

November 5, 2024

VIA ELECTRONIC COMMENT FILING SYSTEM

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
45 L Street NE
Washington, DC 20554

**Re: Ex Parte Notice
Schools and Libraries Universal Service Support Mechanism,
CC Docket No. 02-6;
Schools and Libraries Cybersecurity Pilot Program,
WC Docket No. 23-234;
Addressing the Homework Gap through the E-rate Program,
WC Docket No. 21-31;
Federal-State Joint Board on Universal Service,
CC Docket No. 96-45;
Nomination for Universal Service Administrative Company Board of Directors,
CC Docket Nos. 97-21 and 96-45**

Dear Ms. Dortch:

On Tuesday, November 5, 2024, representatives of Funds For Learning LLC (“FFL”) met with representatives of the FCC to present and discuss findings from the 2024 E-rate Trends Report. The report, based on survey data and feedback from over 2,300 respondents, provides insights into the impact of the E-rate program on U.S. schools and libraries and highlights key areas for program improvement.

The FCC staff in attendance representing the Office of the Chairwoman were:

- Ramesh Nagarajan, Chief Legal Advisor
- Elizabeth Cuttner, Legal Advisor, Wireline and Enforcement

FFL representatives in attendance were John D. Harrington, CEO, Catherine Cruzan, President, and Bethany White, Communications Manager.

Representative Sample

FFL highlighted the success of the survey, with a record 2,355 respondents representing 11% of all E-rate applicants. The distribution closely mirrors actual applicant demographics—by type, public vs. private, and rural vs. urban. This record response offers a comprehensive, statistically relevant sample, closely reflecting the diversity of E-rate participants and providing insights representative of all applicant types.

E-rate’s Critical Role in Enabling Connectivity and Bridging the Digital Divide

FFL shared data from the 2024 E-rate Trends Report, showing that a substantial 94% of respondents regard the E-rate program as essential to achieving their connectivity goals. Many participants underscored E-rate’s transformative impact in bringing high-speed internet access to underserved communities, particularly rural and economically disadvantaged areas where broadband infrastructure is often lacking or inadequate. This sentiment was reflected in specific feedback from small rural schools and libraries, who conveyed that, without E-rate, they would be unable to maintain the digital resources necessary to support their students and patrons. These institutions emphasized the role of E-rate as a linchpin for equitable educational access in the digital age.

570 Respondents Submitted Comments

During the presentation, we drew particular attention to slide #6, which highlighted the unfiltered, direct feedback from 570 E-rate applicants. We emphasized that these comments represent authentic voices from schools and libraries nationwide, providing a candid view of the challenges, successes, and needs related to the E-rate program. Each comment was presented as submitted by respondents, without alteration, to preserve the integrity and intent of the feedback.

FFL shared that we had categorized these comments to identify major themes, such as rising costs, the need for cybersecurity funding, and applicant challenges with the EPC system. Categorizing these comments enabled us to draw meaningful insights and spot trends, while the individual voices provide a detailed look at each applicant’s unique challenges and needs. We also encouraged the FCC to review the individual comments in full, underscoring the importance of hearing each applicant’s unique perspective. By engaging directly with these voices, the FCC can gain valuable insights into the real-world impact of E-rate and areas where policy adjustments could address specific applicant needs more effectively.

Rising Costs of Connectivity and Growing Financial Strain on Applicants

A significant theme of our discussion centered on the rising costs applicants are experiencing for internet bandwidth, cybersecurity measures, and compliance with filtering requirements. Survey respondents noted that, although E-rate funding remains crucial, inflation and rising service costs have created financial strain, causing schools and libraries to exhaust their funds before the funding cycle’s end. Many applicants indicated that funding caps have not kept pace with today’s educational connectivity demands. FFL highlighted the need to adjust Category 2, cybersecurity, and off-campus Wi-Fi hotspot funding limits to align with inflation and applicants’ evolving requirements. This is necessary to ensure that schools and libraries can continue to meet their technology needs amidst an evolving digital landscape.

