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August 2, 2013

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, DC 20554

Re: Wireline Competition Bureau Request For Comment On Draft Eligible Services List For Schools
and Library Service Program
DA 13-1513
CC Docket No. 02-6
GN Docket No. 09-51

Dear Ms. Dortch, the Commission, and whom it may concern:

The referenced Public Notice dated July 3, 2013 requested comments on possible clarifications and changes to the eligible service list (ESL). We appreciate your consideration and time. We have a two primary comments that I will expand on in this letter;

● Requiring eligible web hosting services to be supplied by a single provider is (a) detrimental to students and schools, is (b) discriminatory and creates a competitive disadvantage to small businesses, is (c) counter to national guidelines, and (d) may increase costs.

● It would be best to not make any intermediary changes to the ESL at this time. Rather, for 2014, it would better to keep the ESL as it was in 2013 and focus our efforts on structuring the correct long term solution through the larger ongoing NPRM E-rate 2.0 discussion.

Should the Commission chose to proceed in modifying the ESL in 2013 per the referenced PN, one change is particularly troubling; requiring the eligible webhosting services to be provided by a single provider.

The proposed ESL definition of "Web Hosting" explicitly includes storage, password-protected pages, interactive communication features, and features that facilitate real-time interactive

communication. Therefore, if these features are considered eligible, the most effective use of E-rate funds will be for the school or library to select the best providers for this functionality. Historically schools have been permitted to choose multiple providers and the proposed change is against prior guidance and accepted practices. Further limiting eligibility to a single user may have several negative effects including:

- *Depriving students and library users of using the most effective , highest quality tools:* Allowing multiple providers will present a more effective set of tools to students and the community as it is unlikely that the most effective set of features will be bundled by a single provider for any given user. Schools are not currently forced to pick a provider that "checks the boxes" but instead pick solution providers that best serve their students and teachers so products can focus on being best of breed for the learning experience rather than "checking the box". President Obama's ConnectED initiative further promotes this idea with "We are living in a digital age, and to help our students get ahead, we must make sure they have access to cutting-edge technology," going on to say "and equip them with the tools to make the most of it."[1]
- *Requiring single provider will force unneeded change , disruption, and loss of service:* The accepted practice by USAC has allowed for multiple vendors in a particular category provided that there was a clear delineation and articulation of the differences and benefits of the multiple solutions to the school or district. Due to these guidelines, many schools and libraries are currently using technology solutions from multiple providers. Changing this direction from USAC may force many schools and libraries to change or remove providers which will incur unneeded cost, disruption, and loss of service while disadvantaging students and teachers.
- *Requiring a single provider is inconsistent with other eligible services.* The current ESL does not impose single provider restrictions on any other eligible services.
- *Providing a competitive disadvantage to small businesses which are creating job growth*: Technology is changing quickly which is driving the need for the E-rate 2.0 discussion. This is creating a number of small, fast growing companies fulfilling educational technology needs by offering industry best solutions. Allowing multiple providers allows these smaller companies to create products that excel in meeting the needs of schools and libraries for specific features; thereby giving students, teachers, and school administration the best possible products to facilitate teaching and education. However, requiring suites of products that cover the entire range of a school or library's hosting needs creates a competitive

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[1] June 6, 2013 - White House Press Release, President Obama Unveils ConnectED Initiative to Bring America's Students into Digital Age
http://www.whitehouse.gov/the-press-office/2013/06/06/president-obama-unveils-connected-initiative-bring-america-s-students-di

disadvantage to a small company that provides a subset of that suite.

- *Counter productive to national government small-business contracting goals.* The federal government has issued a statutory governmentwide goal of 23 percent of contracts being issued to small-businesses. The federal government has missed this goal for seven consecutive years. The Department of Education is among the lowest performing agencies at 18.5%[2], earning a C on its report card. Creating policies that further disadvantage small business is counterproductive to government goals. In an official release from the Small Business Administration (SBA), an SBA official states that a goal of the SBA is "Collaborating with White House and Administration Senior Officials to help ensure top-level leadership commitment from across the federal government to utilize small businesses"[3]. It goes on to state that "Small businesses are the backbone of our economy. SBA and the Obama Administration will continue to provide small business owners the necessary tools to ensure they have the wind at their back, enabling them to grow and create jobs." An FCC mandate that disadvantages small business is counter productive to the administrative and national direction.
- *Bundling may actually increase costs:* The E-rate NRMP has specifically requested comments on the assertion that feature bundling increases costs.[4]

Therefore, we strongly recommend that the ESL not be adjusted to remove the multiple vendor option for Schools and Libraries.

Furthermore, the FCC's Notice of Proposed Rulemaking (NPRM) In the Matter of Modernizing the E-Rate Program for Schools and Libraries initiates a "thorough review and update of the E-rate program" and specifically seeks "comment on updating the list of services eligible for E-rate support. The NPRM goes on to specifically ask the question if its changes should impact the 2014 ESL[5]. This NPRM was released during comment period for the referenced Public Notice. Therefore, these two notices have initiated two concurrent analyses of the E-rate 2014 ESL; one occurring in a silo (referenced PN) and one in the context of the future of the entire program. Structuring any updates

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[2] FY 2012 Scorecard Summary By Prime Spend (with Subk and Plan Progress) as released gy the Small Business Administration.
http://www.sba.gov/sites/default/files/files/FY2012_Summary_by_Prime_Spend_with_Subk_and_Plan_Progress.pdf

[3] Small Businesses Receive 22.25 Percent of Small Business Contracts in FY 2012.
http://www.sba.gov/community/blogs/small-businesses-receive-2225-percent-small-business-contracts-fy-2012-0 July 2, 2013 with update on July 24, 2013

[4] *Modernizing the E-rate Program for Schools and Libraries*. WC Docket No. 13-184. Notice of Proposed Rulemaking. FCC 13-100. Pgs 29. Paras 97. (2013)

[5] *Modernizing the E-rate Program for Schools and Libraries*. WC Docket No. 13-184. Notice of Proposed Rulemaking. FCC 13-100. Pgs 2, 7, & 33. Paras 1, 12, & 111. (2013)

to the ESL in context of the entire program will provide a stronger long term result. Changing the ESL for 2014 in the interim per the referenced PN could have multiple negative effects including;

- *Creating a distraction to the E-Rate 2.0 NPRM discussion:* Concurrent discussions on the 2014 ESL will create confusion and distract attention away from the NPRM discussion and thereby potentially weakening the result of the NPRM and long term structure of E-rate 2.0.
- *Force unnecessary change for students and teachers:* The proposed change may prompt a portion of schools and libraries to change away from services and providers that may permissible under the NPRM ruling towards services and providers that may not be permissible under the NPRM. Such changes are unnecessary and would incur unneeded financial and productivity costs in both equipment and professional development.
- *Delay technology implementation adversely affecting student learning.* Some schools will discontinue or delay implementation of products that are removed from the ESL until the NPRM ruling is released to prevent unnecessary costs or risk of costs. Such delays could be counterproductive to the objectives of the E-Rate program and disadvantage students and teachers.

Therefore, we recommend that the ESL not be changed in relation to the referenced PN. Rather discussion should be focused on determining the most appropriate ESL for E-rate 2.0 and the long term good of the students and community.

In conclusion, the referenced PN and NPRM have initiated concurrent discussions for the 2014 ESL. Given the opportunity, the 2014 ESL should be considered in context of the E-rate 2.0 discussion.

Therefore none of the changes proposed by the PN should be implemented at this time. However, if the proposed changes are considered, the proposed limitation to a single web hosting provider should be removed.

Thank you for your time and consideration as we keep students' needs first.

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