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## Funding Status – FY 2019

USAC released Wave 27 for FY 2019 on Thursday, October 3<sup>rd</sup>. Funding totaled \$45.3 million including \$1.06 million for six North Carolina applicants. Cumulative commitments through October 3<sup>rd</sup> are \$1.80 billion including \$53.9 million for North Carolina.

## E-Rate Updates and Reminders

### *Upcoming E-Rate Dates:*

- |                             |   |            |            |         |            |         |            |         |            |
|-----------------------------|---|------------|------------|---------|------------|---------|------------|---------|------------|
| October 16<br>– November 21 | Remaining USAC 2019 fall applicant/tribal training sessions (see USAC’s <a href="#">2019 Training</a> webpage for a schedule of the sessions).  |            |            |         |            |         |            |         |            |
| October 28                  | Invoice deadline for FY 2018 recurring services. Note: For applicants and service providers unable to submit invoices by this date, October 28 <sup>th</sup> is also the deadline for filing 120-day Invoice Deadline Extension Requests (“IDERS”).   |            |            |         |            |         |            |         |            |
| October 28                  | Due date for nominations of six positions on the USAC Board of Directors (see <a href="#">DA 19-835</a> ) including the slot reserved for a library representative and one of the two slots reserved for school representatives.  |            |            |         |            |         |            |         |            |
| October 29                  | First Form 486 deadline for FY 2019, covering funding committed in Waves 1-10. More generally, the Form 486 deadline is 120 days from the FCDL date or the service start date (typically July 1 <sup>st</sup> ), whichever is later. The upcoming Form 486 deadlines are: <table><tbody><tr><td>Waves 1-10</td><td>10/29/2019</td></tr><tr><td>Wave 11</td><td>11/04/2019</td></tr><tr><td>Wave 12</td><td>11/08/2019</td></tr><tr><td>Wave 13</td><td>11/15/2019</td></tr></tbody></table> | Waves 1-10 | 10/29/2019 | Wave 11 | 11/04/2019 | Wave 12 | 11/08/2019 | Wave 13 | 11/15/2019 |
| Waves 1-10                  | 10/29/2019  |            |            |         |            |         |            |         |            |
| Wave 11                     | 11/04/2019  |            |            |         |            |         |            |         |            |
| Wave 12                     | 11/08/2019  |            |            |         |            |         |            |         |            |
| Wave 13                     | 11/15/2019  |            |            |         |            |         |            |         |            |
| October 31                  | Deadline for submitting initial FCC comments on improving the Form 470 drop-down menus ( <a href="#">DA-986</a> ). (See article below.) Reply comments are due November 15 <sup>th</sup> .  |            |            |         |            |         |            |         |            |
| October 31                  | Proposed deadline to update the business type for existing Form 498s. (See our <a href="#">newsletter of August 19<sup>th</sup></a> .)  |            |            |         |            |         |            |         |            |

*FCC Seeks Comments on Improving Form 470 Drop-down Menus:*

Responding to several years of applicant confusion concerning the drop-down menu options used in Form 470s to properly describe desired product and service options, the FCC issued a request for comments for improving the Form 470 options ([DA-986](#)). Assuming changes are to be made, the FCC’s goal is to have an improved Form 470 available by July 1, 2020, for applicant use in FY 2021. In doing so, the FCC set out four key criteria.

1. The drop-down menu choices should be intuitive and easy-to-understand by applicants.
2. The choices should be technology neutral (e.g., covering a variety of fiber and non-fiber “transport mediums”).
3. The choices should “facilitate compliance with the rules” (e.g., applicants seeking dark fiber bids also need to seek leased lit fiber).
4. Applicant postings should be easily searchable by vendors for the services they provide.

As a starting point for revising the Category 1 menu choices, the FCC provides the following proposal for replacing the existing FY 2019/2020 options with a somewhat simpler list:

**APPENDIX A  
Category One**

<b>FY2019/2020 Drop-Down Menu Options</b>	<b>FY2021 and Future Funding Years Potential Drop-Down Menu Options</b>
<ul style="list-style-type: none"><li>• Leased Lit Fiber (with or without Internet access)</li><li>• Internet Access and Transport Bundled (Non-Fiber)</li><li>• Transport Only – No ISP Service Included (Non-Fiber)</li><li>• Internet Access: ISP Service Only (No Transport Circuit Included)</li><li>• Leased Dark Fiber and Leased Lit Fiber</li><li>• Self-Provisioned Network (Applicant Owned and Operated Network) and Services Provided Over Third-Party Networks</li><li>• Network Equipment</li><li>• Maintenance &amp; Operations</li><li>• Cellular Data Plan/Air Card Service</li><li>• Other</li></ul>	<ul style="list-style-type: none"><li>• Transport Service with Internet Access</li><li>• Internet Access Only (No Transport Service Included)</li><li>• Transport Service Only</li><li>• Leased Dark Fiber and Leased Lit Fiber</li><li>• Self-Provisioned Network (Applicant Owned and Operated Network) and Services Provided Over Third-Party Networks</li><li>• Category One Network Equipment</li><li>• Category One Maintenance &amp; Operations</li><li>• Cellular Data Plan/Air Card Service</li></ul>

These changes, if implemented, would clarify the differences between requests for Internet only, transport only, and bundled Internet and transport — regardless of whether such services were fiber or non-fiber based.

