November 2014

E-rate and the Modernization Overview

Summary Points

Background: E-rate is the nation's largest education technology program. Run by the FCC, and one of the crowning achievements of the Telecommunications Act of 1996, E-rate has fundamentally transformed education in this country by helping to connect schools and libraries to modern communications and the Internet.

Schools and libraries apply annually to receive discounts on eligible telecommunications and Internet access services. Discounts range from 20% to 90% of the eligible expense for these services and are based on free and reduced lunch eligibility to enrollment and whether a district is considered to be urban or rural. (See Discount Matrix.)

Transformative Results: At the program's inception, only 14% of schools had access to the Internet and that access was via dial-up. Today, over 95% of schools are connected.

Challenges: Today, the challenge is not connectivity—it's capacity. Broadband and connected devices are changing every aspect of our lives. We are now a nation with more mobile phones than people with three-quarters of all children having access to a mobile device and half of all teenagers owning their own smartphone.

E-rate Reform: E-rate is being "revamped" to align with *ConnectED Initiatives* by focusing on high-speed, high-capacity connections, such as those provided through participation in the Wide Area Network, or WAN, Service. In 1996, the goal was connect the building. In 2014, the goal is connect the individual.

Transitioning to Meet Tomorrow: The Modernization Order transitions E-rate support toward closing the Wi-Fi gap, while transitioning support away from legacy technologies, such as telephone services.

Effect of Transition: E-rate support for Voice Services will be phased out over the next few years in order to allocate more funds toward broadband capacity. At the same time, BOCES-aid for those phased-out services will increase. That increase will offset, but not eliminate, the loss of E-rate support.

E-rate/Telcom Services: We will continue to work closely with Directors of Technology and Business Officials to keep them apprised and in step with the Modernization Order. We will take advantage of all available funding and aid for eligible services and equipment as we continue to monitor and manage connectivity, capacity, Internet access, and voice services for all school districts served.

Resources

Routinely Updated News Items, Documents and Resources are available to districts and accessible at
http://www.cnyric.org/teacherpage.cfm?teacher=1032

Find more information online at www.cnyric.org > Resources > Network/Telcom/E-rate