Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

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

COMMENTS FROM THE ALLIANCE FOR EXCELLENT EDUCATION ON THE FURTHER NOTICE OF PROPOSED RULEMAKING FOR MODERNIZING THE E-RATE PROGRAM FOR SCHOOLS AND LIBRARIES

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I. INTRODUCTION AND SUMMARY

The Alliance for Excellent Education (the Alliance) appreciates the opportunity to submit comments in response to the Federal Communications Commission's (the Commission's) Further Notice of Proposed Rulemaking (FNPRM) regarding meeting the future funding needs of the E-rate program. The Alliance applauds the steps the Commission has already taken to modernize the E-rate program, including adopting the E-Rate Modernization Order to expand access to high-speed broadband in schools and libraries across the country.[1] The Alliance believes this is a critical first step in providing all students access to a twenty-first-century education that prepares them for jobs in today's modern economy. It is critical for all students to graduate from high school ready for college and a career with deeper learning competencies and skills such as the ability to think critically, solve complex/non-routine problems, evaluate arguments on the basis of evidence, and communicate effectively.

In order for the United States to sustain its position as the world's leading economic power, it must dramatically modernize its education system. Ten years ago, it was sufficient to have a single computer lab in a school that students could visit. Today, however, students, teachers, and library patrons increasingly rely on tablets, laptops, and other devices to access information. Indeed, the adoption of college- and career-ready standards by nearly every state, combined with the expectation that every student, regardless of income, should meet these standards, mandates the effective application of educational technology. Yet too many schools and classrooms lack the connectivity needed to harness the potential of digital learning.

The following comments on the FNPRM begin by providing an overview of the Alliance's previous filings about the importance of modernizing the E-rate program. Then it will offer specific recommendations about meeting the future needs of E-rate by increasing the current E-rate funding cap. It will also offer recommendations concerning the collection of National School Lunch Program (NSLP) data and other issues such as the discount matrix, community connectivity, libraries, and tribal communities.

[1] The E-Rate Modernization Order was adopted by the Commission on July 11, 2014. For more information, see "Modernizing the E-Rate Program for Schools and Libraries," WC Docket No. 13-184, *Report and Order and Further Notice of Proposed Rulemaking*, FCC 14-99, July 23, 2014 ("E-Rate FNPRM").

II. ABOUT THE ALLIANCE FOR EXCELLENT EDUCATION

The Alliance is a Washington, DC–based national policy and advocacy organization dedicated to ensuring that all students, particularly those traditionally underserved, graduate from high school ready for success in college, work, and citizenship. The Alliance focuses on America's 6 million most-at-risk secondary school students—those in the lowest achievement quartile—who are most likely to leave school without a diploma or graduate unprepared for a productive future.

The Alliance works to encourage the development and implementation of federal and national policies that support effective secondary school reform and increased student achievement and attainment. It works to synthesize and distribute research and information about promising practices that inform national education policies. The Alliance provides sound, objective, nonpartisan advice that informs decisions about policy creation and implementation. Working with decision makers at all levels, the Alliance develops state and federal policy recommendations and advocates to policymakers in the state and federal governments. The Alliance's audience includes policymakers at the federal, state, and local levels, as well as education organizations; corporate, labor, and funding communities; media; parents; administrators; teachers; students; and a concerned public.

To encourage public awareness and action that support effective secondary school reform, the Alliance hosts events and webinars, makes presentations at meetings and conferences across the country, produces reports and publications, and issues regular releases that provide national- and state-level data and information about the impact of improving educational achievement and attainment levels for secondary school students. The Alliance publishes a biweekly newsletter, *Straight A's*, which provides information on public education policy and progress in an accessible format. The Alliance hosts a popular, regularly updated website, www.all4ed.org, which provides extensive information and data on secondary school policies and reform initiatives. The Alliance also conducts numerous informational webinars on topics of educational reform.

