

FCC E-Rate Modernization Initiative;
Creating Public/Private Consortia to Help SHL Acquire
and Manage 21st a Century ICT Ecosystem
Technology Education Institute
2014

- Technology Education Institute (TEI) has petitioned the FCC to remove the legacy regulation in the 18-year-old E-rate program that prohibits private sector participation in public school, hospital and library consortia (*except for tariffed services...dial tone, pagers*) (see page 116, ¶296 and ¶297 of the FCC's E-rate modernization report and FNPRM at http://transition.fcc.gov/Daily_Releases/Daily_Business/2014/db0723/FCC-14-99A1.pdf). A handful of public consortia have been set up, designed to help public institutions leverage their buying power in the procurement of 21st century ICT systems and services, but they are not permitted to join with private sector partners in the non-tariffed services space, such as broadband and wireless Internet access.
- The half dozen state public consortia produce significant savings by leveraging the buying power/ access demands of their public schools, libraries, jr. colleges, colleges, universities, municipal buildings, etc. Additionally, they provide some technical support.
- TEI wants to clear away the archaic regulation that restricts private sector participation to legacy tariffed telephone services only and allow the private sector to join with the public sector in forming public/private consortia dedicated to: leveraging their collective buying power, technical expertise and access demands; help schools, libraries, universities and colleges bring in vitally needed high-capacity fiber at reduced costs; purchase access at volume pricing; build wireless infrastructure at reduced costs based on delivering bids for multiple construction sites; provide extensive ongoing technical expertise; and ensure the infrastructure, software, etc. are maintained, and upgraded, for the lifecycle of the ICT ecosystem.

- These public/private consortiums will save money for state and local governments while significantly reducing financial demands on the fiscally strained E-rate/USF program.
- TEI is working with the FCC to ensure safe guards are put in place that will block E-rate subsidized prices from going to non-E-rate certified recipients (i.e., private sector partners) and thus affecting the overall competitive landscape in broadband services.
- TEI's first public/private consortium will be VICTEC (see attached one pager), a partnership with Loudoun County Public Schools. If VICTEC proves successful, we would anticipate a statewide and national roll out.