



SHLB Coalition USF Congressional Steering Committee Meeting Notes

1.23.25

Action Items from call:

- SHLB will oppose the rollback of the hotspot lending program under the CRA
 - SHLB will continue to oppose the Eyes on the Board Act (if it resurfaces), knowing that we'll likely lose on the issue
 - SHLB to consider messaging around contribution reform, perhaps suggesting what ideas are on the table but not endorsing any particular one over the other
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I. How should SHLB oppose Sen. Cruz's effort to reverse hot spot lending using the Congressional Review Act?

- A. Sen. Cruz wants to use the Congressional Review Act to rollback the FCC's hotspot lending decision
 1. House and Senate need to pass the resolution to negate the decision
 2. Supposed to go through committee first but they can discharge out of the committee and bring it straight to the floor
- B. JW: Do we put a pedal to the medal to oppose this? Inclined to think we should. This resolution would reverse the FCC's current decision on hotspots and the agency can not adopt any similar action in the future.
 1. Many schools and libraries submitted applications for hotspots with more to come. There is a broad range of interest; this shows schools and libraries want this funding to continue
 2. Concerned that if we go after this, we would start off on the wrong foot with Cruz, could jeopardize our relationship
 - a) Can mitigate this by being upfront.
- C. -: I would break down the opposition of the program into two categories. 1) On a funding level, is this what they want to be allocating limited e-rate dollars to? and 2) The other side brought up by Cruz is how these devices would be used by

unsupervised youth to access inappropriate materials. Can we focus on educating the Committee on which ways inappropriate use is required to be mitigated by the FCC's Order and it is not just unmonitored access. The need is high and we do not anticipate problems because the Order addresses many concerns.

1. JW: CIPA fully applies to these hotspots correct? Unless the resident is using their own hotspot?
 - a) -: Schools and libraries are obligated to filter. Many districts have their own policies that go further than CIPA. If you are an adult there is no filter but for youth the problem is already addressed.
2. -: So, if CIPA applies to these hotspots can students still get on instagram/tiktok?
 - a) -: CIPA does not specifically block anything. CIPA requires a school and library to determine what is and is not appropriate. It is left to local jurisdictions to make the decisions on what to filter and then they have to enforce those.
3. -: The message should be schools have all the tools they need in order to block social media
4. JW: The providers of hotspots often have filtering requirements, same as the school.
5. -: It depends on how they wrote their policy but many schools and libraries do.
 - a) -: The policy is the statute and it is a very broad based policy. The blocking occurs at the administrative level (the district level).
6. -: CIPA does not apply to student owned end user devices. A lot of school districts that provide a laptop have the traffic from the laptop come back in through the school network where the filtering takes place.
 - a) JW: When libraries distribute hotspots do they block social media?
 - (1) -: Usually not. This would hit the libraries from that point of view more than the schools.

- b) JW: Cruz's talking points might be more accurate for libraries but a lot of those hotspots will be used by adults (which doesn't line up with his concern).
 - c) -: From a library perspective an adult checks out the hotspot but who will be using the device when it is home?
7. JW: The starting point for our talking points should be that hotspots are a great way to solve the digital divide. These have been proven to be helpful to allow families who couldn't otherwise connect to the Internet to have low cost broadband access.
- a) -: I worry that this administration is not focusing on the preservation of the USF. Cruz continuously talks about mission creep.
 - b) JW: I was trying to raise this issue at the beginning of the call. Does this jeopardize our ability to work with them in the future?
8. -: Can we initially focus on USF stabilization, gain their trust, and then worry about the hotspots issue?
- a) JW: The issue is they have to act quickly within the next two months.
9. -: Cruz offered up the Eyes on The Board Act, which was forcing schools to filter social media sites. Instead of the decision being made we have to look at the condition to be able to receive E-Rate funding. Since he introduced that legislation states and schools have had a lot of conversation around cellphone bans. It seems like there is more alignment so we can use that to our advantage. Can we carrot stick with him with the Eyes on the Board Act?
- a) JW: I have heard Eyes on the Board Act may be coming back. The Congressional Review Act is a yes or no decision so you can not change.
 - b) -: I am saying to use Eyes on the Board instead of the CRA. We can show we support him on the Eyes on the board effort instead of the CRA.

c) -: We could go to Cruz from a compromise position. We can support Eyes on the Board, which would come into play when using the hotspot device. Eyes on the Board only applies to schools not libraries.

10. -: CIPA applies to the hotspot, not just to computers that are attached to the hotspot. I think the bigger issue is that Carr and other republicans are concerned about the off campus nature of the program - saying that it is illegal under the statute. The CIPA/filtering issue is a great academic issue to discuss but how are you going to get past the illegality of it being an off campus service?

a) -: There are two reasons they disagree. One is the scope of the program moving beyond the campus. The community argued that the program is needed because the work has moved beyond the campus. I agree with the interpretation that off campus is the problem. In the process of justifying that argument they also throw out that hotspots can do horrible things, which is untrue. I agree that the money problem and the mission creep items are issues.

b) -: The problem is that everybody knows there is uncertainty with this program and there is so little demand if you look at the data. There have not been many 470's filed this year - is the school willing to take on the burden if E-rate does not fund it? I would look at the data and say there is no demand for this.

(1) JW: There are over 700 applicants that have already filed, and the 470 window has not yet been finalized.

(2) -: 700 out of 21,000.

(3) JW: I was impressed with the number of applicants.

c) -: A little over half a million units were requested. I agree that in the grand scheme of things it is not as much as other services but with the first year and uncertainty it is not surprising.

d) -: Do we know what that dower amount means in terms of dowers? Is this where we want to draw a line in the sand or are

there bigger issues with the program? Could it be put into an appropriations model that does not have a cost component that could overtax? Do we at SHLB have a list of the top 10, 5 and 3 things we want as an organization?

