April 27, 2020

Chairman Frank Pallone
Energy and Commerce Committee
U.S. House of Representatives
Washington, DC 20515

Ranking Member Greg Walden
Energy and Commerce Committee
U.S. House of Representatives
Washington, DC 20515

Chairman Mike Doyle
Communications and Technology Subcommittee
Subcommittee
U.S. House of Representatives
Washington, DC 20515

Ranking Member Bob Latta
Communications and Technology

U.S. House of Representatives
Washington, DC 20515

Dear Chairman Pallone, Ranking Member Walden, Chairman Doyle, and Ranking Member Latta:

The Schools, Health & Libraries Broadband (SHLB) Coalition is pleased to offer this additional information regarding the "Emergency Educational Connections Act of 2020" (H.R. 6563), introduced by Rep. Meng. The SHLB Coalition believes this legislation is extremely important to help students engage in online learning from home during the COVID-19 pandemic. The legislation will provide $2 billion in emergency supplemental funding for the Federal Communications Commission's E-rate program to fund broadband connections and devices for the millions of students that do not have broadband at home. However, we are concerned this level of funding will not be sufficient to address the home broadband need. Below we articulate why we believe $5.25 billion is needed. We strongly encourage Congress to include sufficient funding for student broadband in the next Coronavirus relief legislation.

While H.R. 6563 is helpful in recognizing the need to connect home-based students to broadband, we believe more needs to be done to help our schools and libraries address this issue. According to Dr. Fauci and other medical professionals, the Coronavirus will likely persist at least into the fall of this year and perhaps long after that. As a result, many K-12 schools are unlikely to return to full operation when the next school year begins in August/September of this year.[1] While broadband providers are to be commended for making free and low-cost Internet services available to low-income families., most of those offers are for a limited duration—often 60-90 days—and some require families to sign up for recurring Internet access at over $50/month.[2] Congress must take action to ensure that affordable Internet access is made

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[1] See, "What it might look like to safely reopen schools." NPR ("Every expert NPR spoke with predicted that the need for remote learning would continue because of staggered schedules, schools prepared to close again for future waves of infection, and many students needing remediation. And that means training and support for teachers, and equipment for children.") Available at https://www.npr.org/2020/04/24/842528906/what-it-might-look-like-to-safely-reopen-schools.

[2] See, "Getting free internet is hard for poor students despite provider promises, survey finds." LATimes, April 22, 2020. ("The free service is typically scheduled to end near the close of the current school year — although

available so that **all** students are able to continue their education at home for the foreseeable future.

We submit this letter to provide Congress with a more detailed analysis of the costs of fulfilling this objective, and to suggest some additional steps Congress can take to ensure that the U.S. is prepared for the possibility that the coronavirus could have long-term impacts on K-12 education. The detailed analysis provided by Funds for Learning (attached to this letter) suggests that there are four categories of costs that schools and libraries will need to address: (1) monthly broadband connection costs where broadband is available, (2) network equipment costs, (3) student devices, and (4) network security. Funds for Learning recommends that Congress should appropriate $5.25 billion for the E-rate program to cover broadband connection costs for all 7 million households that do not have Internet access at home for one year, plus an Internet-enabled device for each student, and network security.

If Congress chooses to limit the amount of funding to $2 billion total, as proposed in the Meng legislation, Congress would need to reduce the number of students served, reduce the number of months that broadband costs would be covered, reduce the number or types of devices funded, and/or reduce the funding for network security. We think all four of these purposes are essential and thus encourage Congress not to prioritize any particular purpose over the other. Rather, it is critical to provide adequate funding for them all.

We further suggest that Congress should add additional language to strengthen the funding legislation before its enactment to ensure that the E-rate program is able to meet school and library needs even after the end of the current COVID-19 crisis. For instance,

- Congress should explicitly authorize the FCC to continue to allow the E-rate program to fund devices, network equipment, broadband at home and network security;
- Congress should explicitly permit schools and libraries to use E-rate funding to extend their broadband services from their school and library buildings to the surrounding homes;
- Congress should require E-rate funding to address the need for filtering to ensure that students using school-provided equipment are not able to access indecent content;
- Congress should ensure that the E-rate program remains technology-neutral to allow schools and libraries to make the best technological decisions that suit their needs.