Proposed Category 2 menu changes simply add the phrase “& Necessary Software” to many of the Internal Connections equipment types. The FCC also suggests a guided flow chart approach to help applicants navigate through the Category 1 or Category 2 menus. Although not stated, we presume that the guided approach that might ultimately — unlikely in time for FY 2021 usage — be incorporated within the EPC Form 470 creation process.

The deadline for submitting initial FCC comments on improving the Form 470 drop-down menus is October 31<sup>st</sup>; the reply comment deadline is November 15<sup>th</sup>.

Coincident with the release of the Form 470 Public Notice, the FCC issued instructions to USAC ([DA 19-985](#)) not to deny FY 2019 applications for bundled Internet services from applicants who had mistakenly selected “Internet Access: ISP Service Only (No Transport Circuit Included)” on their associated Form 470s. This action is similar to the guidance provided by the FCC last year to deal with Category 1 menu errors<sup>1</sup> — and may be required again next year as the result of ongoing confusion with the same Form 470 format in use for FY 2020.

### *FCC Decision Watch:*

The FCC also issued another set of “streamlined” precedent-based decisions ([DA 19-942](#)) on September 30<sup>th</sup>. Applicants facing similar problems as addressed in these decisions may garner useful information by carefully reading the additional FCC explanations found in the footnotes. The original appeal and waiver requests can be found online in the FCC’s [Search for Filings](#) under Docket 02-6.

In last week’s streamlined decisions, the FCC:

1. Dismissed:
  - a. Three Requests for Waiver deemed moot as a result of subsequent actions taken by USAC.
  - b. One Request for Waiver for failure to comply with the Commission’s basic filing requirements.
  - c. Eight Petitions for Reconsideration already fully considered and rejected.
  - d. Two Petitions for Reconsideration filed beyond the 30-day deadline set for reconsideration requests.
2. Granted:
  - a. One Request for Review giving additional time to respond to USAC’s request for information.
  - b. One Request for Waiver of the application window for a Form 471 filed within 14 days of the deadline.
  - c. Seven Requests for Review for late-filed Form 486s.
  - d. Five Requests for Review and/or Waiver for Form 471 changes, SPIN changes, or contract date corrections involving ministerial and/or clerical errors.
  - e. One Request for Review and/or Waiver affirming support of Category 2 equipment purchased on or before April 1 before the start of the funding year.
  - f. Two Requests for Waiver of late-filed waiver requests.

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<sup>1</sup> It should be noted that last year’s FCC instructions to USAC also provided relief for applicants who requested “Internet Access and Transport Bundled” (defined for Form 470 purposes as a non-fiber service) but who subsequently selected fiber-based Internet services. This type of service mismatch is not explicitly covered in this year’s FCC instructions.

3. Denied:

- a. One Request for Review and/or Waiver regarding the failure to satisfy the Red Light Rule.
- b. Eighteen Requests for Waiver seeking invoice deadline extensions.
- c. Four Requests for Waiver for late-filed Form 471s.
- d. One Request for Review for a Form 471 change deemed not a ministerial and/or clerical error.
- e. Eight Requests for Waiver of late-filed appeals or waivers.

### USAC News Brief Dated October 4 – Form 470 Drop-down Options

[USAC's Schools and Libraries News Brief of October 4, 2019](#), includes a short mention of (a) the recent FCC guidance to USAC on treatment of FY 2019 applications for which applicants mistakenly selected the wrong Category 1 drop-down menu option on their Form 470; and (b), the FCC's Public Notice seeking comment for improving Form 470 drop-down options in future years. We discuss both FCC actions in greater detail in an article above.

USAC's News Brief also reiterates its invitation to users to submit their ideas for improving Schools and Libraries information systems via the [Share Your E-rate Technical System Ideas](#) page on its website.

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*Additional North Carolina specific E-rate information is available through our Web site — <http://www.e-ratecentral.com/us/stateInformation.asp?state=NC>. Note that this site provides easy access to formatted North Carolina applicant E-rate histories via the Billed Entity Number ("BEN") search mechanism in the upper left-hand corner. Detailed information can be obtained by "drilling down" using the links for specific funding years and individual FRNs.*

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