(1) JW: We are working on that as we speak. There is a draft policy platform that outlines our agenda for the year. On the bigger USF question nothing is really going to happen until a Supreme Court decision comes out. There has been talk about maybe a new version of the Congressional USF working group starting up but I imagine legislators will put it off. So we can afford to weigh in on the hotspot decision since that has a shelf life. We could contact congressional offices and say we are concerned that if Cruz goes this route that schools and libraries won't be able to get funding, and is there something we can do about this? We can soft pedal our advocacy approach that does not come out swinging, but raises visibility.

(2) -: Schools were very supportive of it when it was under the Emergency Connectivity Fund program. There are so many regulatory "gotcha's" that smaller schools are reluctant to apply for it. This is incredibly important for libraries and is completely within their mission. If we are going to start splitting hairs, I would say this is so important for libraries even more than schools in my personal opinion.

11. -: We know their position is to say you can't add hotspots outside the classroom. The response back has been to use their own talking points to them - which is innovation in education and students using technology for efficiency. How can we modernize education if the infrastructure is not in place? A lot of these offices are spending time on AI and they have no problem claiming AI is going to be a cost benefit and deliver outcomes in education but not supporting the underlying infrastructure for things like AI does not make sense.

12. -: A CRA is permanent. It is important wherever we can to hold the line on our ability to make choices down the road. Even if now there are not that many people signed up for hotspot funding, that is not a reason to walk away. Cruz issued his own language for Eyes on the Board, so we could get some favor with him and get him to push the issue.

a) JW: So you are saying that Is it worth opposing the CRA then?

(1) -: Yes.

b) JW: There is some respect that comes if we are successful in opposing the CRA. If we show some power here we might have some hope in changing the bigger issues under USF.

c) -: This prohibits the FCC from putting in place a similar rule. It does not prohibit Congress from giving new authority in the future. There are many rural communities that are going to benefit from hotspots.

13. -: As the program is currently, it is funded under its own structure. Right now, this is one way to solve rural broadband without affecting the budget. If they want to solve it some other way it would take out of the federal budget.

14. -: The order used the worst way to estimate cost. In reality, the discount rate brings costs down, the nonuse provisions bring it down, and then \$15 is the cap.

15. JW: SHLB has had this policy position of supporting hotspots in E-rate for several years beginning with the pandemic. We filed a petition in 2021. This was a big victory when the FCC adopted it under ECF so it is hard to walk away from now. There is no silver bullet to solve the digital divide, we need as many programs as possible.

a) -: We have a solid case to oppose the decision based on the facts:

(1) Demand: If demand is suppressed it is because of uncertainty.

(2) The need: We can show that communities need this program - perhaps rural areas of Committee members' states

(3) CIPA has addressed any social media concerns

(4) Off campus use of services/education: I think it is a mistake to not fight this. If we fight it and win, that's great. If we fight it and lose, we can fight it another day. I don't want the issue of the constitutionality of off campus use to be misconstrued by this CRA

b) -: I would never propose to give up on this issue. It is about our strategy and approach. The soft whisper campaign is a great way to do that. We can draw the line in the sand when it is crucial for USF.

16. JW: Let's turn back to the Eyes on the Board Act. We opposed that bill last year and won the battle. Now it is different because republicans are in control. EdLink negotiated a deal saying they are now neutral. That raises the question, how strongly does SHLB oppose Eyes on the Board?

a) -: That bill would cut school funding if they did not comply with specific bans on social media?

(1) Link to prior negotiation on this:

<https://www.cosn.org/cosn-news/shlb-cosn-setda-and-ala-oppose-the-eyes-on-the-board-act/>

(2) JW: Not quite. Before you can get E-rate funding, schools have to adopt a social media policy. The argument from Sen. Cruz's staff was that it was still up to the school what the social media policy should be. SHLB did not want this to be a decision of the federal government (that would affect E-rate).

b) -: SECA did not take a position on the EOB Act. We were not educated enough about it. Our members are also members of SEDTA who joined SHLB in opposing it.

c) JW: If nobody feels strongly, SHLB will continue with our position that we took last year. Knowing we will probably lose, we will not burn bridges.

d) -: Ariel Roth is up for NTIA so we may have someone else to deal with.

II. USF Contribution

- A. The three main solutions all have strong lobbying communities.
 - 1. Assess online gambling
 - 2. Assessing broadband internet access service
 - 3. Assessing platform companies
- B. There is also Cruz's option of using appropriations
- C. JW: We talked about supporting contribution reform by listing the options, but not necessarily by way of one solution over another.
- D. -: I like using history as the guiding principle. I don't want appropriations. I don't see that working in any way. How we get there from a permanent funding solution that keeps the dollars out of the budget is where I hang my hat. This will go through congress regardless. I don't want to take on any of those three groups. We could position that history has brought us to where we are today to build up that foundation we want to see and leave the door open for future modernization.
 - 1. -: I tend to agree that providing options while not providing the specific answer is the best thing to do. We need to look at positions of power and their opinions. We need to look at things we have support on.

III. What research/reports should we develop to support the USF programs?

- A. Value of anchors in promoting bb access? economic benefits of serving anchors? how do anchors promote bb adoption? how to measure anchors' existing bb access (through speed tests?)

IV. Fly-in logistics - April 9-11.

- A. How to get staff/members to attend? What role should industry play in these meetings?

SHLB's next USF Congressional Steering Committee group call will reconvene on February 27, 2025 at 2:00 pm ET.