 Finally, we recommend the following articles, compiled by the [Future Ready Initiative](#) of the Alliance for Excellent Education, which explain why the legislation described above is so important for our students' success:

Wall Street Journal: [U.S. Coronavirus Response May Include Funds to Boost Internet Access](#)

POLITICO Morning Education: [Schools Ask FCC to Use Federal Program To Fund Home Internet Access for Students](#)

Bloomberg Law: [Homework Gap' Spurs Call for FCC to Boost Pupils' Home Internet](#)

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the internet needs of families are expected to extend well beyond that."), available at https://www.latimes.com/california/story/2020-04-22/getting-free-internet-hard-for-poor-students-despite-provider-promises.

Hechinger Report: The Future Of Learning Newsletter

T.H.E Journal: Educators Implore FCC to Cover Home Internet in E-rate Expansion

Education Post: We Demand FREE Internet for ALL Low Income Families during COVID-19
The Hill: Why being connected really matters for students

The 74 Million: Laurens: 12 Million Kids Lack Internet Access. Now Is the Time for the Government to Step In and Close the Digital Divide

Sincerely,

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Off-Campus Internet Connectivity Needs of K-12 School Students and Public Library Patrons in the United States During COVID-19 Pandemic

A practical approach to swiftly delivering support to schools and libraries, with transparency and oversight, via the existing federal E-rate funding program.

Prepared by:

Funds For Learning, LLC
www.FundsForLearning.com

April 23, 2020
(Revised April 24, 2020)

Contents

Executive Summary

There are 7.15 million families in the United States without Internet access who are unable to attend remote classes. Millions of K-12 students are falling behind because they are cut off from their teachers and educational resources. $7.5 billion could significantly address this gap:

- $4.29 billion for off-campus Internet connections.
- $1.79 billion for connected learning devices, such as laptops.
- $1.46 billion for cybersecurity to keep networks up and running.

Congress and the FCC can take action to get those students connected to the Internet and into online school now, and in the years to come. By leveraging the existing E-rate funding program, Congress could provide $5.25 billion in support to help schools and libraries connect the students who need it the most. This financial aid would be focused on the goods and services necessary to keep students and teachers connected to the Internet when they are at home. The remaining $2.29 billion would be paid by schools and libraries with funding from other sources.

$7.5 BILLION INVESTMENT TO CONNECT OFFLINE K-12 STUDENTS
Providing reliable online education to 7.15 million households which lack Internet

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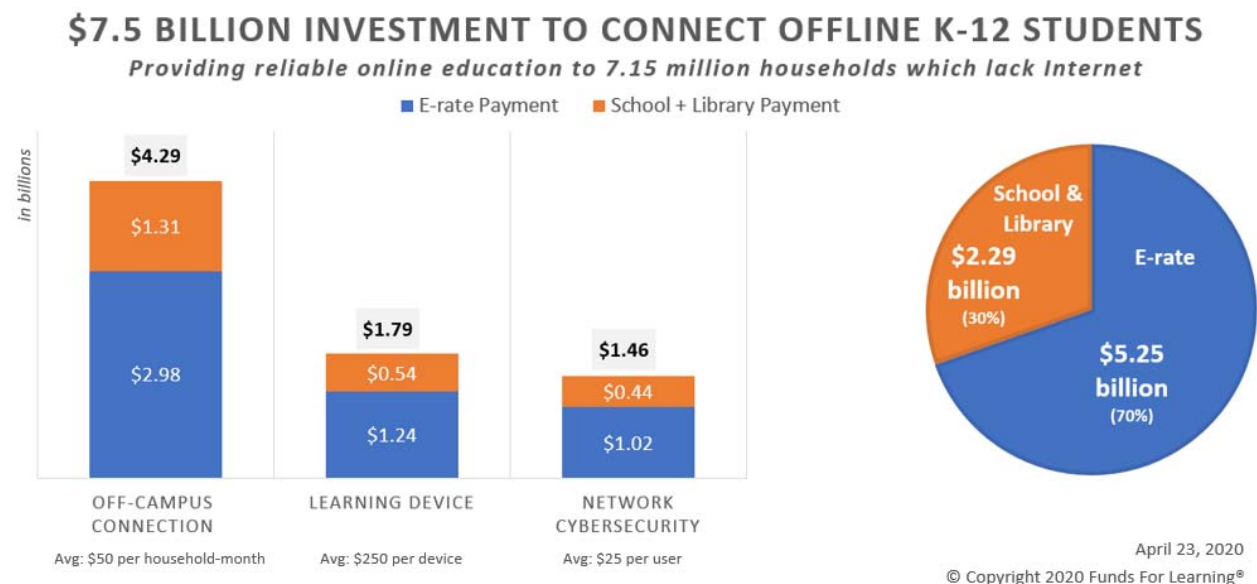
The E-rate program can swiftly and securely deliver funding to schools and libraries. The program already supports goods and services used for educational purposes. Applicants are familiar with its procedures, and the program offers transparency and financial oversight. All that is needed is (1) to clarify that *educational purposes* includes off-campus educational activity, (2) to expand Category Two funding to include off-campus connections and learning devices, and (3) to instruct the program administrator, USAC, to process applications and invoice paperwork using a "Rapid Review and Payment Process" that relies solely on certifications made by program participants. If $5.25 billion is made available for E-rate Category 2 discounts, the average maximum discount amount would be $42,897 per school building and $33,019 per library building.