In 2011, the Alliance created the Center for Digital Learning and Policy (Center) to focus specifically on how technology and digital learning can offer innovative ways to ensure that all students—especially those most at risk and disadvantaged—graduate from high school prepared for success. As a division of the Alliance, the Center advances an ambitious agenda for national, federal, state, and district policy reform efforts relating to the effective use of technology in K–12 public schools. Through its two largest initiatives—Digital Learning Day and Project 24—the Center supports teachers, school leaders, districts, and states as they navigate the shift to more robust, digital learning environments. Digital Learning Day provides a powerful venue for education leaders to highlight great teaching practice and showcase innovative teachers, leaders, and instructional technology programs that are improving student outcomes. Project 24 is a free, one-stop shop of planning tools, expert advice, creative ideas, and tangible suggestions from experienced education experts.

The Alliance was founded in 1999 by the Liselotte and Gerard Leeds family, who created an independent and diverse board of directors that is currently chaired by Washington, DC, philanthropist Daniel Leeds.

III. THE FIRST STEP—The E-Rate Modernization Order

The Alliance commends the Commission for taking the first step in updating the E-rate program by adopting the E-Rate Modernization Order (Order) on July 11, 2014. The Alliance believes that the Order laid the foundation for the permanent expansion of E-rate that the nation's schools and libraries desperately need. The Alliance also supports the goals adopted in that Order to

(1) ensure affordable access to high-speed broadband sufficient to support digital learning in schools and robust connectivity for all libraries;
(2) maximize the cost-effectiveness of spending for E-rate-supported purchases; and
(3) make the E-rate application process and other E-rate processes fast, simple, and efficient.[2]

IV. NEXT STEPS

The Alliance appreciates the thorough review the Commission has conducted on the most effective ways to modernize E-rate and the Report and Order that review produced.[3] The following are several recommendations in response to the FNPRM intended to bolster the Order's goals and maintain the program's commitment to equity.

A. Increase the E-Rate Funding Cap

In various comments submitted to the Commission by the Alliance and in coordination with other organizations, the Alliance has supported an expansion of the E-rate program through increased funding.[4] A technology-supported, rigorous educational experience for the nation's students is critical to America's competitiveness in the twenty-first-century economy. Yet to date, insufficient funding for the E-rate program has left many schools and libraries without adequate broadband capacity.

The $1 billion target for Category 2 (internal connections) services adopted in the Order is a laudable goal,[5] but previous Priority 2 funding requests for fiscal year (FY) 2011, 2012, and 2013 were double this target. Most of these requests were not filled; moreover, many applicants did not make Priority 2 requests because they were aware that they were unlikely to be funded. According to the Wireline Competition Bureau and Office of Strategic Planning and Policy staff report on E-rate modernization, from FY 2008 through FY 2012 funding provided for Priority 2 supported only 4 to 11 percent of the more than 100,000 schools participating in E-rate each year and no more than 3 percent of the more than 16,000 public library locations participating in the program.[6] Even if the $1 billion target is met, and the 2015 and 2016 budgets are extended, it will take several years before the unmet need for wireless technology is filled.

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[2] E-Rate FNPRM, ¶ 5.
[3] The Report and Order can be downloaded from https://apps.fcc.gov/edocs_public/attachmatch/FCC-14-99A1.pdf.
[4] See comments submitted by the Alliance on September 16, 2013, November 8, 2013, and April 7, 2014, and by the Alliance in coordination with other organizations on September 16, 2013, June 12, 2014, and July 7, 2014.
[5] E-Rate FNPRM, ¶ 118.
[6] Wireline Competition Bureau and Office of Strategic Planning and Policy, WC Docket No. 13-184, Staff Report, August 12, 2014, ¶ 6–7, Figures 1 and 2.

E-Rate Priority 2 Funding Requests and Funding Allotted

	FY 2011	FY 2012	FY 2013
Priority 2 Requested	$2.39 billion	$2.30 billion	$2.28 billion
Priority 2 Funded	$715 million	$758 million	$0

Source: Internal Alliance analysis conducted by Terri Schwartzbeck.