The Need for High Availability Internet and Cybersecurity Funding

High-availability internet and cybersecurity protections were another area of considerable need highlighted by the report. Survey data revealed that 97% of respondents believe cybersecurity services should qualify for E-rate support. These protections have become integral to maintaining the security and continuity of educational services, yet they increasingly consume a significant portion of technology budgets. Several respondents emphasized the importance of “dual connections” or redundancy in internet access, pointing out that a disruption in service could severely impact their ability to conduct daily operations, deliver remote learning, or provide access to essential educational tools. Without E-rate

funding assistance for these cybersecurity and redundancy measures, many institutions struggle to safeguard their networks and maintain continuity in their services.

Expansion of E-rate Support to Address Off-Campus Connectivity Needs

We discussed the report’s findings on community support for expanding E-rate to address off-campus connectivity, especially to provide Wi-Fi on school buses and mobile hotspots for students without reliable home internet. Approximately 69% of survey respondents indicated interest in such off-campus connectivity funding, reflecting a widespread acknowledgment of the “homework gap” affecting students in rural and low-income areas. Applicant feedback underscored the critical importance of providing students with internet access beyond school grounds, and respondents expressed concern over the gap in learning opportunities for students who cannot complete homework or participate in online assignments due to lack of home internet. FFL emphasized the positive impact that E-rate-funded off-campus solutions could have on bridging this gap, especially as Emergency Connectivity Fund (ECF) support has ended.

Applicant Feedback on USAC and the EPC System

FFL presented survey data showing that while 83% of applicants are generally satisfied with their interactions with USAC, the E-rate Productivity Center (EPC) system remains an area needing improvement. Respondents described EPC navigation as challenging, with many noting that completing applications and accessing necessary documents within the system can be a cumbersome process. Additionally, the feedback highlighted frustrations with the PIA review process, as applicants often encounter redundant questions, lengthy review times, and limited communication with reviewers. Smaller institutions, in particular, voiced concerns that the administrative burden is disproportionately difficult for their limited staff. FFL shared applicants’ calls for a simplified, more user-friendly EPC system with better access to direct assistance from USAC.

Recommendations for FCC Consideration

Given the challenges highlighted by E-rate applicants, FFL respectfully submits the following recommendations for the FCC’s consideration:

- **Adjust Funding Caps to Reflect Rising Costs:** With inflation and increased expenses for bandwidth and cybersecurity, FFL recommends revisiting E-rate funding caps to better meet applicants’ financial needs.
- **Expand Cybersecurity and Redundancy Coverage:** FFL supports the inclusion of cybersecurity products and high-availability internet solutions (such as dual connections) in E-rate eligible services, given their critical role in maintaining network security and operational continuity.
- **Broaden E-rate Support for Off-Campus Connectivity:** To address the growing need for equitable access, FFL encourages the FCC to expand E-rate’s scope to include funding for Wi-Fi on school buses and mobile hotspots, thereby supporting students’ learning needs outside of school grounds.

We provided a digital copy of the 2024 E-rate Trends Report for the Commission’s review.

Scott Hansen's Nomination to the USAC Board

During the meeting, FFL reiterated our support for Scott Hansen's nomination to the USAC Board. As Chief Technology Officer for the Manatee County School District in Florida and an active E-rate applicant, Mr. Hansen offers a critical perspective that uniquely combines policy knowledge with hands-on experience. His direct involvement with E-rate in a large school district equips him to represent the real needs of schools and libraries, ensuring that Board decisions align closely with on-the-ground challenges.

FFL highlighted the importance of having an E-rate applicant directly involved on the USAC Board to bring forward the operational insights and priorities of educational institutions. Mr. Hansen's leadership, particularly in advancing digital equity and managing connectivity resources for diverse student populations, positions him as an invaluable asset to the Board's mission.

Respectfully submitted,

/s/ John D. Harrington

John D. Harrington

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cc: Ramesh Nagarajan
Elizabeth Cuttner

Enclosures



2024 E-rate Trends Report

Key Insights

November 5, 2024

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2024 E-rate Trends Report

14th Annual Trends Report

Purpose: To provide a comprehensive view of the E-rate program’s impact on U.S. schools and libraries.

