

*FCC requests comments and information on the following questions and proposals.*

**Comment deadline is September 25, 2023 and Reply Comment Deadline is October 23, 2023**

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**Service Related Questions:**

1. **License/Software Distinction** - Should the same regulatory treatment be used for all licenses/software based services regardless of whether Internal Connections (IC) or Basic Maintenance of Internal Connections (BMIC)? (§42)
  - No denials for bidding violations if the component is classified as maintenance and applicant did not request maintenance on the Form 470.
  - E-rate funding may be requested for multiple years of service when the costs are incurred and paid for in the first year, just like client access licenses are treated under internal connections.
2. **Transition of Services** – Seek comment on numerous questions on how to handle transition of services (§44)
  - Should applicants be allowed to seek funding for the higher cost of the services (new or old) during the transition year?
  - Should there be an exception to the service substitution policy and allow for increases to pre-discount costs for transition of services?
3. **Duplicate Services** –When can applicants purchase the same service from two different vendors in the same procurement? (§46-47)
  - As long as the price for both services is limited to the lowest cost option, this should be permissible.
  - Should price be the sole factor when selecting two vendors for the same service during the same procurement?
  - Should applicants have to show the need for the services and that the services are not failover or redundant, which are ineligible?
4. **Wiring Between Buildings** - Should wiring between different schools located on the same campus be defined as internal connections? (§78-79)

**Bidding Questions**

5. **Competitive Bidding Exemptions** - Should there be a competitive bidding exemption or fewer bidding requirements for libraries and possibly schools with annual E-Rate requests of \$10,000 or less (§50)?
6. **Mid-Year Bandwidth Increases** - Should mid-year bandwidth increases be permitted as a competitive bidding exemption? (§51-52)
  - What safeguards should be implemented to ensure no abuse of this exemption, including measures to prevent applicants from avoiding competitive bidding rules?
7. **Guidance When Bidding Must Be Restarted** – Should clear guidance be provided on when changes to bidding documents require the bidding clock to restart?. (§53-54)

- Identify common scenarios for the FCC to provide guidance on this issue.
  - Should there be safe harbor rules established such as, for example, correcting errors in bandwidth requests by less than 50%, would not require the bidding period to restart?
8. **Spam Bids** - Should spam bids and bids received after 28 day waiting period have to be reviewed even if the applicant does not state on the Form 470 that bids submitted after 28 days won't be accepted? (§§55-56)
- Should applicants be required to retain documentation of spam and other automated bid responses?
9. **Product Demonstration** - How should product demonstrations be handled? (§59) Is there a free service issue and/or gift rule issue that should be addressed?

### Contract Issues

10. **Evidence of a Legally Binding Agreement** - Should board minutes approving a contract offer be evidence of an applicant's acceptance, demonstrating a legally binding agreement?
- Are there other examples where documentation should be accepted as evidence of a legally binding agreement? (§57)
  - As suggested by ALA in its comments to the earlier NPRM, should the FCC remove the legally binding agreement requirement all together, and allow applicants to rely on a price quotation for submitting their E-Rate applications? (§57)

### Forms Revisions

11. **Creation of "EZ" Application Form** – Should there be a 471EZ form created? (§61)
12. **Category 2 Subcategories** – Should the 3 subcategories in the Category 2 section of the Form 470 be eliminated? (§63)
13. **Form 470 Issues** – Can concerns about the 470 C1 drop down menu be addressed in any way other than changing the form again? (§64)
14. **Form 486 Issues** – Should the Form 486 be eliminated and the CIPA certifications transferred to the Form 471? (§§65-66)

### Validating Discounts

15. **Are there potential ways to streamline the discount validation process?** – Should discounts be validated once every three to five years? What about CEP changes and statewide CEP situations – how should discounts be validated? (§69)
- Are there any changes or guidance needed for states and schools offering free lunch for all students?

### Program Recoveries

16. Currently USAC dismisses "requests for funding commitments" if a delinquent debt is not paid within 30 days of the notice provided for in the commitment adjustment procedures. Should this

process be changed so that the pending requests for funding would be *deferred* rather than dismissed while participants are on red light status. If so, what limits should be imposed to ensure timely action on the delinquent debt? (¶76)

### **Invoicing**

17. Invoice Deadline Procedures Changes (¶¶71-72)
  - Should there be a 15 day grace period for obtaining IDEs after the original deadline?
  - Should the Commission consider a 30-day grace period for applicants or service providers to resubmit invoices that were timely filed before the invoice filing deadline, but rejected in whole or part after the deadline has passed? (FCC suggestion)
18. Should the rules be amended to make them consistent with the Commission's intent that applicants who select the SPI invoicing method must only pay their service provider for the non-discounted share of the costs of the eligible equipment and services, and the service provider must seek the remaining discounted portion of costs from USAC and may not require full payment from the applicant as well when the SPI invoicing method is used. (¶74-75) (FCC suggestion)

### **Miscellaneous and Further Simplification**

19. Should the definition of consortia be clarified and conformed to the same definition used in the ECF program? (¶80) (FCC suggestion)
20. What other changes could be made to the E-rate eligible services list and cost allocation requirements that could simplify the E-Rate program, particularly for new and smaller applicants. (¶48)
  - Are there terms in the eligible services list that should be updated or streamlined? Are there updates we could make to the ESL approval process?
  - For cost allocation requirements, are there additional changes the FCC could make to clarify when applicants must cost allocate parts of their E-Rate funding requests? For example, are there other types of equipment similar to cabling, such as switches, for which cost allocation guidance is needed?
  - Are there particular challenges with cost allocation of category two services used in multipurpose buildings, that could be simplified?
21. Should the Commission adopt a rolling Category 2 application deadline or a second application filing window for C2? Would this simplify or complicate the E-Rate program? (¶48)