Section 1
Estimating Need

Estimating Need

Amid the COVID-19 pandemic, the need to keep our community members connected to the Internet has never been clearer. There are an estimated 7.15 million families in the United States who cannot afford Internet access. Under orders to shelter in place, millions of K-12 students are cut off from their school, teachers, educational resources and classmates. Local schools and public libraries are seeking solutions to connect these students today and to be prepared for whatever is required over the next year. But they lack adequate resources to fully address this circumstance. Time is short and there is no single technical solution to which they can turn.

Fortunately, the existing federal E-rate funding program can be used to provide support for as long as necessary. With swift and decisive action, Congress and the FCC can ensure that all K-12 students have access to secure, connected learning devices. An estimated $5.25 billion in Category Two E-rate support is all that is required to provide enough support for the next year.

This white paper provides background on the number of households that lack Internet access, the cost to provide reliable, secure connections and learning devices to each of those households, and a table showing the impact of financial support for a variety of Congressional funding levels.

Why the E-rate program?

The E-rate program is an ideal candidate to support schools and libraries:

- The E-rate's existing mission is to connect students, teachers, and library patrons for educational purposes. This aligns perfectly with the need for off-campus online schooling.
- The E-rate is a discount program. Applicants pay a portion of the cost and have a vested interest in only using funds that are truly needed for solutions that make the most sense.
- The E-rate is time-tested with existing processes and procedures to facilitate a speedy distribution of funds while offering strong financial oversight and controls.

How Many Households?

In July 2019, the Government Accounting Office (GAO) noted the high percentage of families who lacked Internet access and urged the FCC[1] to consider allowing support for off-campus Internet access for students. The GAO estimated that 48% of households with annual income less than $25,000 lacked Internet and about half of those households (48%) could not afford it. The GAO also provided percentages for households with higher annual incomes. Combined with the recent data from the National Center of Education Statistics for the number of family households in America[2], Funds For Learning estimates that there are 25,354,276 family households without Internet access. Of those, 7,148,974 cannot afford it.

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[1] See https://www.gao.gov/assets/710/700629.pdf
[2] See https://nces.ed.gov/programs/edge/Economic/NeighborhoodPoverty

Number of Family Households without Internet in the U.S.

Household Income	Family Households [1]	Households without Internet		Households without Internet + *cannot afford it*	
		%[2]	Count	%[3]	Count
Less than $25,000	11,031,520	48%	5,295,130	48%	2,541,662
$25,000 to $49,999	15,978,579	39%	6,231,646	34%	2,118,760
$50,000 to $74,999	14,362,139	32%	4,595,884	20%	919,177
$75,000 or more	36,926,465	25%	9,231,616	17%	1,569,375
Total	**78,298,703**		**25,354,276**		**7,148,974**

[1] Counts from https://nces.ed.gov/programs/edge/Economic/NeighborhoodPoverty

[2] https://www.gao.gov/assets/710/700629.pdf (Figure 1, page 5)

[3] https://www.gao.gov/assets/710/700629.pdf (Figure 2, page 6)

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In its report to the FCC, the GAO described the importance of Internet connectivity for students as follows:

