

FY2024 E-Rate Program Updates

October 13, 2023



Universal Service
Administrative Co.

MEET THE TEAM



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AGENDA

- E-Rate Program Updates
- FCC Form 498 / UEI Requirements
- FY2024 Eligible Services
- Tribal Order Updates

E-Rate Program Updates

Recent Changes to the E-Rate Program

Specific updates to the E-Rate program include the following changes:

- Urban/Rural Status Updated
- New competitive bidding exemption for libraries requesting low-cost C2 equipment (FY2024 and forward)
- Cost Allocations Rules for FY2024
- FCC Form 498
- Eligible Services and FCC consideration of WiFi on buses
- E-Rate systems consolidation

Urban-Rural Entity Updates

- USAC is updating the urban/rural designation of E-Rate entities based on 2020 Census Bureau data.
- This will change the urban-rural designation for a small portion of applicants. USAC will contact entities whose designation is changing.
- USAC will conduct outreach to applicants whose status is changing.
- Profile updates will be implemented in EPC before 10/24

C2 Competitive Bidding Exemption

- Streamlined the application process for **all libraries** making small purchases.
 - Library applicants seeking E-Rate support for C2 equipment or services that total a pre-discounted amount of \$3,600 or less in a single funding year are exempt from the competitive bidding requirements.
 - Do not need to file an FCC Form 470, solicit bids, and wait 28 days before entering into a contract.
 - E-Rate support must be based on the actual cost of the equipment or service requested.
 - The cost cannot be averaged across a number of libraries.

Cost Allocations for FY2024

- Streamlined cost allocation processes by adding a presumption that if at least 90% of an applicant's requested Internet service is being used for eligible purposes, the remaining ineligible use of the Internet service will be presumed to be ancillary. Cost allocation is not required.
 - Applicant must select the most cost-effective Internet service offering to meet its eligible needs.
- Expenses associated with cabling (“drops” or “jacks”) that is primarily being used to provide broadband connectivity within schools and libraries need not be cost allocated, provided it is the most cost-effective means of receiving the eligible service.
- For non-instructional facilities (NIFs), including library administrative buildings, that house shared equipment (e.g., a district switch), the applicant does not need to cost allocate for the NIF's use if it is choosing the most cost-effective offering for the shared equipment.

FCC Form 498 / UEI Requirements

- Who needs an FCC Form 498: All Service Providers and any applicant that submits BEAR Invoices
- SAM.gov and UEI Requirement:
 - You will need to register on SAM.gov and obtain a Unique Entity Identifier (UEI) Number in two scenarios:
 - If you are **updating an existing** FCC Form 498, or
 - If you are **submitting a new** FCC Form 498.
 - Sam.gov UEI registrations must be renewed annually
 - Please see the April 2023 News Brief linked [here](#) for more details

FY2024 Eligible Services

- FCC released a Public Notice ([DA 23-819](#)) September 12, 2023 seeking comment on proposed FY2024 Eligible Services List (ESL).
 - Comments due on or before October 12.
 - Reply comment due on or before October 26.
- Draft ESL clarifies software necessary to operate or maintain Category One network equipment is eligible.
- Draft ESL clarifies that consulting fees not related to the installation and configuration of eligible components are ineligible.

Wi-Fi on Buses

Declaratory ruling on Wi-Fi on school busses:

- The Federal Communications Commission is also considering a draft Declaratory Ruling related to the use of Wi-Fi on School Buses on Thursday, October 19.
- If that item is adopted, it would direct the Bureau to issue a supplemental FY 2024 ESL Public Notice seeking comment on the specific services and equipment that should be eligible for this purpose.

Invoicing System Consolidation

- Invoicing will move from Legacy to EPC
- Our invoicing presentation will explain
 - What is/is not changing
 - How you will receive outreach
 - Support through the consolidation
- There will be a notification letter for FRNs that have not been invoiced

Tribal-Specific Updates

Recent Tribal Changes to the E-Rate Program

- In July, the FCC adopted an Order (FCC 23-56) making program updates aimed at increasing participation from Tribal libraries, including:
 - Making Tribal College and University (TCU) libraries eligible if they serve as a public library in their community
 - Increasing the C2 discount rate for some Tribal libraries
 - Increasing the C2 budget floor for Tribal libraries
 - Adopting a definition of Tribal: “...operated by or receiving funding from the Bureau of Indian Education (BIE), or if it is a school or library operated by any Tribe, Band, Nation, or other organized group or community, including any Alaska native village, regional corporation, or village corporation ...that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.”
- It also extended the **tribal library pilot program** into FY2024: USAC will provide one-on-one support, group training sessions specifically for participants, and E-Rate program trainings covering the program basics and processes (contact Gem Labarta at TribalLiaison@usac.org)

Tribal College and University Libraries

- Tribal College and University (TCU) libraries that **also serve as a public library** in their community are eligible for E-Rate support.
 - Must have dedicated library staff, regular hours, and a collection available for public use in its community.
 - Cannot request funding for services or equipment beyond the needs of the library.
 - Category Two (C2) equipment must be installed within the eligible library only and cannot be installed in another location within the TCU.
 - Cost-allocation calculations of the college student and staff usage at the library versus public usage of bandwidth is not required, unless the TCU library is seeking E-Rate support for a portion of the total bandwidth used at the Tribal college or university.

Tribal Library Entities (Continued)

- FCC increased the maximum C2 discount rate from 85% to 90% for **Tribal libraries**.
- FCC increased the C2 funding floor from \$25,000 to \$55,000 for **Tribal libraries**.
- The FCC also adopted a definition for Tribal to better identify **Tribal applicants** seeking E-Rate funding.
 - An entity is “Tribal” for purposes of E-Rate funding if it is a school operated by or receiving funding from the Bureau of Indian Education (BIE), or if it is a school or library operated by any Tribe, Band, Nation, or other organized group or community, including any Alaska native village, regional corporation, or village corporation (as defined in, or established pursuant to, the Alaska Native Claims Settlement Act (43 U.S.C. § 1601 et seq.)) that is recognized as eligible for the special programs and services provided by the United States to Indians because of their status as Indians.

Questions



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Thank You!

