E-Rate: Get your Share!

AMBER GREGORY
ARKANSAS STATE LIBRARY
ALA E-RATE TASK FORCE
Information today will be serious...... But the tone will light

I promise to leave out the E-Rate Jargon (as much as possible)

And focus on E-Rate OPPORTUNITIES!

Introducing.....

E-Rate Therapy Dogs: Brooke and Collette
E-Rate: Get your Share!

- GETTING TO KNOW EACH OTHER
- E-RATE MODERNIZATION ORDER: OVERVIEW
- OPPORTUNITIES!
- OVERCOMING BARRIERS TO PARTICIPATION
- RESOURCES
- QUESTIONS
Getting to Know Each Other

- Amber Gregory

- Arkansas State Library
  - Coordinator of E-Rate Services

- E-Rate Task Force Member
  - American Library Association (ALA) group made of state E-Rate coordinators and ALA’s Office of Information Technology Policy (OITP)
E-Rate Task Force

What does ERTF do?

- Support state E-Rate coordinators with resources, information and communication
- Work with other groups interested in E-Rate such as PLA, COSLA, ARSL, ULC, IMLS
- Communicate directly with USAC and FCC regarding E-Rate issues impacting libraries
  - Two-way communication
- ERTF is your direct line of communication to USAC & FCC, ALA and E-Rate experts
Getting to Know You

- Who applies for E-Rate Currently?
- Who used to apply?
- Who applies only for phone (voice, POTS)?
- Anyone completely new to E-Rate?
E-Rate Basics

- E-Rate is a program through the Federal Communications Commission (FCC) that allows for libraries and schools to receive discounts on telecommunications and information services.

- What does this mean...
  - Your library can receive discounts on internet access, some network equipment & wiring, and for a little while longer, your phone bill.
Key Players

- Federal Communications Commission (FCC)
- Universal Service Administrative Company (USAC)
  - Schools and Libraries Division
- Applicant (Library, School)
- Service Providers
- Support: State E-Rate Coordinators, ALA/ERTF, Consultant (if you hire one)
E-Rate Modernization Order

- “E-Rate 2.0” – “E-Rate Modernization”

- What is This??!!

- July and December 2014, FCC made the biggest changes to the E-Rate program since its beginning
  - [July Order Summary](#)
  - [December Order Summary](#)
E-Rate Modernization

- Libraries have groups working on their behalf to make sure library interests are represented in the Modernization process
  - ALA, State Library Agencies, COSLA, ULC, ARSL

- Schools, just like libraries, have stakeholder groups working to make sure they meet connectivity goals

- Modernization effort was largely driven by an analysis of school internet access shortfalls
  - WiFi Gap
E-Rate Modernization

- FCC and USAC really want to make the E-Rate program more accessible and useful to the library community.
  - Libraries represent about 15% of program participation
  - And 7% of E-Rate money goes to libraries

- FCC wants libraries to use more of the fund

- New E-Rate changes offer an opportunity for increased library participation and coordination of the school and library communities.
Never Enough Bandwidth!

- FCC Broadband Goals: (with ALA input)
  - Libraries Serving fewer than 50,000 should have at least 100 Mbps
  - Those serving 50,000 or more should have 1G
  - Keep these goals in mind when we talk about opportunities.....
Never Enough Bandwidth!

- Do you know the broadband (internet) speed your library has?

- According to ALA:
  - ½ of all libraries have speeds less than 10 Mbps
  - AR – Average speed of 10 Mbps
    - Most rural libraries are **much** slower than this

- Almost everyone who walks into you library has at least one wireless-enabled device

- Get as much bandwidth as you can afford!
E-Rate Modernization

Main Points

(OPPORTUNITIES!)

- More Money!
- Fiber Rules Equalized & Easier to Follow
- Increases Transparency
- Encourages Consortia Participation
- Simplifies Administrative Burden
New Money! How Can I Get Some?

- Category 2 Money
  - (for equipment and connections within the library)

- Additional $1B available each year FY 2015, FY 2016

- First time Category 2 money has been available since FY 2012

- FY 2015, ALL Category 2 applications were funded!

- Category 2 money should be available through 2019
Category 2 Opportunities, cont.

First time for most applicants that they can count on funds being available for internal connections requests.

In the past, the most economically disadvantaged libraries got funded first, then others if there was enough money.

- Now there is enough money for the libraries in the middle to wealthy end of the spectrum have a chance at this money.
New Money! Fantastic Opportunity!