> *Internet access is crucial for communication, economic activity, and education, including for students at the elementary and secondary school levels. According to the National Telecommunications and Information Administration (NTIA), part of the Department of Commerce, the internet has taken on an increasingly prominent role in schools, and students who lack access are at risk of missing opportunities to advance their education. Internet access is crucial not only inside the classroom— where it enables teachers to provide a richer learning experience—but also outside the classroom, because access is frequently necessary for doing homework. "Underconnected" students—those with limited or no access at home—may have difficulty doing homework, putting them at risk of falling behind better-connected peers, a condition known as the "homework gap."* -- See GAO-19-564 Wireless Internet, Page 1

The lack of Internet connectivity was a serious issue for millions of students prior to the COVID-19 pandemic. Now, it is a dire circumstance as those students are isolated and/or forced to leave their homes to pick up paper copies of assignments.

Cost to Connect All Households

With $5.25 billion in funding, the E-rate program could be used to help schools and libraries provide each of those homes with secure, connected learning devices for off-campus educational purposes. The total cost is divided into three categories: household connections, connected learning devices, and network cybersecurity. Because the E-rate program is a discount program, schools and libraries would be required to pay an estimated $2.29 billion in matching funds, bringing the total estimated cost to $7.54 billion.

Securing Internet Connections to America's K-12 Students
Estimated cost of providing secure, connected devices to 7,148,974 households who lack Internet

Connection	E-rate Portion	School & Library	Total Expense
Household Connection (50 Mbps - 12 months)	$2,983,148,445	$1,306,235,955	$4,289,384,400
Connected Learning Device (Category 2)	$1,242,978,519	$544,264,981	$1,787,243,500
Network cybersecurity (Category 2)	$1,021,561,547	$440,343,056	$1,461,904,602
Total	**$5,247,688,511**	**$2,290,843,992**	**$7,538,532,503**

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Below is a cost estimate breakdown for each cost element. The E-rate discount amount is calculated based on the 2019 average Category Two E-rate discount rate of 69.55%

Cost of Monthly Connections
Assuming an average monthly cost of $50 per household, the total annual fee to connect every home that cannot afford Internet would be $4,289,384,400. This would cover students and teachers who currently lack a connection.

Recurring Annual Cost of Connecting Households Who Cannot Afford Internet

Count of households	7,148,974
Monthly cost per household	$50
Annual Cost per household	$600
Annual cost for all households	**$4,289,384,400**
E-rate portion (avg C2 discount = 70%)	$2,983,148,445
Applicant portion (avg payment = 30%)	$1,306,235,955

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In 2019, the average E-rate Category Two discount rate was 70%. Using this percentage, the total amount of E-rate funding needed would be $2,983,148,445. The remaining balance of $1,306,235,955 would be paid by schools and libraries, perhaps with other pandemic-related funds provided by Congress.

Cost of Devices

Assuming an average cost of $250 per device, and one device per household, the total one-time cost for connected learning devices is $1,787,243,500. The E-rate portion of this would be $1,242,978,519.

One-Time Connected Learning Device for Households Who Cannot Afford Internet

Count of households	7,148,974
Total Cost per household	$250
Annual cost for all households	**$1,787,243,500**
E-rate portion (avg discount = 70%)	$1,242,978,519
Applicant portion (avg payment = 30%)	$544,264,981

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Cost of Cybersecurity

Funds For Learning has estimated the total cost to equip each K-12 school district and public library system with cybersecurity hardware and software. Daily, this would directly protect a total of 58,688,283 million citizens, and indirectly contribute to the overall safety and security of our nation's Internet access. The total estimated cost to protect these 58.7 million individuals is $1,461,904,602. The E-rate portion of this would be $1,021,561,547.

Cybersecurity for K-12 Schools and Public Libraries
Estimated cost of hardware to protect access to networks

Connection	Total Expense	E-rate Portion	School & Library
K-12 schools	$1,400,173,109	$973,781,747	$426,391,362
Public libraries	$61,731,493	$47,779,800	$13,951,693
Total	**$1,461,904,602**	**$1,021,561,547**	**$440,343,056**

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Cybersecurity Cost Model

Cyber security costs are estimated on a per applicant and per user basis. It is assumed that each school district would purchase one system for a fixed cost amount plus a variable amount per user of the system. The fixed and variable costs would change based on the overall size of the school district or public library system. Below is the cost model used in our model.