Key Insights: FY2024 funding request data and applicant survey responses

Today’s focus: Areas where E-rate is essential; how it could be enhanced



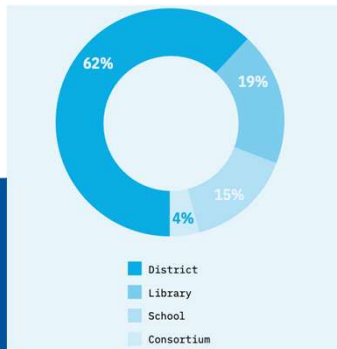
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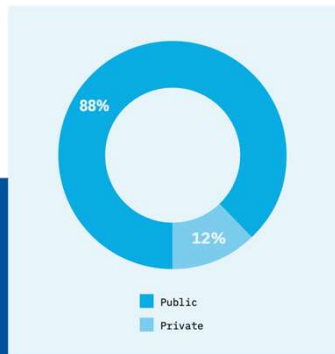
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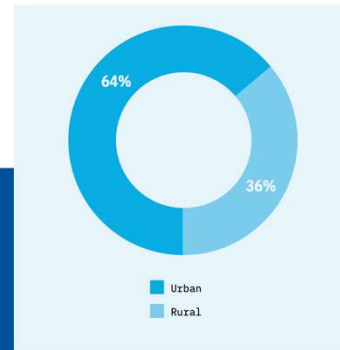
2,355 Respondents - 11% of E-rate Participants



Applicant Type



Public Vs. Private



Urban Vs. Rural

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E-rate's Vital Role in Bridging the Digital Divide

- **94% Essential Rating.** Majority consider E-rate vital to connectivity.
- **Equitable Access.** E-rate enables underserved rural and urban communities to secure essential internet.
- **Real-life impact.** Comments highlight transformative roles of E-rate.



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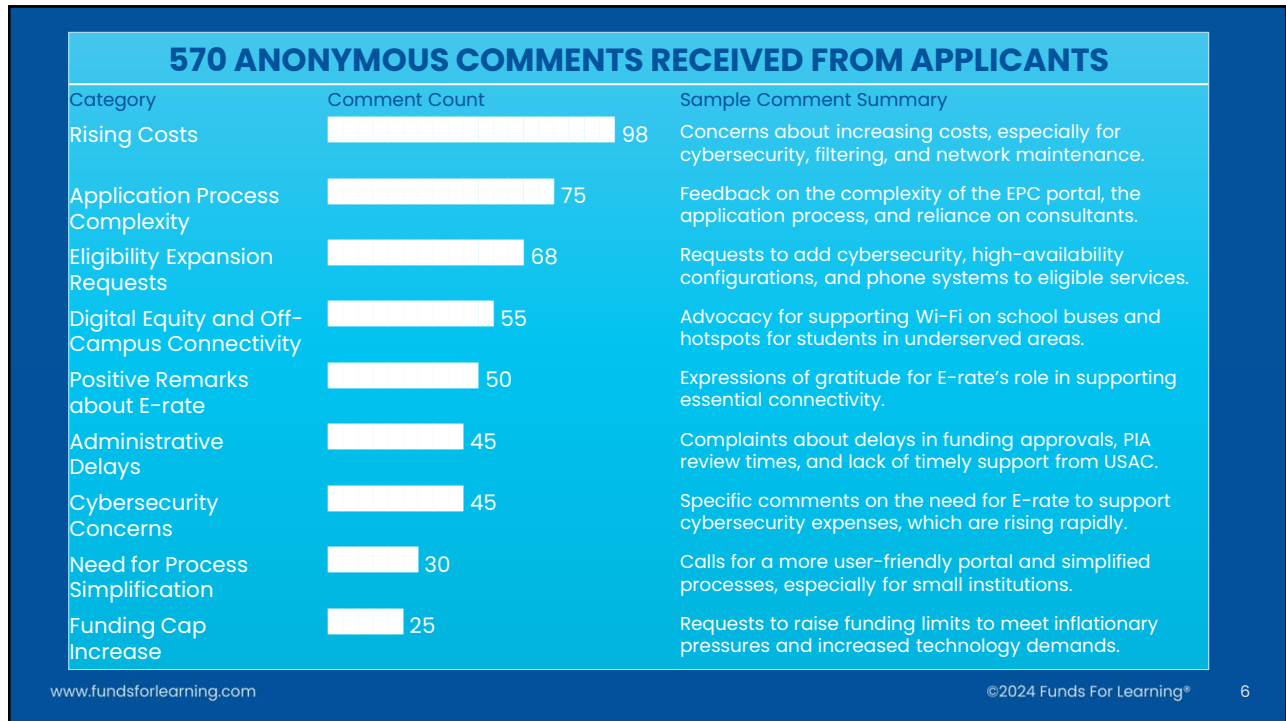
If not for E-rate, we would not have a good connection for our staff/kids. We have been able to upgrade our infrastructure with E-rate funds and stay on top of an ever-growing demand from our network.

o Missouri School District

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Rising Costs: Financial Pressures and Need for Increased Support

- **Growing Financial Strain:** Bandwidth, cybersecurity, and filtering costs rising beyond current E-rate funding.
- **Inflation Impact:** Funding caps have not kept pace with inflation, causing some schools to exhaust funds early.



