**March 11, 2019 ACTEM Business Meeting**

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**E-Rate Updates**

1. **FY2019 FCC Form 470**

The deadline for filing an FY2019 Form 470 was February 27, 2019.

1. **FY2019 FCC Form 471**

The FY2019 Form 471 application filing window will close on March 27, 2019 at 11:59 PM EDT.

If you filed a new Form 470 this year:

* You cannot file the Form 471 before the 28-day waiting period is completed
* The Contract Award Date that you report must be on or after the Allowable Contract Date but before the date you certify the Form 471

Before you get into the form itself, you will need to complete the Contracts Module within your EPC profile:

* *If you are signing a new contract for FY2019:* You must add a record for it in the Contracts Module before you can reference the contract ID in your form (it is easier if you do this before beginning your form)
* *If you have an existing multi-year contract in place for which you created a contract record in EPC and the contract extends through FY2019:* You do not need to add another record. Simply refer to the same contract ID in your FY2019 form.
* *If you have an existing multi-year contract in place for which you created a contract record in EPC and the contract extends through FY2019 and it was amended (for example if you exercised a voluntary extension):* The same guidance applies. Simply refer to the same contract ID in your FY2019 form. Be prepared to provide the amendment to your PIA reviewer.

Connectivity Questions no longer need to be answered.

Guides for Form 471 activities are available at the Maine E-Rate Resources website (note the new URL):

http://erate.networkmaine.net/EPC/EPC.htm

or

go to erate.networkmaine.net and click on the link for EPC Training Guides

1. **FCC Form 486**

After you go through PIA review and receive a Funding Commitment Decision Letter, you will need to file a Form 486 to indicate the start of services. Letters will be sent within EPC.

The Form 486 must be certified no later than 120 days after the service start date or 120 days after the date of the FCDL, whichever is later.

1. **Category 2 in FY2020 and Beyond**

The FCC Wireline Competition Bureau has released a budget report on Category 2 that gives us some possible insight into what C2 may look like in Funding Year 2020 and beyond.

This report contains recommendations that must be officially adopted by the FCC Commission in order to be implemented. The Commission may choose to adopt the report, but make changes.

It is anticipated that the FCC will release a Notice of Proposed Rule Making in order to collect stakeholder feedback on the specific changes they will be recommending.

**The Report's Conclusions:**

* "that the category two budget approach is a clear improvement over the two-in-five rules approach"
* "that the category two budget approach appears to be sufficient for most schools and libraries"
* "that category two budget approach may not be sufficient, however, for schools and libraries at the funding floor, as well as libraries outside of highly-concentrated urban areas"

**Recommendations in the Report:**

* "We recommend that the Commission retain the category two budget approach. Given the improvements that the category two budget approach has shown over the two-in-five rules, the Bureau does not recommend a return to the two-in-five rules approach."
* "Further, we recommend that the Commission consider some targeted changes to the budgets moving forward such as an increase in the funding floor, to the extent that it finds that insufficient funding is deterring entities at the funding floor and rural libraries from participating."

**Projections:**

Although nothing in government can ever be certain, I believe that it may be safe at this point to proceed for planning purposes as if Category 2 in its current state - some form of a 5-year budget - will continue in FY2020. I do not believe that the Commission will choose to allow Category 2 to revert to the 2 in 5 rule given the contents of this report as well as feedback they have already received and will receive from E-Rate stakeholders.

It seems possible given the report's recommendations that the budget floor may be raised. However, since this is yet to be decided, for planning purposes for FY2020 I would use the current floor and per student / per square foot budget for projecting your budgets.

There are still many questions about Category 2 budgets that remain to be answered or even speculated about. Stay tuned for further developments.

***The best recommendation is still to utilize any remaining C2 budget funds you have in FY2019.***

**Networkmaine Update**

No updates at this time