Cybersecurity Hardware Cost Model

	Cost per Applicant	
Number of Users	Fixed	Per User
1 to 299	$5,000.00	$15.00
300 to 599	$15,000.00	$7.50
600 to 1,999	$35,000.00	$5.00
2,000 to 5,999	$150,000.00	$3.75
6,000 to 9,999	$200,000.00	$2.25
10,000 or more	$275,000.00	$1.75

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School Cybersecurity Costs

There are an estimated 57,317,557 students and staff that would be protected by these cybersecurity systems. Student counts are based on funding year 2019 enrollment reports. Staff counts are based on published NCES student-staff ratios which vary based on the enrollment size of a school.

Estimated Count of School Districts, School Sites, Students and Staff
Amongst E-rate Applicants (based on FY2019 funding applications)[1]

School District Size	Count of Districts	Count of Indiv. Sites	Avg Site Count	Average Headcount[2]			Nationwide Total Headcount		
				Students	Staff	Total	Students	Staff	Total
Single site	8,321	8,321	1	334	22	356	2,783,144	182,173	2,965,317
2 to 4 sites	7,099	19,789	3	919	62	981	6,524,249	433,667	6,957,916
5 to 9 sites	3,282	20,407	6	2,898	185	3,083	9,510,822	593,161	10,103,983
10 to 24 sites	1,579	22,426	15	7,499	467	7,966	11,840,975	722,980	12,563,955
25 to 49 sites	403	13,368	34	20,290	1,262	21,552	8,176,864	489,612	8,666,476
50 or more sites	228	24,746	112	66,454	4,137	70,590	15,151,464	908,446	16,059,910
Total/Overall	**20,912**	**109,057**	**5**	**2,582**	**165**	**2,746**	**53,987,518**	**3,330,039**	**57,317,557**

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[1] School district, school sites, and enrollment data based on E-rate Manager® data

[2] Staff counts estimated based on student-teacher ratios provided by https://nces.ed.gov/surveys/ntps/StuTeachRatio.asp

Using this information, and the cybersecurity hardware cost model, the total cost for cybersecurity hardware for the nation's K-12 schools is $1,400,173,09. The E-rate portion of this would be $973,781,747.

Estimated K-12 Cybersecurity Costs

School District Size	Applicants	Total Expense	E-rate Portion	School Portion
Single site	8,321	$133,464,279	$88,935,725	$44,528,554
2 to 4 sites	7,099	$294,590,212	$203,175,831	$91,414,381
5 to 9 sites	3,282	$432,949,544	$294,305,045	$138,644,498
10 to 24 sites	1,579	$331,605,630	$234,979,659	$96,625,972
25 to 49 sites	403	$118,133,011	$84,451,064	$33,681,947
50 or more sites	228	$89,430,433	$67,934,422	$21,496,011
Total/Overall	**20,912**	**$1,400,173,109**	**$973,781,747**	**$426,391,362**

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It is assumed that this cost would provide three years of support and updates for the cybersecurity systems.

Library Cybersecurity Costs

There are an estimated 3,308 library systems with 13,540 branches participating in the E-rate program today. Using average staff counts and daily visitor information from the 2017 IMLS Public Library Survey, it is estimated that there are 1,370,726 daily users supported by these libraries.

Count of Library Systems, Branches, Staff, and Daily Visitors
Amongst E-rate Applicants (based on FY2019 funding applications)[1]

System Size	Library Systems	Site Count	Est. Staff Count[2]	Est. Daily Visitors[2]	Total Est. Daily Users
Single Branch	1,956	1,956	31,296	166,260	197,556
2 to 9 sites	1,066	4,330	69,280	369,369	438,649
10 to 19 sites	166	2,208	35,328	188,272	223,600
20 or more sites	120	5,046	80,736	430,185	510,921
Total	**3,308**	**13,540**	**216,640**	**1,154,086**	**1,370,726**

[1] Library systems and branch counts based on E-rate Manager® data

[2] Based on 2017 IMLS Survey https://www.imls.gov/research-evaluation/data-collection/public-libraries-survey

Using this information, and the cybersecurity hardware cost model, the total cost for cybersecurity hardware for the nation's public libraries is $61,731,493. The E-rate portion of this would be $47,779,800.