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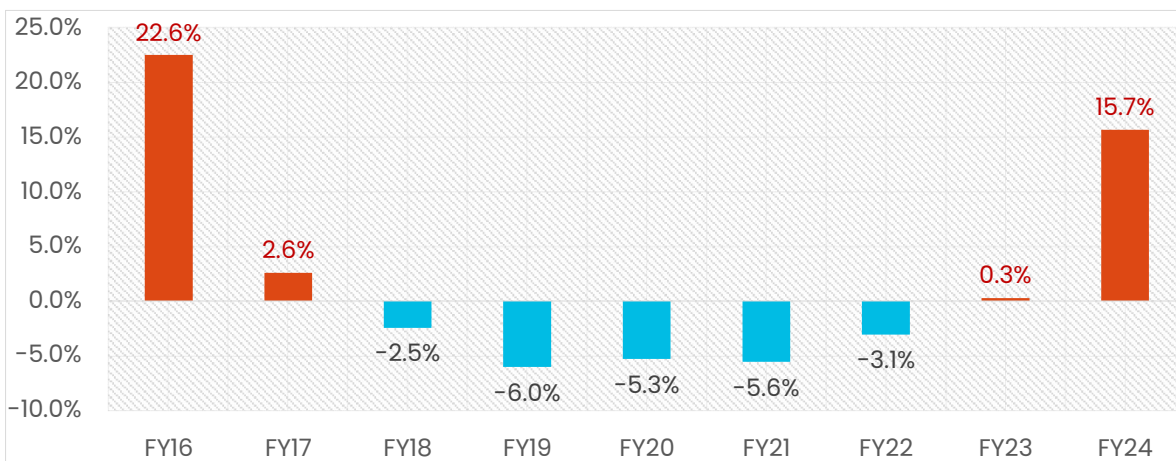
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Change in Category One E-rate Demand

Year-over-year % growth in demand



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Secondary internet connectivity is essential to business continuity and safety at school districts. With IP convergence, redundancy or fail-over solutions need to be considered for E-rate eligibility.

o *Urban Pennsylvania School District*

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High Availability and Cybersecurity – Protecting Students and Patrons

- **High-Availability Internet:** Demand for reliable internet is critical for continuity yet is often financially out of reach.
- **97% Need Cybersecurity Funding:** Cybersecurity tools like firewalls and monitoring now consume significant parts of tech budgets.



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A huge hurdle for us is redundancy and security. If our network is down or we would have a security breach, we could not continue providing remote learning and/or access to online textbooks and intervention programs. We do not have the funds for redundancy or security in the way that we need it.

o *Urban West Virginia School District*

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Expanding Support for Off-Campus Wi-Fi and Connectivity Needs

- **Community Demand:** 69% would apply for off-campus connectivity.
- **70% Report Homework Gap Significant:** Insufficient home internet access a challenge in most communities



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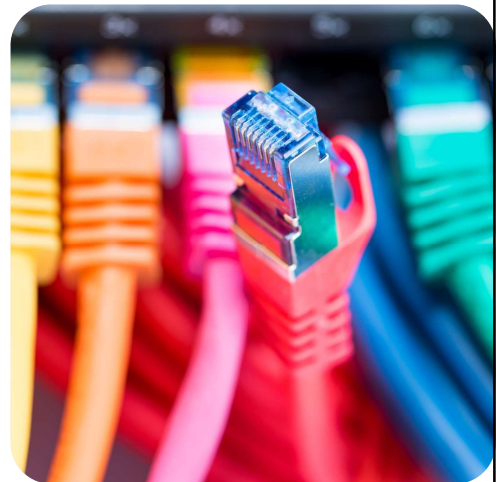
We really need a good solution to provide internet access in the homes of underserved communities for students. Now that Emergency Funding has expired, we've had to stop offering mobile hotspots and this is impacting students negatively.

