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Funding Status – FY 2019 and FY 2020

FY 2019:

USAC released Wave 47 for FY 2019 on Thursday, February 20th. Funding totaled \$4.2 million, none for North Carolina. Cumulative commitments through February 20th are \$2.20 billion including \$76.1 million for North Carolina.

FY 2020:

The Form 471 application window for FY 2020 opened on January 15th and will close at 11:59 p.m. EDT on Wednesday, March 25th. PIA reviews are currently underway. As of last Friday, almost 3,500 applications had already been designated as “Wave Ready.”

E-Rate Updates and Reminders

Upcoming E-Rate Dates:

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| February 25 | Extended — and final — invoice deadline for FY 2018 recurring services. |
| February 28 | Form 486 deadline for FY 2019 funding committed in Wave 31. More generally, the Form 486 deadline is 120 days from the FCDL date, or the service start date (typically July 1 st), whichever is later. Other upcoming Form 486 deadlines are:
Wave 32 03/06/2020
Wave 33 03/13/2020 |
| February 26 | Last day to file a Form 470 and meet the minimum 28-day posting requirement prior to the close of the FY 2020 Form 471 application window. |
| February 27 | USAC webinar on service provider selection and the Form 471 application process. |
| March 3 | Due date for submitting reply comments on the FCC’s Notice of Proposed Rulemaking (“NPRM”) regarding national security threats (FCC 19-121). |

- March 16 Due date for submitting reply comments on the FCC’s Notice of Proposed Rulemaking (“NPRM”) regarding new rules on suspensions and debarments ([FCC 19-120](#)).
- March 25 Close of the Form 471 application window for FY 2020 at 11:59 p.m. EDT.

FCC Decision Watch:

The FCC granted a Request for Waiver by the Grand Canyon Unified SD seeking an extension of the one-year deadline for completing special construction of a leased lit fiber network project ([DA 20-183](#)). The district had initially requested funding for the project estimating that the network would take no less than 24 months to complete due “to the unique topography of the build route and permitting obstacles associated with building through a National Park and National Forest.” When, as expected after one year’s work the project was not complete, the district requested a one-year deadline extension. Unfortunately, FCC rules allow USAC to grant such extensions only in cases of “unavoidable” delays. USAC denied Grand Canyon’s request for an extension noting that the district’s own application had indicated that the project would take more than a year. USAC essentially argued that the delay was not “unavoidable,” but was actually planned. Once again, a strict interpretation of the rules — an example of USAC’s limited role in E-rate regulation — trumped common sense. The FCC — with the flexibility to interpret and/or waive its own rules — reversed USAC’s denial and granted the extension.

The FCC’s waiver in this instance emphasized the “limited nature” of the decision. It stressed that “Applicants continue to be responsible for preemptively planning special construction projects so that they can be completed by June 30 of the relevant funding year.” Both USAC and the FCC have long suggested that special construction projects likely to take more than one year to complete be broken into one-year phases to be applied for over successive funding years. In the Grand Canyon case, however, the FCC recognized that phasing was not an option because the project involved only a single 67-mile link.

The FCC also included a footnote with the following advice:

We remind applicants of the options available to them to ensure that they complete their special construction projects within the service implementation deadline. If applicants believe that the scope of the project might prevent them from completing construction and lighting the fiber by June 30, they should call USAC’s Client Service Bureau to review their special construction plan.

Coronavirus and E-rate:

The first reports are starting to come in that the devastating coronavirus outbreak in China is starting to adversely affect delivery times of network gear and components coming from China. Applicants whose suppliers rely heavily on such imports may begin to experience installation delays.

USAC News Brief Dated February 21 – Form 470 and Bid Evaluation Reminders

[USAC’s Schools and Libraries News Brief of February 21, 2020](#), suggests that applicants ask themselves the following four questions before they close their competitive bidding process for

FY 2020. Note that, depending on the answers, an applicant may need to post a new Form 470 on or before February 26th.

1. Did I post for the correct service type?

USAC states that applicants should ensure the services being selected align with one of the four categories of service (Digital Transmission and/or Internet Access, Internal Connections, Basic Maintenance of Internal Connections, and Managed Internal Broadband Services) chosen on the Form 470.

If USAC has updated its review of services requested and selected to the Category of Service criteria as opposed to the specific services within a category, this would be a much-welcomed change. Historically, the most common errors we've seen by applicants are far more granular than the criteria described in this News Brief. Readers of our newsletters, for example, may recall many articles discussing applicants seeking Internet services but incorrectly posting only for "Internet Access: ISP Service Only (No Transport Circuit Included)." Unless these applicants have their own network access circuits and are seeking only pure Internet capacity, they most likely will be receiving Internet service over circuits provide by their ISPs. The proper function type for Internet services combined with transmission services is either:

- "Internet Access and Transport Bundled (Non-Fiber)" if not fiber-based services; or
- "Leased Lit Fiber" for fiber circuits with or without Internet services.

2. Did I make significant changes to my project or services?

If changes are made that are not within the scope of the current Form 470, then a new Form 470 — and a new 28-day posting period — is required.

3. Have I issued an RFP document even though I did not attach one to my original certified Form 470?

If so, it is too late to upload that document to the existing Form 470; a new Form 470 will be required.

4. Do I intend to disqualify bids that do not meet certain requirements?

If so, those disqualification factors must have been included in the original Form 470 and/or RFP documents.

USAC's News Brief also provides guidance on evaluating bids received and on the proper procedure to follow should you receive only one bid — or no bids.

Newsletter information and disclaimer: This newsletter may contain unofficial information on prospective E-rate developments and/or may reflect E-Rate Central's own interpretations of E-rate practices and regulations. Such information is provided for planning and guidance purposes only. It is not meant, in any way, to supplant official announcements and instructions provided by USAC, the FCC, or NCDPI.

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.

If you have received this newsletter from a colleague and you would like to receive your own copy of the North Carolina E-Rate Forum, send an email to join-ncerate@lists.dpi.state.nc.us. Please include your name, organization, telephone, and e-mail address.

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