliminated for discounts Plain Old Telephone Service (POTS).

### **Definitions of Internet Access**

We note that many commenters that supported the status quo on this issue were concerned about the impact that the funding of content would have on the overall fund (Verizon, ALA). The WIDPI is also concerned that changes incorporating the eligibility of content would result in requests substantially above the \$2.25 billion available to this program. However, our request for a change in the definition of Internet eligible services is not related to content but to advances in technology and the mandate of the law that the FCC “establish competitively neutral rules.” We will not repeat our remarks here, but strongly encourage the Commissioners to review our initial comments in this area.

### **Other Actions to Reduce Waste, Fraud and Abuse (includes Technology Plans)**

#### ***Technology Plans:***

First, it must be noted that there is no language supporting the technology planning requirement in the Telecommunication Act of 1996. The need for schools and libraries to have a technology plan came as a recommendation from the Joint Board. The FCC has already placed too much weight on the technology plan and any increased emphasis we think is neither warranted nor necessary. As a K-12 school technology plan approver for the E-rate program and the U.S. Department of Education (USDoe), and as a library technology plan approver for the E-rate and per state statutes, the WIDPI strongly opposes proposals to require cost analyses within the technology plan. Our department supports applicants doing cost analysis as a part of the purchasing process, but believes that it does not fit with the timing or intent of the educational or

library technology planning process. We did not find *any* dissent from this position in the comments. The Consortium for School Networking, which has done considerable research on total cost of ownership issues, agreed when it stated, “We cannot support any proposals to mandate that the applicants undertake a cost effectiveness analysis in their technology plans.”

The comments also overwhelmingly supported the position that E-Rate planning requirements for schools be more consistent with USDoE’s. WIDPI particularly agrees with SECA in their contention that plans approved for the Enhancing Education through Technology Program (Title II, Part D of NCLB) should also be considered approved for the E-rate program. WIDPI would like to note that current guidance on USAC’s web site states that “A school, school district, or education service agency that has developed a plan approved under a Technology Literacy Challenge Fund initiative, has an approved plan for purposes of the Universal Service Program” (<http://www.sl.universalservice.org/apply/step2.asp#2iii>).

On the question of whether additional requirements should be added for technology plan approving agencies, the opinion of almost all of those who replied to this question was “no.” WIDPI agrees with the Pennsylvania Department of Education’s statement that, “We believe the SLD already is walking a thin line with the states because of the recent drastic changes to the technology planning requirements, and that any additional requirements could easily be seen as one-too-many, thus leaving states ... with the hard decision about whether to continue approving E-rate technology plans.” WIDPI would like to point out that while there is tremendous benefit to schools and libraries from the E-rate program, technology plan approvers do not receive reimbursement from the E-rate program for their services. With the current fiscal situation in many states, it is becoming increasingly difficult to maintain existing services much less to do “one more thing,” however worthy.

*Wide Area Networks*

In one of the few disagreements we have with SECA, the WIDPI does not endorse its support to limit upfront capital investments to no more than 25 percent of a funding request. We do, however, support its comments in the area of dark fiber.

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The Wisconsin Department of Public Instruction appreciates this opportunity to offer the above reply comments on this E-rate NRPM.