- Eligible Equipment: Routers, Switches, Access Points, Wiring & Cabling and more

- Amount your library is eligible for is based on the square footage of your library
  - $2.30/sq. ft. with a $9,200 floor for libraries under 4,000 sq. ft.
  - Available over a 5 year period
  - Spend it all now or save some for later...up to you!

- This is a great time to assess the wiring and equipment within the library building.

- Use E-Rate to upgrade your network equipment.
New Money! Fantastic Opportunity!

- Questions to ask about your network equipment
  - How old is the equipment?
  - Is the equipment adequate to support computer and Wi-Fi usage in the library?
  - Not just enough Wi-Fi to cover library-owned equipment, but patron-owned devices too?
  - Are you accounting for future growth?
New Money!

- Shift from using E-Rate dollars to pay bills to using the program to increase broadband connectivity.
More New Money!

- December 2014 Order added $1.5 B annually to the E-Rate fund
- Previously capped at $2.25 B (plus inflation)
- New cap is $3.75 B (plus inflation)
- New amount provides over $4.9 B for services such as internet access & internal connections equipment.
Fiber

- The FCC has made applying for a fiber internet connection simpler.

- In the past, there have been different rules for Lit and Dark Fiber.
  - Don’t worry about the details just yet, but know that both are eligible

- FCC has tried to equalize treatment of both options and make it possible to build & own your own fiber network if it is the most cost-effective solution.

- If building your own fiber network is beyond your technology comfort-level, that is ok too....
Fiber

- Underlying Opportunity around new fiber rules

- New eligibility should increase competition and encourage more build-out of fiber networks by existing service providers, even in rural areas.... eventually.
Fiber

- Use E-Rate as a resource to upgrade your library to a fiber connection.
  - It can make the cost-prohibitive possible

- Installation costs are eligible as part of the internet access service (Category 1)
  - These can be rolled into the monthly cost of the internet service
  - Usually as part of a 3 or 5 year contract
  - Or the can be separated out into a one-time cost
Fiber

- FCC will not shy away from expensive fiber internet access projects as long as it is a cost-effective solution to achieve higher bandwidth to meet community need.

- Remember those FCC Goals?
  - 100 Mbps
  - 1G

- A 1G connection will be fiber...
Importance of RFPs

- If you undertake a large project that includes multiple sites or a complex upgrade, is it a good idea to write an Request for Proposal (RFP).

- RFP is a document that gives additional details about your project and helps you get more accurate bids.

- If you are doing a complex upgrade involving Category 1 and Category 2 requests, make sure you put the requests in the correct category of service and your RFP supports this.
  - Ask for help if you are unsure.
Maximizing Cost-Effectiveness of E-Rate

- Pricing Transparencies: Am I paying too much?

- Prices paid by libraries for internet access vary widely
  - Urban vs. Rural differences
  - Challenges such as geography and accessibility
  - Costly build out for internet service providers increases prices for the service

- Example: Idaho Commission for Libraries went on record during the Modernization project noting that prices paid by rural libraries varied from $3.33/Mbps/month to $397/Mbps/month
USAC will make available the costs that E-Rate applicants are paying for services.

It will be easy to see what other local applicants are paying for which services and who is offering service in your area.

This tool is not yet available....
- The info can be retrieved, but not easily or in a simple format
- Yet!....This should be coming soon (we hope.....)
Pricing Transparencies

- This means that if your library signs a contract for new service that it wishes to get E-Rate discounts on, it cannot contain any language that keeps the pricing a secret.
Consortia: Enjoy bulk-buying!

- Consortia and bulk-buying help applicants get the best deals possible.
- Leaves more money in the E-Rate fund for everyone else if the costs are lower
  - Win-Win situation!

- USAC was directed to speed the review of consortium applications (these used to take a really long time...).
Barriers to Participation

- Yes, there are Opportunities,
- BUT...

- Barriers we will overcome today include....
- Disappointment over phone phase-out
- Only 1 Internet Service Provider in town
- Administrative Burden is Too Much!
- Filtering: Children’s Internet Protection Act (CIPA)
Phase out of voice service

- Voice service will be phased out by 20% per year
  - FY 2015 was 20% less
  - FY 2016 will be 40% less
  - until POTS discounts are gone...

- Phase down hurts all applicants in the short term – rural, urban, suburban, schools & libraries

- Reason: FCC’s Modernization reforms realigned program to focus on adequate and affordable broadband connectivity.
  - We don’t have dial-up internet connections anymore...
Phase out of voice service

- Shift from using E-Rate dollars to pay bills to using the program to increase broadband connectivity.

From this

To this
Only 1 game in town...

- Only 1 Internet Service Provider in town
  - This is a reality for many rural libraries

- Use the E-Rate competitive bidding process to look for new vendors.