The Alliance agrees with the FNPRM that the E-rate program has received a substantial reduction in real purchasing power due to the previous lack of adjustment in the E-rate budget.[7] A June 12, 2014, letter to the Commission signed by the Alliance and a coalition of over 100 other education organizations states that the E-rate program "has effectively been shortchanged by not having any CPI increase for the first fourteen years of the program, as is routine for other government programs."[8] Moreover, the program data clearly demonstrates that the E-rate cap has not kept pace with demand. Total E-rate demand for the 2013 funding year was $4.98 billion,[9] compared to the $2.38 billion funding cap that year for the program—less than half the funding needed for demand.[10]

Nonetheless, the Alliance believes that in order for E-rate funding to meet both today's needs and future demand, any increase in funding must be based on a data-driven analysis. Examples of such analysis include the recent EducationSuperHighway report *Connecting America's Students: Opportunities for Action*, which offers insight into the unmet need for E-rate services.[11] The Alliance also encourages the Commission to work with the National Center for Education Statistics at the Institute of Education Sciences to determine the best way to acquire accurate data on unmet broadband need in schools. The Alliance intends to commission an analysis of available data to quantify the degree to which low-income students and students of color are less likely than their white and more affluent peers to have access to high-speed broadband.

While the precise level of future demand for the E-rate program is uncertain, it is important that the cap be raised to a level sufficient to meet the demands known today, while simultaneously accommodating future needs that cannot yet be determined. The cost of connectivity could drop considerably over the next five to ten years, similar to the drop in the cost of long-distance telephone service. Likewise, new, beneficial educational technologies could be developed, but with high costs to schools and libraries. The Commission should consider creating a process by which the cap could be regularly reviewed and adjusted in order to meet the changing demands of technology.

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[7] E-Rate FNPRM, ¶ 270.

[8] To read the full coalition letter, see http://all4ed.org/wp-content/uploads/2014/06/6-14FinalErateConsensusLetter.pdf (accessed September 3, 2014).

[9] Internal Alliance analysis conducted by Terri Schwartzbeck.

[10] Federal Communications Commission, CC Docket No. 02-6, *Wireline Competition Bureau Announces E-Rate Inflation-Based Cap for Funding Year 2013*, March 11, 2013, http://www.fcc.gov/document/e-rate-inflation-based-cap-funding-year-2013 (accessed September 3, 2014).

[11] EducationSuperHighway, *Connecting America's Students: Opportunities for Action, An Analysis of E-Rate Spending Offers Key Insights for Expanding Educational Opportunity* (San Francisco, CA: April 2014), http://www.educationsuperhighway.org/uploads/1/0/9/4/10946543/esh_k12_e-rate_spending_report_april_2014.pdf, (accessed September 3, 2014).

B. Maintain Equity in the Discount Matrix

The Order increased the minimum contribution applicants must make toward Category 2 purchases from 10 to 15 percent. Consequently, the highest discount level for Category 2 services will be 85 percent rather than 90 percent.[12] The Alliance appreciates that the Commission did not choose to adopt an even higher minimum contribution rate of 20, 25, or 30 percent as recommended by some E-rate NPRM commenters.[13] The Alliance is, however, concerned that this change requires *only* the poorest schools, libraries, and districts to pay more for E-rate services. Additionally, the Alliance is concerned that this new discount matrix will be fully effective for funding year 2015,[14] rather than phased in over multiple years to evaluate the consequences of the change before full implementation. The Alliances urges the Commission to closely monitor implementation of the new discount matrix in order to ensure that students in the nation's poorest schools and communities have access to the E-rate services they so desperately need. The Commission should consider returning the highest discount rate to 90 percent, and if necessary raise the contribution rate of more affluent schools and libraries. The burden of financing E-rate modernization must not rest on the schools and libraries serving those students most in need.