Estimated Public Library Cybersecurity Costs

System Size	Library Systems	Site Count	Total Expense	E-rate Portion	Library Portion
Single Branch	1,956	1,956	$12,743,340	$9,849,898	$2,893,442
2 to 9 sites	1,066	4,330	$21,191,685	$16,243,043	$4,948,642
10 to 19 sites	166	2,208	$6,928,000	$5,326,311	$1,601,689
20 or more sites	120	5,046	$20,868,468	$16,360,548	$4,507,920
Total	**3,308**	**13,540**	**$61,731,493**	**$47,779,800**	**$13,951,693**

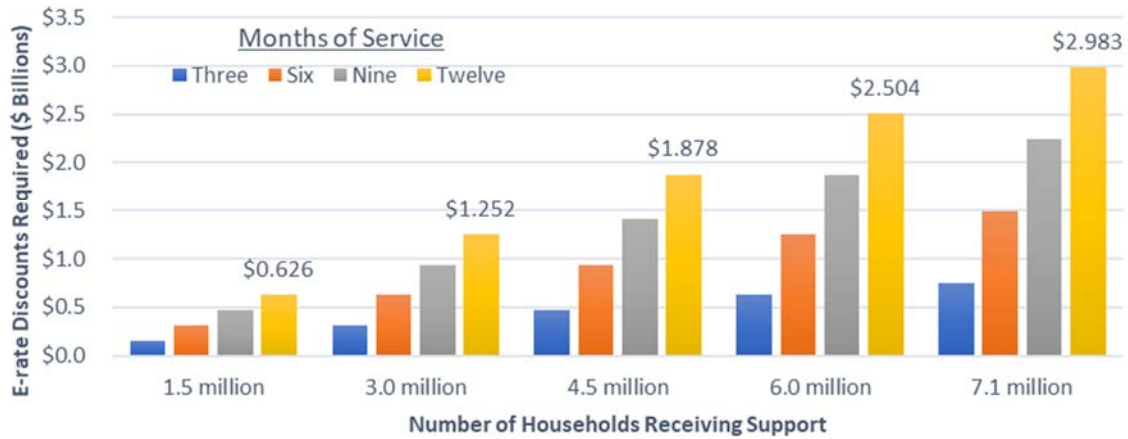© Copyright 2020 Funds For Learning   April 3, 2020

Forecasting Impact of Various Support Levels

With $5.25 billion in funding, the E-rate program could be used to help schools and libraries provide each of those homes with secure, connected learning devices for off-campus educational purposes. The total cost is divided into three categories: household connections, connected learning devices, and network cybersecurity. Because the E-rate program is a discount program, schools and libraries would be required to pay an estimated $2.29 billion in matching funds, bringing the total estimated cost to $7.54 billion.

Off-Campus Connections

A total of $2.98 billion of E-rate support is required in order to connect all 7.15 million households for a 12-month period. If a shorter timeframe or fewer households are supported, then the total amount of E-rate funding required is reduced. For example, if all 7.15 million homes receive three months of support, the total E-rate funding required is only $0.746 billion. Similarly, if only 1.5 million homes are supported, but for an entire year, then $0.626 billion would be required. The following chart and table demonstrate the amount of E-rate funding required for various counts of households and months of support.

E-rate Funding Needed for Off-Campus Connections

Months of Service
■ Three ■ Six ■ Nine ■ Twelve

Y-axis: E-rate Discounts Required ($ Billions) — $0.0, $0.5, $1.0, $1.5, $2.0, $2.5, $3.0, $3.5

X-axis: Number of Households Receiving Support — 1.5 million, 3.0 million, 4.5 million, 6.0 million, 7.1 million

Labeled values: $0.626, $1.252, $1.878, $2.504, $2.983

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E-rate Funding Required for Monthly At-Home Service
Based on number of households and months of service

Households	Cost by Months of Service ($ billions)			
	Three	Six	Nine	Twelve
1.5 million	$0.156	$0.313	$0.469	$0.626
3.0 million	$0.313	$0.626	$0.939	$1.252
4.5 million	$0.469	$0.939	$1.408	$1.878
6.0 million	$0.626	$1.252	$1.878	$2.504
7.1 million	$0.746	$1.492	$2.237	$2.983

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Connected Learning Devices

A total of $1.24 billion of E-rate support is required for connected learning devices in 7.15 million households. If fewer households are supported, then the total amount of E-rate funding required is reduced. For example, if only 3.0 million homes receive learning devices, the total E-rate funding required is $0.522 billion. The following table demonstrate the amount of E-rate funding required for various counts of households.

