- Funding Status – FY 2019
- USAC Fall Training Announced
- Updates on USAC's E-Rate Productivity Center and Legacy System
  - Form 470 Status for FY 2020
- E-Rate Updates and Reminders
  - Upcoming E-Rate Dates
  - FFL 2019 Applicant Survey
  - Proposed 3Q19 USF Contribution Factor
- USAC News Brief Dated June 14 – Summer and Fall USAC Training

Funding Status – FY 2019

USAC released Wave 8 for FY 2019 on Thursday, June 13th. Funding totaled $59.9 million including $440 thousand for 10 North Carolina applicants. Cumulative funding through Wave 8 is $898 million including $21.9 million for North Carolina.

USAC Fall Training Announced

USAC issued a [Special Edition News Brief on June 12th](#) announcing its fall 2019 applicant and tribal training schedule. Within 24 hours following the opening of registration, the two Washington DC sessions in mid-September were fully booked (with waiting lists). The seven applicant sessions — one more than last year — will each include an optional half-day afternoon session the first day targeted at beginners, followed by full-day training for everyone the following day. As was done last year, the full day training will have a beginner and an advance track.

- September 16 – 17 at USAC's offices, Washington, DC
- September 19 – 20 at USAC's offices, Washington, DC
- September 23 – 24 at Brookhaven College, Farmers Branch, TX
- October 2 – 3 at Harper College, Palatine, IL
- October 16 – 17 at Clark College, Vancouver, WA (+ morning Tribal session October 16)
- October 22 – 23 at Raritan Valley Community College, North Branch, NJ
- October 31 – November 1 at California State University San Marcos, San Marcos, CA
- November 19 at Northeastern State University, Tahlequah, OK (Tribal one-day session)
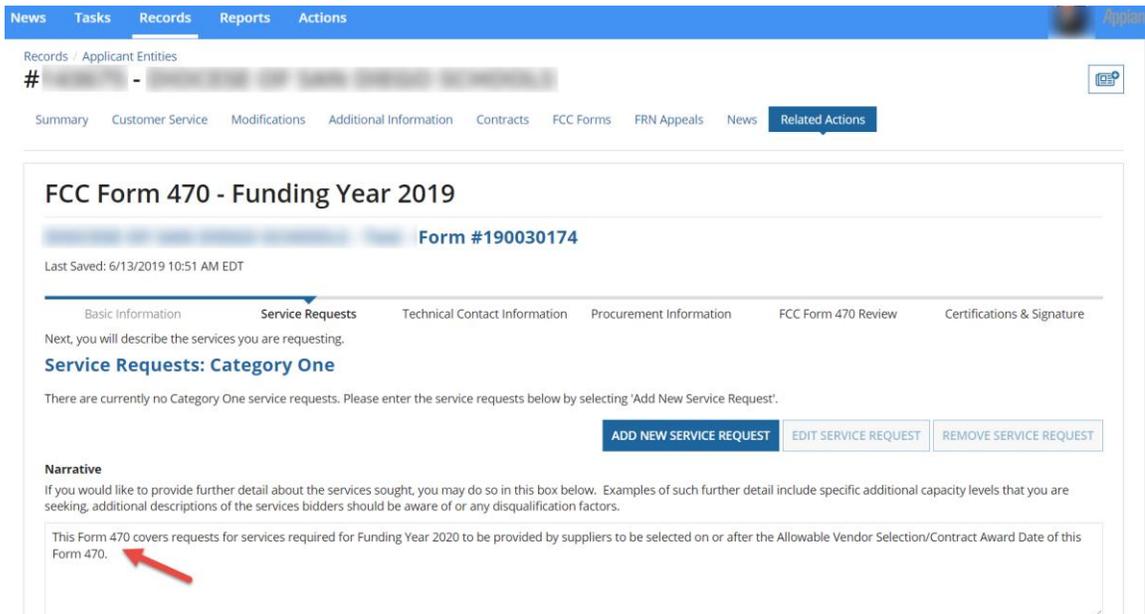- November 21 at San Juan College, Farmington, NM (Tribal one-day session)

See also last Friday's USAC News Brief referenced below.

Updates on USAC's E-Rate Productivity Center and Legacy System

Form 470 Status for FY 2020:

The FY 2020 version of the Form 470 is expected to be available in EPC on or before July 1st. Applicants with long procurement cycles wishing to start before July have two options.

1. The best approach is to release an RFP as soon as it's ready; post a FY 2020 Form 470 as it becomes available in July; and close the bid no sooner than 28 days after the Form 470 is posted or answers to questions have been posted.