- Use E-Rate to see who local schools and libraries use for internet service and how much they pay.

- Talk to local businesses to see what plans they are using from local vendors and the price.
Only 1 game in town...

- You may find there is still only one option in town, but the broadband landscape is changing.
  - It won’t remain underserved forever

- Get in the habit of routinely searching for new internet options and negotiating the best deal for your library.

- E-Rate is an excellent tool for this!
Connect America Fund

- Connect America Fund: Universal Service Fund program (related to E-Rate) to encourage build-out in rural and high-cost areas.

- If service providers receive money using this program, they are obligated to respond to E-Rate applications posted in these rural areas.

- This will help competition and drive down prices in rural areas.
Business Class Internet

- Exempt from filing the Form 470 if your library can get commercially available internet access of at least 100 Mbps down and 10 Mbps up at a cost of $3,600 or less annually
  - $300 per month

- The FCC’s data indicates that this service exists
  - (Don’t Laugh...)
  - Do some research to see if this is available to you.

- Warning: Even if this service is available, it still may be a good idea to file the Form 470.
Administrative Burden is Too Much!

- Yes, E-Rate is a tedious program....No denying this!

- Some applicants compare E-Rate to filing taxes
  - (Perhaps this is an appropriate comparison)
- Unlike filing taxes, you will get money every year
  - Think of this as a guaranteed tax return when the E-Rate application is filed correctly

- E-Rate Modernization puts a focus on plain language
- Should help the program be more user-friendly
Administrative Burden is Too Much!

- The FCC and USAC really want to improve the E-Rate experience

- E-Rate Productivity Center (EPC), a Web-based portal

- Starting FY 2016, everything will be accessed (forms, supporting documents, communication) via your library’s EPC account

- They are still working out the bugs, but it will be a centralized and streamlined tool soon.
Administrative Burden is Too Much!

- EPC, cont.
- Communication with State E-Rate Coordinators is especially helpful on this issue.

- ERTF/State Coordinators communicate directly with USAC
  - What works
  - what doesn’t
  - how to make it better

- EPC is in process, so give us your input!
- We will take it back to USAC.
Filtering

- To receive E-Rate discounts on internet access and network equipment (Category 2), your library must be compliant with the Children’s Internet Protection Act (CIPA).

- If your library is not apply for E-Rate because of CIPA, take another look.
Filtering: Why not?

- Library does not believe in filtering
  - Every patron should choose for themselves what to view

- Solutions: There may be ways to configure the filter to levels appropriate for children’s, adult or staff computers
  - Focus on filtering only to the least intrusive level
  - Required to filter only visual images of child pornography, obscene material, harmful to minors (for computers accessed by minors, specifics are largely a local decision supported by library policy)
Filtering: Why not?

- The cost of the filter is more or equal to the cost savings
  - And then there is the administrative burden too!

- This may be true for basic internet service, but reevaluate this in light of new money for network equipment and fiber opportunities.

- Look again for low cost filtering options
ERTF is currently working with ALA to update CIPA guidance.

Goals: Demystify CIPA and answer FAQs
- Better define the situations in which a library would not need to be CIPA compliant, but still receive E-Rate discounts.

If you have CIPA questions, let your state E-Rate Coordinator know.
- We will add your input to the guidance we produce.
Where to Find Help

- **LibraryErate website**
  - New resource with information for all levels of E-Rate experience
  - Created by ERTF member Emily Almond (GA) and others in conjunction with COSLA & IMLS

- **State E-Rate Coordinators**
  - ALA keeps a list
  - [http://www.ala.org/advocacy/e-rate-state-coordinators](http://www.ala.org/advocacy/e-rate-state-coordinators)
Where to Find Help

- ALA & the E-Rate Task Force
  - Contact ERTF via your state E-Rate coordinator

- USAC website
  - www.usac.org/sl
  - Website undergoing updates following Modernization
  - Beware that not all pages are up to date and accurate. Double-check accuracy of information.

- FCC website
  - https://www.fcc.gov/e-rate-update
  - For when you want to read the E-Rate Orders word for word
Closing Thoughts

- For rural applicants, there is not a one-size-fits-all solution.

- Your library may not be able to take advantage of the opportunities all at once.

- Plan now to phase in changes as it makes sense for your library.

- Know which opportunities fit your library and use E-Rate when the time is right for your library.
Closing Thoughts

- The FCC has opened the door, and it is up to the library community to take advantage of the opportunities to increase broadband capacity.
Questions?

E-RATE: GET YOUR SHARE!