E-rate Funding for Learning Devices
Based on number of households

Households	One Time E-rate Expense ($ billions)
1.5 million	$0.261
3.0 million	$0.522
4.5 million	$0.782
6.0 million	$1.043
7.1 million	$1.243

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Cyber Security

A total of $1.021 billion of E-rate support is required in order to protect all 58.7 million daily users of K-12 and library networks. If the total amount of E-rate funding is reduced, fewer students, staff and library patrons will be protected. For example, if 30 million students, staff and library patrons are protected, the total E-rate funding required would be $0.522 billion.

E-rate Funding for Cyber Security
Based on number of users protected

Millions of Daily Users	One Time E-rate Expense ($ billions)
10.0 million	$0.174
20.0 million	$0.348
30.0 million	$0.522
40.0 million	$0.696
50.0 million	$0.870
58.7 million	$1.022

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Section 2
Delivering Support

Delivering Support

Leveraging an existing system that works well saves valuable time and money, and the existing E-rate program is the best option to deliver support in an equitable, effective, and timely manner. The current need to support schools and libraries aligns precisely with the mission of the E-rate program. *Connecting students and teachers is what the E-rate program is intended to do.* The E-rate empowers local decisionmakers with financial support and a range of technology options to connect their students. Furthermore, it was founded on principles of "skin in the game:" financial accountability, cost-effective decision making, and a sliding scale of support that provides the most aid to the communities that need it the most.

Successfully delivering billions of dollars of additional support in a rapid fashion will require robust systems and documentation. There are many reasons that the E-rate is the obvious choice. It is well-established, with existing users and mature procedures; applicants are already familiar with the forms and systems necessary to complete E-rate paperwork, and there are designated school and library staff in place to prepare the necessary filings; participating entities have current bank account information on-file with USAC; there is precedent for special filing windows opened in response to national emergencies; and there are existing systems and certifications that guard against waste, fraud and abuse. All these reasons, and more, demonstrate the value of the E-rate program to help in this time of need. It will produce faster results and fewer mistakes than any new system of rules and procedures that is rushed into place.

Regulatory Framework

The current regulatory framework accommodates the needs of schools and libraries to offer off-campus Internet connections to students and library patrons. The E-rate regulations provide for goods and services that support educational purposes, and the Category Two funding mechanism offers a structured approach to rapidly delivering discounts.

Educational Purposes

The E-rate supports educational purposes, defined as follows:

> *Educational purposes.* For purposes of this subpart, activities that are integral, immediate, and proximate to the education of students, or in the case of libraries, integral, immediate and proximate to the provision of library services to library patrons, qualify as "educational purposes." Activities that occur on library or school property are presumed to be integral, immediate, and proximate to the education of students or the provision of library services to library patrons.[3]

The regulation specifically presumes that educational activities will occur on-campus. Current events highlight that this assumption is no longer applicable. Educational activities can occur at

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[3] 47 CFR § 54.500 - Terms and definitions.

any physical location where a student or library patron has a reliable Internet connection and a connected learning device. To clarify this paradigm, §54.500 could be amended with the phrase "including online activities off school or library property" and deleting the presumption of on-campus activity.

> *Educational purposes.* For purposes of this subpart, activities that are integral, immediate, and proximate to the education of students, or in the case of libraries, integral, immediate and proximate to the provision of library services to library patrons, including online activities off school or library property, qualify as "educational purposes." ~~Activities that occur on library or school property are presumed to be integral, immediate, and proximate to the education of students or the provision of library services to library patrons.~~

Off-Campus Usage

The FCC can designate that an off-campus location meets the definition of educational purposes.

> *Non-instructional buildings.* Support is not available for category two services provided to or within non-instructional school buildings or separate library administrative buildings unless those category two services are essential for the effective transport of information to or within one or more instructional buildings of a school or non-administrative library buildings, or **the Commission has found that the use of those services meets the definition of educational purposes, as defined in § 54.500**. {emphasis added}[4]

Students connecting to online classrooms is clearly an educational purpose, even when they are off-campus connecting from another location.