o Urban New Mexico School District

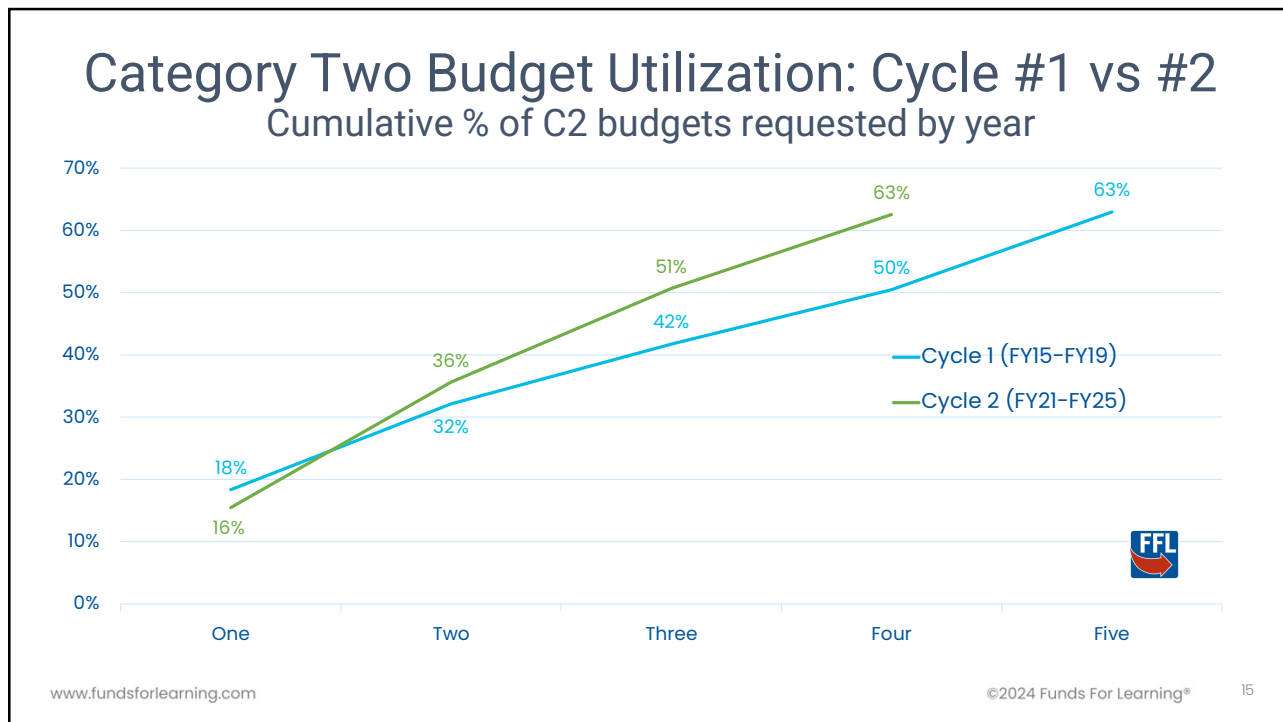
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Category Two Budget Essential

- **Higher C2 Budget Utilization:** faster than before, indicating record need.
- **Critical Upgrades:** enables vital on-campus networking and Wi-Fi upgrades, supporting evolving educational needs.



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Mixed Reviews on USAC and EPC

- **83% Satisfied with USAC:** most are pleased with relationship with USAC.
- **EPC Still Difficult:** Applicants request simplified interface, direct contact with reviewers and more consistent results.

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Overall, we are pleased with our relationship with USAC.

- *Rural North Carolina School District*


Navigation in the EPC system is challenging. You have to know where things are located, or you're hunting for an extensive time.

- *Urban Texas School District*

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Recommendations and Key Takeaways for FCC



- 01** Increase funding caps
- 02** Expand Cybersecurity Coverage
- 03** Support Off-Campus Connectivity

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“The E-rate program is crucial for modern education. This program ensures schools can access vital technology for student learning. From Broadband to Wi-Fi, this funding bridges the digital divide, empowering students with equitable access to educational resources, fostering innovation, and ultimately, shaping a brighter future for students.”

– California School District

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E-rate Trends Report



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