2. If necessary, a FY 2019 version of the Form 470 can be filed this month. In this case, as shown in the example below, the Narrative section must clearly indicate that the Form 470 is being filed for the purpose of requesting FY 2020 services. While not required, it is a best practice to file a FY 2020 Form 470 and reference the original FY Form 2019 470 that was filed. It is generally an uncommon practice for service providers to review FY 2019 470s for FY 2020 bidding opportunities. When a FY 2019 Form 470 is posted for FY 2020 services, posting a new FY 2020 Form 470 when it becomes available, referencing the FY 2019 Form 470, increases the odds of a vendor, who is looking for bidding opportunities, to see and respond to your Form 470.

E-Rate Updates and Reminders

Upcoming E-Rate Dates:

June 17   Form 486 deadline for FY 2018 funding committed in Wave 45. More generally, the Form 486 deadline is 120 days from the FCDL date or the service start date (typically July 1st), whichever is later. Other upcoming Form 486 deadlines are:

Wave 46	06/21/2019
Wave 47	07/01/2019
Wave 48	07/08/2019

Note: Applicants missing any Form 486 deadline should watch carefully for "Form 486 Urgent Reminder Letters" in their EPC News Feed. These Reminder Letters afford applicants 15-day extensions to submit their Form 486s without penalty.

June 30 — Deadline to complete FY 2018 special construction required to light or use fiber. It is also the last day to request a one-year extension of the special construction deadline for FY 2018 requests.

July 1 — Deadline for submitting comments to the FCC (DA 19-493) on a petition filed by three Texas carriers to prohibit the use of E-rate funds to build fiber networks in areas where fiber networks already exist (see our newsletter of May 27th). Reply comments are due July 16th.

July 15 — Deadline for submitting comments to the FCC's NPRM (FCC 19-46) seeking comment on establishing a cap on total funding of the Universal Service Fund ("USF") (see our newsletter of June 3rd). Reply comments are due August 12th.

August 5-9 — USAC is holding two service provider training sessions in Washington DC, one at the beginning of the week (August 5-6) and one at the end of the week (August 8-9). Each two-day session will begin with a half-day presentation for beginners and will include a second full day for everyone.

USAC's applicant and tribal training, beginning in September, is discussed above.

FFL 2019 Applicant Survey:

Earlier this spring (see our newsletter of April 8th), we encouraged applicants to complete the E-rate survey conducted annually by Funds For Learning ("FFL"). Last week FFL briefed the FCC on the preliminary results of their 2019 survey of over 1,750 applicants. The final report will be available later this month. Key findings in FFL's 2019 survey are as follows:

- The E-rate program is working. The vast majority of respondents credit E-rate with supporting faster and/or less expensive Internet connections and connecting more students and library patrons.

- Although "there is clearly more work to be done," 53% of respondents (up from 35% last year) agree that the E-rate process "is becoming fast, simple, and efficient."

- One-third of the applicants expect their broadband requirements to increase by 50% over the next three years. This is the fourth straight year that growth of this magnitude has been projected.

- An increasing number of applicants are seeking E-rate support for "high-availability Internet configurations." 14% are currently paying full, non-discounted, fees for additional network connections to ensure highly resilient Internet service.

- 26% of applicants reported lower prices per megabit because they now have the option of considering self-provisioned networks.

- The vast majority of applicants (83%) would like to share their Internet services with students in off-campus locations "and are willing to do so at no extra cost to the E-rate program" if the FCC would permit such use without allocation requirements.

- Most schools and libraries support higher Category 2 budgets.

- One amusing finding: In response to the question "How do you stay up to date on program rule and process changes?" applicants have historically given high marks to USAC's News Brief but, as shown below, the use of written instructions has fallen off dramatically over the past 5 years.

Read instructions

59%
50%
46%
0% 0%

FY15 FY16 FY17 FY18 FY19

Proposed 3Q19 USF Contribution Factor:

The FCC proposed a 24.4% USF contribution factor for the upcoming third calendar quarter (DA 19-559). As shown in the table below, this is the highest percentage the factor has reached and is a large jump from the preceding quarter. The percentage increase is a function of significant changes in both the numerator (USF expenses, up 16.0%) and the denominator (interstate and international telecommunications revenues, down 10.5%). The increase comes at a particularly unfortunate time as the FCC begins a proceeding to consider a cap on total USF funding.

Proposed Contribution Factor by Calendar Year

	2017	2018	2019
1st Quarter	16.7%	19.5%	20.0%
2nd Quarter	17.4%	18.4%	18.8%
3rd Quarter	17.1%	17.9%	**24.4%**
4th Quarter	18.8%	20.1%	

USAC News Brief Dated June 14 – Summer and Fall USAC Training

[USAC's Schools and Libraries News Brief of June 14, 2019](#), lists USAC's summer service provider training and the fall applicant and tribal training (see discussion above).