

E-RATE BROADBAND MATCHING GRANT

WHAT IS E-RATE?

The Schools and Libraries Program ("E-Rate") is a federally funded initiative that helps local anchor institutions get access to affordable telecommunications and internet. It is administered by the Universal Service Administrative Company (USAC) under the direction of the FCC and funded through the Universal Service Fund – derived from fees collected from telecommunications providers. E-Rate can help schools and libraries get discounts of 20% to 90% on eligible services. **Public and private K-12 schools and nonprofit public libraries are eligible for E-Rate discounts. Groups of schools and libraries (such as consortia, districts and systems) are also eligible.**

The E-Rate program provides additional discounts to match state funding for special construction projects that meet the FCC's long-term connectivity goals. Special construction charges are the upfront, non-recurring costs of deploying new or upgraded broadband network facilities. Special construction funds new infrastructure to supplement and expand competitive broadband access. The E-Rate program will increase an applicant's discount rate for the special construction charges up to an additional ten percent to match the state funding on a one-to-one dollar basis.

ARIZONA LEVERGES FEDERAL FUNDS

In 2017, Governor Ducey launched a special construction matching grant program called the **"Arizona Broadband for Education Initiative."** The initiative aimed to accelerate Arizona school and library access to federal funds for broadband expansion. Since the program was initiated, **the \$10.2 investment resulted in more than \$150M in federal e-rate funding** ([YTD Broadband Stats - Arizona Broadband for Education \(broadband4arizona.com\)](#)). The program has benefited education institutions throughout the state – rural and urban. Unfortunately, the matching grant fund has **now been fully exhausted.**

ONE-TIME FUNDING REQUEST

The Governor's Office is recommending a one-time recapitalization of the broadband matching grant for FY '24 in order to leverage additional federal funding to support broadband for education.

FY 24 REQUEST: \$5 M (GF DOLLARS)

Utilizing this federally matched investment will allow the state to assist schools in developing broadband infrastructure so that student needs can be served.

E-RATE DOLLARS FOR THE STATE HAVE HISTORICALLY DRAWN DOWN AT RATE OF 13:1.

\$157.9 M E-RATE DOLLARS LEVERAGED WITH \$10.2 M IN STATE FUNDING.

THE E-RATE PROGRAM HAS SERVED APPROXIMATELY 356,000 STUDENTS THROUGHOUT ARIZONA.

NEW FUNDS WILL BENEFIT NEW SCHOOL DISTRICTS ISSUING RFPs OVER THE NEXT 2-5 YEARS. APPROXIMATELY 46 SCHOOL DISTRICTS HAVE SERVICE CONTRACTS THAT WILL BE OPEN TO COMPETITION IN THE NEXT 2-3 YEARS.

BENEFITS TO ARIZONA

Recapitalizing the matching grant will help Arizona education entities leverage substantial available federal funding from the Schools and Libraries Program.

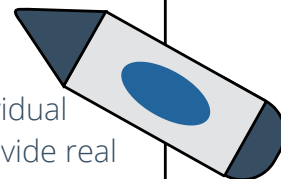
“Special Construction” projects are private fiber networks that enhance school and library network security and significantly enhance bandwidth speed and reliability. They also promote competitive infrastructure, thereby reducing ongoing and recurring costs.

In addition, fiber developers responding to competitive school district RFP's can add additional strands of fiber to provide enhanced capacity to areas of the community that may not have fiber assets available.

Schools are enhancing their ability to utilize blended learning strategies – taking advantage of robust technology-based curriculum and instruction tools to enhance and expand the classroom experiences.



Examples include music education applications that can listen to individual students play instruments and provide real time feedback.



Private fiber networks developed through the advantageous terms available under the federal e-rate special construction program can result in:

- Enhanced access to online resources and platforms that can enrich the learning experience and support diverse learning needs and styles of students.
- Improved communication and collaboration among teachers, students, parents and other stakeholders through video conferencing, cloud-based tools and professionally oriented collaboration tools.
- Increased flexibility and innovation in curriculum design and delivery, allowing for more personalized, blended and project-based learning opportunities.
- Reduced costs and environmental impact by minimizing the need for physical materials, travel and infrastructure.
- Expanded opportunities for professional development and networking for teachers and school leaders through online courses, webinars and communities of practice with remotely available experts.

E-RATE IMPACT

A list of the e-rate enabled broadband projects with schools and libraries all around the state is available at:

www.broadband4arizona.com/broadband-projects.html

Schools and libraries across the state have successfully leveraged dollars using the e-rate matching grant program since 2017.

