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Funding Status – FY 2019

USAC released Wave 10 for FY 2019 on Thursday, June 27th. Funding totaled $69.4 million including $1.94 million for 21 North Carolina applicants. Cumulative commitments through Wave 10 are $978 million including $30.0 million for North Carolina.

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

Warning: Form 470 Menu Options Remain Problematic for FY 2020:

As of today, July 1st, USAC is scheduled to activate the FY 2020 version of the Form 470. In both format and language, the "new" version is identical to the FY 2019 version. Most importantly this means that the confusing and misleading menu options for requesting Category 1 services remain the same.

This is the same basic problem with the Form 470 that began with a revised version for FY 2018. That version led to many discrepancies — potential competitive bidding violations — between the services requested on Form 470s and services received and posted on Form 471s. As a result, the FCC issued special instructions (DA 18-444) to USAC not to deny FY 2018 applications for Form 470/471 mismatches on Internet services. The FCC also instructed USAC to clarify the Form 470 dropdown menu options for FY 2019. Unfortunately, the resulting clarifications — primarily the addition of parenthetical text — did little help. As discussed in our newsletter of November 19th, the two most common problems applicants encountered with the FY 2019 Form 470 were:

1. Selection by smaller applicants of the "Internet Access: ISP Service Only (No Transport Circuit Included)" option when, in fact, their Internet services did include circuits as is the normal case involving cable modem services; and

2. Failure by applicants to distinguish between non-fiber and fiber-based Internet services using either the "Internet Access and Transport Bundled (Non-Fiber)" and the "Leased Lit Fiber" (with or without bundled Internet services) options.

Again this year, the FCC is being asked to instruct USAC to ignore resulting Form 470/471 mismatches on Internet services. The most recent FCC filing on this issue was made on June 21st by SHLB (the Schools, Health & Libraries Broadband Coalition). The SHLB *ex parte* submission asks the FCC to:

1. Provide relief for FY 2019 applicants who misfiled their Form 470 Internet access requests;
2. Proactively and prospective grant relief on the same basis for FY 2020 applicants; and
3. Direct USAC to work with interested stakeholders to develop new plain-language Form 470 dropdown options for FY 2021.

The best course of action for applicants filing Form 470s for FY 2020 is to carefully select the proper Category 1 dropdown options. For this we offer the same advice we provided last year.

1. If unsure of the transmission media of services to be requested, include all fiber, non-fiber, and Internet options.
2. Include a clear textual description of the services you are seeking in the "Narrative."
3. Consider creating a Customer Service Case, including your "Narrative" text, seeking specific USAC guidance on the proper Form 470 option choices. Adherence to such USAC advice, if provided in writing, may be useful in any future appeal proceeding.

The following table developed last year by EducationSuperHighway provides more detailed guidance.

Funding Year 19 – Category 1 Service Options

CATEGORY 1 SERVICE OPTION NAME	SIMPLE DEFINITION
Leased Lit Fiber (with or without Internet Access)	Fiber only point-to-point circuit connecting two Applicant facilities without Internet service **or** point-to-point circuit connecting Applicant facility with Internet service
Leased Lit Fiber and Leased Dark Fiber	Fiber only. Fully managed service connecting two Applicant facilities with no Internet service **or** dark fiber connecting two Applicant facilities
Internet Access and Transport Bundled (Non-Fiber)	Non-fiber only. Fully managed service connecting Applicant facility with the Internet
Internet Access. ISP Service Only (No Transport Circuit included)	Commodity Internet bandwidth only — no point-to-point transport service
Self-Provisioning and Services Provided Over Third Party Networks	Comparing Applicant construction and operation of its own fiber or wireless service with a fully managed service over any transport medium
Transport Only – No ISP Service Included (Non-Fiber)	Non-fiber only. Point-to-point service connecting Applicant facilities
Network Equipment	Equipment required to provision an external connection
Maintenance and Operations	Break-fix service for leased dark or self-provisioned fiber
Cellular Data Plan/Air Card Service	Mobile data service (must be only available service)
Other	General category for all other services

Source: ESH

Additional FY 2020 Form 470 reminders are included in USAC's latest News Brief discussed below.

Reminder: Form 486s as of July 1 Do Not Require Early Filing Certifications:

Normally applicants are not required to file Form 486s for committed funding until services have started. However, applicants funded prior to July 1st — Waves 1-10 for FY 2019 — are permitted to file Form 486s earlier if they certify that the services will start sometime in July. As noted in our [newsletter of April 29th](#), early filings are particularly useful for applicants seeking to have their services discounted using the SPI process beginning with their July invoices.

As of this week, there is no reason to file an "early" Form 486. Indeed, applicants henceforth filing "regular" Form 486s for services starting July 1st should take care <u>not</u> to check the "Early Filing" certification.

Update on Emails Sent from EPC:

Last week's USAC News Brief, referenced below, noted that it had become aware that email notifications sent from EPC were coming from multiple domains and senders at USAC. Starting this week, all emails from EPC will be coming from the **portal.usac.org** domain. All assigned tasks will be coming from the **admin@portal.usac.org** email address. USAC suggests that applicants and service providers add this domain and email address to their safe sender list.

E-Rate Updates and Reminders

Upcoming E-Rate Dates:

July 1	Form 486 deadline for FY 2018 funding committed in Wave 47. 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 48	07/08/2019
Wave 49	07/15/2019
Wave 50	07/22/2019
Wave 51	07/26/2019

Note 1: 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.

Note 2: The first Form 486 deadline for FY 2019, covering funding committed in Waves 1-10, will be October 29, 2019.

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.
September 16 – November 21	See USAC's 2019 Training webpage for a schedule of all USAC's 2019 fall applicant and tribal training sessions.

Proposed USF Connect Care Pilot Program:

On July 10th, the FCC is scheduled to vote on the establishment of a new 3-year, $100 million, Connect Care Pilot Program funded through the Universal Service Fund ("USF"). The pilot program is designed to support telehealth services (e.g., remote monitoring services) for low-income individuals, particularly veterans and those living in rural areas. The proposal clearly states that this would be a new program falling under the USF umbrella but would not take funding away from E-rate or any of the other three existing USF programs.

USAC News Brief Dated June 28 – FY 2020 Form 470 Reminders

USAC's Schools and Libraries News Brief of June 28, 2019, provides the following reminders on the FY 2020 Form 470 that becomes available this week through EPC:

- The Form 470 must be filed through EPC.
- Some organization information must be completed in the applicant's EPC profile before a Form 470 can be filed.
- Any applicant-issued request for proposal ("RFP") and/or RFP documents must be uploaded and linked to the Form 470 before the Form 470 is certified and posted.
- The Form 470 must be certified online before it can be posted to the USAC website. The required 28-day posting period does not begin until the Form 470 is certified.
- A Form 470 Receipt Notification Letter will appear in the applicant's EPC News feed shortly after the form is certified.
- Service providers can view filed Form 470s either through EPC or through the Form 470 View or Download tools on the USAC website.

USAC will not be issuing a News Brief this coming Friday, the day after the 4th of July.