



August 25, 2020

Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W., Room TW-B204
Washington, DC 20554

Re: Notice of *Ex Parte Meeting*
Request for Schools to Receive FY 2020 E-rate Funding for Purchases of Additional Internet Bandwidth Needed for Educational Instruction during COVID-19 and Request for Extension of Gift Rule Suspension Order, Modernizing the E-rate Program for Schools and Libraries, WC Docket No. 13-184

Dear Secretary Dortch:

On August 21, 2020, John Windhausen, Executive Director of the Schools, Health & Libraries Broadband Coalition ("SHLB") and Julie Tritt Schell and Debra Kriete, on behalf of the State E-rate Coordinators' Alliance ("SECA") and SHLB, held a conference call meeting with the following representatives of the Wireline Competition Bureau:

Kris Monteith, Chief, Wireline Competition Bureau
Sue McNeil, Special Counsel, Office of the Bureau Chief
Ryan Palmer, Division Chief, Telecommunications Access Policy Division
Gabriella Gross, Deputy Division Chief, Telecommunications Access Policy Division

We discussed two related requests for relief relating to the E-rate program and the Rural Health Care program.

Gift Rule Waiver

We discussed the letter of August 4, 2020 submitted by SHLB, Consortium for School Networking ("COSN") and the State Educational Technology Directors Association ("SETDA") and the letter of August 3, 2020 submitted by SECA requesting the continuation of the gift rule waiver order (DA 20-290) through June 30, 2021.

The gift rule waiver has enabled schools, libraries, and health care providers to accept gifts that have facilitated the availability of additional broadband connectivity to meet the needs of their constituents. Vendors have provided at least three types of donations: 1) free or steeply discounted end user computers and devices such as Chromebooks and tablets, 2) Internet-enabling devices such as hot spots and networking equipment, and 3) Internet bandwidth. Not extending the gift rule waiver would be disruptive to the anchor institutions that have benefited from these donations – forcing them either to stop receiving the equipment or service or to divert funding away from other crucial educational needs to pay for the equipment or service – while they are in the midst of the crisis.

Currently there is a lack of certainty as to when the pandemic will be resolved and when the needs for these additional broadband services will recede. The nine-month extension will ensure that these

arrangements can be continued throughout the funding year without concern that the E-rate entities will be in violation of Universal Service Fund (USF) regulations, especially since the virus is likely to persist into next year.

Additional E-rate FY 2020 Funding for E-rate Eligible On-Campus Internet Access

SECA's August 3rd letter also asked the Commission to authorize E-rate applicants to obtain supplemental FY 2020 funding for the unanticipated expenses arising from purchasing additional E-rate eligible Internet bandwidth to meet E-rate eligible, *on-campus* Internet needs stemming from COVID-19. SHLB noted that it intends to file a letter in support of this request. Our discussion touched on the following aspects of our request.

- A. We discussed the reasons why schools need to increase E-rate eligible, *on campus* Internet as a result of the pandemic:
1. To preserve the health and safety of students, many schools have gone to 1:1 student/device initiatives which is a direct response to COVID-19, which has markedly increased Internet connectivity demand inside school buildings.
 2. Teaching models have had to pivot to incorporate teachers' online streaming of their classrooms, either or both in real time and recorded. This content consumes considerable additional bandwidth beyond the pre-pandemic quantity needed, particularly when there is multiple concurrent live streaming of teachers' lessons inside school buildings.
 3. Schools with hybrid learning models – in-classroom instruction and remote learning instruction – find that they are operating essentially two different classroom environments. Between the live streaming of teachers' instruction and the additional number of devices accessing the Internet in school buildings due to 1:1 student/device initiatives, the need for Internet bandwidth has increased dramatically.
 4. The number of cloud-based educational tools and platforms adopted by schools and used by teachers and students has quadrupled and now are permanently part of the curriculum. Additional bandwidth is needed to access these tools and platforms for in-classroom instruction.
 5. Schools resuming in-school instruction are finding that they must stream teachers' instruction to meet the needs of the students who are unable, for health reasons, to resume in-school classes, requiring more Internet bandwidth.
- B. We discussed the scope of the request: how many schools may request additional Internet funding and the associated financial impact on E-rate funding.
1. A survey is in process to collect data from schools that would be useful for estimating the quantity and cost of additional bandwidth requests that may be extrapolated to determine an estimate of the financial impact on E-rate funding.
 2. Analysis of existing E-rate data is under way to ascertain the current E-rate funding attributed to Internet access service, a distinct service in the Category One group of services which would allow us to model potential financial impacts of increased Internet bandwidth requests.
 3. Initial survey results indicate that the requested increases in bandwidth are about two times the quantity that was originally approved on an applicant's FY 2020 application and approximately 10% - 15% of applicants may file for supplement Internet funding.
- C. We stressed that the request for the competitive bidding exemption is an integral component of the requested relief.

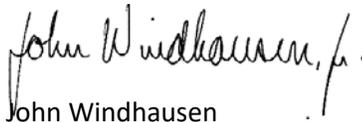
1. Some schools have already signed contracts and/or amendments to purchase additional Internet bandwidth due to the urgent need.
2. The school officials either do not have any state/local bidding requirements and/or those requirements have been suspended due to the COVID-19 emergency.
3. The school officials are extremely busy working on providing online instruction and do not have time to complete the Form 470 and wait 28 days, evaluate bids, and then select a vendor. Schools that file for E-rate on their own without the assistance of a consultant will be most heavily disadvantaged should the FCC determine that the Form 470 competitive bidding requirement will not be waived.
4. In most cases, the schools are signing agreements with their existing Internet service providers that that were previously found to offer the most cost-effective solution.
5. This approach is similar to the Commission's emergency telehealth program that did not require applicants to conduct competitive bids.

As more information becomes available, we will supplement the record with an additional *ex parte* submission.

Respectfully submitted,



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