C. Ensure Fair Use of National School Lunch Program (NSLP) Data

The Alliance supports the Community Eligibility Provision (CEP), which allows schools serving predominately low-income students to offer free school meals to *all* students in the school through the National School Lunch Program (NSLP) and School Breakfast Program. A school is eligible for the CEP if at least 40 percent of its students are "directly certified" or identified for free meals through means other than household free or reduced-price lunch paper applications. The CEP uses information from other programs, such as the Supplemental Nutrition Assistance Program (SNAP), to directly certify students.[15]

Consistent with the goal adopted in the Order to make the E-rate application process and other E-rate processes fast, simple, and efficient, the Alliance appreciates that beginning in funding year 2015, schools and school districts participating in the CEP will be allowed to use the same approach for determining their E-rate discount rate and determining their NSLP reimbursement rate.[16] Nonetheless, there are a number of questions that transitioning to the CEP raises:

- The CEP has been phased in over a three-year period in certain schools and districts, with the option available nationwide to all eligible schools and local educational agencies for the 2014–15 school year.[17] Therefore, it is unlikely that all eligible schools will have chosen to, or will choose to, switch to the CEP by the E-rate funding year 2015. This raises the following question: are schools that are eligible for and have chosen to adopt CEP (and

[12] E-Rate FNPRM, ¶ 82 and 84.
[13] E-Rate FNPRM, ¶ 85.
[14] Ibid.
[15] E-Rate FNPRM, ¶ 226 and United States Department of Agriculture Food and Nutrition Service, *School Meals: Community Eligibility Provision*, http://www.fns.usda.gov/school-meals/community-eligibility-provision (accessed September 4, 2014).
[16] E-Rate FNPRM, ¶ 225.
[17] E-Rate FNPRM, ¶ 226.

therefore can reach the 100 percent cap using the CEP multiplier) at an advantage for E-rate funding compared to those schools that are eligible for and have *not* chosen to adopt CEP (and therefore may not reach the 100 percent cap)? If so, how can this best be addressed in a manner that does not place either set of schools at a disadvantage while still preserving CEP?

- Will high schools be negatively affected in districts that are utilizing community eligibility? High schools may be less likely to reach the 40 percent threshold for community eligibility because they serve more students overall from all income levels than do elementary and middle schools. It is not that they serve fewer low-income students; in fact, a high school may serve far more low-income students than an elementary school in the same district, but have a lower *percentage* of students from low-income families. Considering, then, that poverty levels among high schools may be lower than in elementary and middle schools, regardless of the number of low-income students served, will high schools be at a disadvantage when determining the E-rate discount rate? If so, how can this be addressed?
- Has the Commission explored whether rankings for the E-rate discount rate under the CEP will differ significantly from rankings for the E-rate discount rate under the traditional FRPL measure? If so, how will the Commission address this issue?

While this list of questions is not exhaustive, and it is not known whether transitioning to the CEP will have consequences for schools and districts regarding their E-rate discount rate, these questions are worth answering before full implementation of the CEP. Therefore, the Alliance recommends that the Commission consider phasing in implementation of the CEP, and continually monitoring the data in terms of which schools are served, in order to ensure that the E-rate discount goes to the schools that are most in need.

D. Expand the Reach of E-Rate to Facilitate Anytime, Anywhere Learning

1. The FNPRM seeks comment on additional ways to encourage consortium participation.[18] There is a growing understanding among educators that opportunities for learning should not be limited to the school building. Emerging models of community engagement are demonstrating that connecting learning across a variety of out-of-school youth-serving institutions can support college- and career-ready standards and strengthen overall engagement in school.[19] A comprehensive digital infrastructure enables schools, libraries, and other youth-serving institutions to serve as technological learning hubs in the community, supporting "anytime, anywhere" learning for students.[20] Thus, the Alliance urges the Commission to consider the potential of encouraging consortium participation as part of a comprehensive education strategy.

   Various community organizations and institutions offer educational experiences that schools are ill-equipped to provide on their own. For example, some community-school

[18] E-Rate FNPRM, ¶ 292.

[19] I. Mizuko et al., "Connected Learning: An Agenda for Research and Design" (Irvine, CA: Digital Media and Learning Research Hub), http://dmlhub.net/sites/default/files/Connected_Learning_report.pdf (accessed September 8, 2014).

