E-rate Modernization Article for Show Me Express
Suggested Title: "**E-rate Modernization Changes in 2015**"

The Federal Communications Commission has made significant changes to the E-rate program to modernize the products and services it subsidizes and to streamline the application process. These changes fall into two main areas: **Broadband Connectivity** capable of delivering gigabit service ("Category One") and **Robust Wi-Fi Networks** inside schools and libraries to support individualized learning ("Category Two"). The FCC has also increased funding for these two areas in 2015 through 2019.

Brief Summary of Significant Changes:

Ensuring all libraries and schools have access to high-speed broadband connectivity:
• Removing the multi-year amortization requirement for broadband build-out
• Allowing multi-year payment of capital costs for broadband build-out
• Equalizing the treatment of lit and dark fiber
• Allowing construction of applicant-owned fiber
• Providing greater discounts if states offer matching funds for broadband build-out
• Ensuring affordable broadband in rural, high-cost areas

Taking actions to be reasonably certain that all applications will be funded:
• Increasing the E-rate fund by $1.5 billion annually starting in 2015
• Setting a $1 billion annual target amount for Category Two applications for 2015-2019
• Increasing the Category Two funding formula for urban libraries from $2.30 per square foot of the library building to $5 per square foot.
• Making basic maintenance, managed Wi-Fi and caching eligible as Category Two services through 2015

Correcting language in the July order that defined many rural libraries and schools as "urban," thus reducing their discounts:
• The "urban" designation now applies only to libraries and schools in communities with a population of over 25,000.
• Use this Urban/Rural Look-Up Tool to check your library's status
https://sltools.universalservice.org/portal-external/urbanRuralLookup/

Technology Plans are no longer needed for either Category One or Category Two requests. Dates for filing the form 471 are: January 14 to March 26.

For more detail on these and other changes to the E-rate Program, go to these links:

ALA Summary of December 2014 FCC Order (pdf): http://ow.ly/GT8nq
USAC website on the Modernization Orders: http://www.usac.org/sl/tools/modernization-order
MOREnet E-rate Assistance: https://www.more.net/services/e-rate
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