

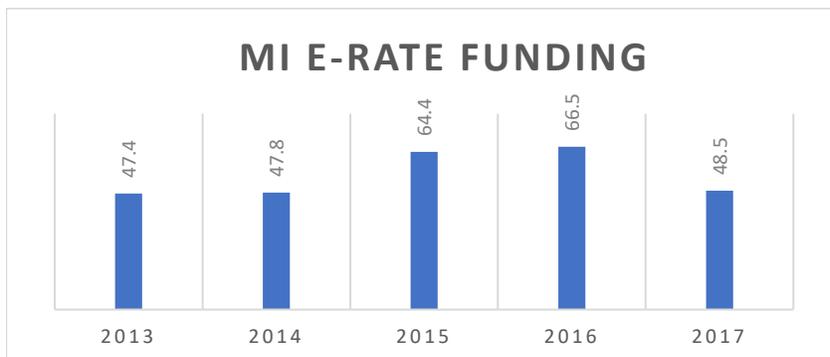
E-Rate

Introduction

The Michigan Department of Education, Office of Systems, Evaluation, and Technology (OSET) provides technical assistance to applicants seeking E-rate discounts on internet service and Wi-Fi. Technology infrastructure supports all [Top 10 in 10](#) Education Goals and Strategies, but infrastructure is specifically named in goals 2.4, 2.8, 4.4, and 7.2.

Synopsis

The Schools and Libraries Program, often called E-Rate, is a Universal Service Fund (USF) initiative supported by fees collected via telecommunications providers. The Federal Communication Commission's (FCC) oversees the Universal Service Administrative Company (USAC), the entity managing the program. E-Rate is a program that provides subsidies on telecommunications and Internet access based on the school district's level of need, determined by 1) poverty level of the community and 2) whether the applicant is in a rural or urban area. Poverty level is determined by participation in free and reduced lunch. An applicant's E-rate discount can range from 20 percent to 90 percent. The program is currently capped nationally at \$3.9 billion per year. Public libraries are also eligible for discounts on E-rate eligible services. The program began providing these discounts in 1998 and has been, and continues to be, an integral part of technology funding for our schools.



Impact

Since the program's inception in 1998, E-Rate discounts have saved Michigan's schools and libraries over \$1.2 billion dollars. From 2013- 2017, the state received an average of \$54.9 million dollars as discounts. Outside of Title funds, E-Rate is the largest federal amount coming to Michigan schools, as well as the largest amount to Michigan libraries outside of the Library Services and Technology Act (LSTA) funds. Every dollar received by Michigan's schools and libraries through E-Rate frees up money to focus on providing instruction and services to the public.

Opportunities

While E-Rate offsets the cost of broadband to schools and libraries, many communities still lack broadband connectivity. According to the Michigan Consortium of Advanced Networks (MCAN) report, 381,000 households in Michigan currently lack access to broadband service. For many K-12 students, home connectivity is essential, so students can get online after school to complete homework, access assignments, and conduct research. E-Rate cannot be used for home access; however, some innovative districts are equipping buses with WiFi and sending students home with mobile hotspots.