[20] K. Thigpen, "Creating Anytime, Anywhere Learning for All Students: Key Elements of a Comprehensive Digital Infrastructure" (Washington, DC: Alliance for Excellent Education), http://all4ed.org/wp-content/uploads/2014/06/DigitalInfrastructure.pdf (accessed September 8, 2014).

partnerships enable students to apply classroom learning in work- and project-based settings beyond the traditional classroom, such as in hospitals, museums, and small businesses. Other community-school partnerships provide students with access to homework help and other opportunities to build knowledge and skills before or after school hours. Access to high-speed internet is critical for these community organizations.

Therefore, the Alliance recommends, as it has recommended in previous comments, that the Commission facilitate the formation of learning consortia and partnerships that include nonprofit community organizations in addition to schools and libraries. As part of purchasing consortia, the Alliance recommends that E-rate discounts be extended to participating nonprofit community organizations to assist them in delivering educational opportunities to students in partnership with schools and libraries, while prioritizing discounts to schools and libraries. [21]

2. To effectively facilitate anytime, anywhere learning, high-speed broadband must be available to students when schools and libraries are closed. The initial NPRM posed questions pertaining to the possibility of expanding the reach of E-rate through wireless community hotspots.[22] The Alliance strongly urges the Commission to continue exploring this opportunity and to adopt the regulation necessary for its implementation.

   Learning must not be confined to the hours in which traditional buildings are open for business. Sophisticated academic homework assignments often require students to spend many hours conducting research and other work that involve access to high-speed broadband. This work cannot and should not be expected to be completed within the school day. Moreover, technology now allows students to receive additional support during non-school hours, both live assistance and instruction through such means as the Kahn Academy. Clearly, education in the twenty-first-century requires students to have ubiquitous access to high-speed broadband. Expanding the reach of E-rate through wireless community hotspots or other means is fully consistent with the principles of universal service and a natural extension of the Commission's 2010 policy allowing schools to open their facilities to the general public to utilize services supported by E-rate when classes are not in session.[23]

E. Use Square Footage to Set Library Budgets

As noted above, twenty-first-century learning environments are not limited to the classroom. Indeed, libraries are also an important component of anytime, anyplace learning. Libraries host more than 1.5 billion in-person visits per year. With access to high-speed broadband, libraries can provide and are providing an extensive array of vital educational and training services, such as access to online digital learning and distance education opportunities; videoconferencing for

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[21] See the Alliance's September 16, 2013, comments to the FCC, http://apps.fcc.gov/ecfs/document/view?id=7520943813 (accessed September 9, 2014).

[22] "Modernizing the E-Rate Program for Schools and Libraries," WC Docket No. 13-184, *Notice of Proposed Rulemaking*, FCC 13-100, July 23, 2013, ¶ 319–323.

[23] *Schools and Libraries Sixth Report and Order*, 25 FCC Rcd at 18773–77, paras. 20–27; *Schools and Libraries Universal Service Support Mechanism*, CC Docket No. 02-6, Order and Notice of Proposed Rulemaking, 25 FCC Rcd 1740 (2010).

entrepreneurs and job interviews; and opportunities to connect with family and experts around the world.[24]

The FNPRM seeks comment on whether the Commission should adopt another metric in addition to or instead of square footage to set library budgets.[25] As a critical component of anytime, anyplace learning, it is important to make applying for E-rate as simple as possible for libraries. The Alliance concurs with the metric adopted in the Order to use square footage to set library budgets as an effective means by which to decrease the application burden.

As part of their yearly reporting requirements, libraries already collect square footage data for the Institute of Museum and Library Services. Square footage can be easily determined across all sizes of libraries (as opposed to other metrics, such as user-based formulas, which are collected in many different ways).[26] The use of an easy-to-understand, readily available metric such as square footage to determine library budgets also aligns with the Order's goal to make the E-rate application process fast, simple, and efficient.