Category Two

Category Two supported services are currently limited as follows:

> *Category two.* Internal connections, basic maintenance and managed internal broadband services as defined in § 54.500 and described in the Eligible Services List are category two supported services.[5]

The Category Two classification could be expanded to include off-campus connections and connected learning devices.

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[4] 47 CFR § 54.502(b)(6) - Non-instructional buildings.
[5] 47 CFR § 54.502(a)(2) - Category Two.

Category Two Budget Factors

The maximum E-rate funding available for each school district or library system is calculated using Category Two budget calculation factors. These factors determine the maximum "pre-discount" expenditure for which a school or library can receive E-rate discounts. Below is an estimate of the C2 budget factors that could be used for the special filing window. These are based on various levels of available funding.

COVID-19 Filing Window
Category Two Budget Multiplier Estimate

Funding Available for C2 Discounts	Per Site Minimum	School Per Student	Library Per Sq Ft (Rural)	Library Per Sq Ft (Urban)
$2,000,000,000	$ 2,914.91	$ 47.53	$ 0.73	$ 1.58
$3,000,000,000	$ 4,372.37	$ 71.29	$ 1.09	$ 2.38
$4,000,000,000	$ 5,829.82	$ 95.05	$ 1.46	$ 3.17
$5,250,000,000	$ 7,651.64	$ 124.76	$ 1.91	$ 4.16
$6,000,000,000	$ 8,744.73	$ 142.58	$ 2.19	$ 4.75

Estimated Available Funding Per Building

Using the budget multipliers, the chart below shows the estimated available E-rate funding per school or library building as a function of the total available funding. For example, if $5.25 billion were made available for discounts, the average maximum discount amount would be $42,897 per school building and $33,019 per library building.

Estimated E-rate Support Per Building
Based on Various Levels of Available C2 Funding
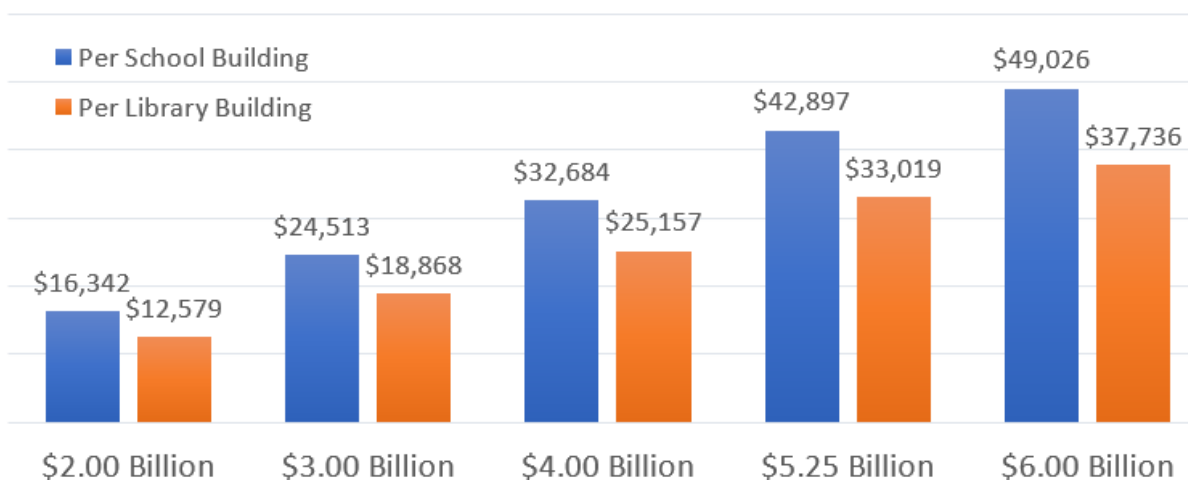
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USAC Rapid Review and Payments

To help schools and libraries receive their goods and services as soon as possible, USAC, the E-rate administrator, would need to follow a "Rapid Review and Payment Process." It would include the following elements:

- Waiving the 28-day waiting period of the Form 470
- Allowing discounts to be approved for services delivered as early as March 1, 2020
- Processing applications based solely on minimum processing standards and certifications
- Processing invoices based solely on minimum processing standard and certifications
- Releasing funding decisions and invoice payments immediately as they are processed
- Pausing Payment Quality Assurance reviews, audits, and other post-commitment activities for these funds until at least September 30, 2020.