Nonetheless, in order to ensure that rural or smaller libraries are not disadvantaged by a square footage metric, the Alliance supports a funding floor to guarantee that budgets are sufficient to meet the minimum demand that libraries have, regardless of size. Additionally, as modern technology develops and digital content expands, the square footage metric should be reevaluated to make sure that it continues to meet the needs of all libraries, both small and large.

F. Provide Special Consideration for Tribal Communities

The Alliance commends the Commission for the actions undertaken in the Order to help tribal schools and libraries participate in the E-rate program.[27] In particular, the Alliance appreciates the Commission's commitment to distilling tribal-specific data about the current state of connectivity among tribal schools and libraries in order to more effectively meet the high-speed broadband needs of tribal communities.[28] As the Commission considers this data, the Alliance urges the Commission, as it has recommended in previous comments, to explore the potential impact of increasing the discount made available to tribal communities.[29]

In 2011, the National Indian Education Study found that native students score lower than other students in reading and math in grades four and eight.[30] Native high school students drop out of

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[24] Association for Rural & Small Libraries, American Library Association, Chief Officers of State Library Agencies, Public Library Association, and Urban Libraries Council, July 7, 2014, letter to the Federal Communications Commission regarding E-Rate modernization.

[25] E-Rate FNPRM, ¶ 299.

[26] *Ex parte* letter from Marijke Visser, Assistant Director, Office for Information Technology Policy, American Library Association to Marlene Dortch, Secretary, Federal Communications Commission, regarding WC Docket No. 13-184, July 7, 2014.

[27] E-Rate FNPRM, ¶ 243–249.

[28] E-Rate FNPRM, ¶ 246.

[29] See the Alliance's September 16, 2013, comments to the FCC, http://apps.fcc.gov/ecfs/document/view?id=7520943813 (accessed September 9, 2014).

[30] U.S. Department of Education, National Center for Education Statistics, Institute of Education Sciences, National Indian Education Study 2011 (NCES 2012-466), http://nces.ed.gov/nationsreportcard/nies/ (accessed September 13, 2013).

school at a much higher rate than many other student subgroups, and the native high school completion rate is below 60 percent in many of the states with high native populations.[31] A recently released report by the Association of Tribal Archives, Libraries, and Museums (ATALM) found that tribal libraries lag behind other public libraries in terms of offering access to the internet, technology training, and computer workstations. At least 40 percent of tribal libraries in the study sample did not have a broadband internet connection. Moreover, only 15 percent of the tribal libraries in the study sample received E-rate discounts, which ATALM attributes in part to complicated eligibility requirements and a general lack of awareness about the program.[32]

These vast disparities in education and resources make it all the more difficult for tribes to educate their students and prepare them for a twenty-first-century economy reliant on technology. Due to the high burden tribes are already facing, targeted efforts should be undertaken to make it easier for them, not more difficult, to access valuable E-rate funds.

V. CONCLUSION

America's ability to compete in the twenty-first-century global economy is dependent on the quality of its education system. Technology has revolutionized many facets of modern life, but the promise of digital learning is only beginning to be understood and implemented at scale in today's classrooms. An expanded E-rate program has the potential to dramatically enhance outcomes for all students in the short term and economic outcomes in the long term. The Alliance appreciates the Commission's detailed and thorough process for modernizing E-rate and encourages the Commission to increase the investment for this vital program.

[31] U.S. Department of Education, "Provisional Data File: SY2010–11 Four-Year Regulatory Adjusted Cohort Graduation Rates," http://www2.ed.gov/documents/press-releases/state-2010-11-graduation-rate-data.pdf (accessed September 13, 2013).

[32] The study included a sample of more than 110 tribal libraries. M. Jorgensen, T. Morris, and S. Feller, *Digital Inclusion in Native Communities: The Role of Tribal Libraries* (Oklahoma City, OK: Association of Tribal Archives, Libraries, and Museums, 2014), http://www.atalm.org/sites/default/files/Report.pdf (accessed September 3, 2014).