



Arkansas State Library

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**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of:)
Reply Comments On Promoting Fair and Open) WC Docket No. 21-455
Competitive Bidding in the E-Rate Program)

**Reply Comments from the Arkansas State Library
(Filed May 26, 2022)**

Introduction

The Arkansas State Library (ASL), a division of the Arkansas Department of Education, is the state library administrative agency for Arkansas. As part of its mission to support the libraries of the state, ASL offers direct E-Rate support to its 227 public libraries. Assistance is provided via training, filing guidance from application submission through invoicing, and support with post-commitment proceedings. ASL's Manager of E-Rate Services is active in E-Rate nationally as part of the American Library Association's E-Rate Task Force.

The Arkansas State Library agrees with the commenters who are united in opposition to the proposed competitive bidding portal (ALA, SECA, SHLB, et al.). While it is important to prevent waste, fraud, and abuse in the E-Rate program, we do not believe a bidding portal will achieve this goal. We appreciate the opportunity to file these Reply Comments on the issue of "Promoting Fair and Open Competitive Bidding in the E-Rate Program."¹

Reply Comments

Impact on Small Libraries:

The American Library Association (ALA) notes that "adding a portal requirement will be especially burdensome on smaller libraries which lack staff time and expertise to comply with the current E-Rate application and follow up processes."² We agree and believe the

¹ Notice of Proposed Rulemaking. In the Matter of: *Promoting Fair and Open Competitive Bidding in the E-Rate Program* (WC Docket No. 21-455). Released December 16, 2021.

² Comments of the American Library Association. WC 21-455. Filed April 27, 2022. page 2. (ALA).

addition of a bidding portal to the E-Rate program will cause many small and rural libraries to drop out of the E-Rate program.³ These libraries do not have either additional staff time to devote to a more complex filing process or funding to hire a consultant.⁴ If the administrative burden of the E-Rate program becomes more complex with the introduction of a bidding portal, these small libraries will be forced to take a hard look at the number of hours required to participate in the E-Rate program versus the amount of money the library can save with E-Rate discounts. In many instances, any additional administrative burden will outweigh the benefits of E-Rate funding.

The American Library Association asks the Commission to consider an exemption for small libraries to minimize the impact of any additional administrative burden a bidding portal would impose.⁵ We agree with this recommendation should the Commission move forward with a bidding portal. Currently there is a competitive bidding exemption for commercially available high-speed internet access services delivered at a pre-discount cost of \$3,600 or less annually.⁶ Data from FY 2022 Arkansas public library E-Rate Form 471 internet access funding requests shows that 41% of requests are at or under a pre-discount amount of \$3,600 annually.⁷ However, fewer than half of these libraries qualify for competitive bidding exemptions because they do not receive speeds of 100 Mbps downstream and 10 Mbps upstream due to lack of broadband infrastructure. To keep these libraries in the E-Rate program, we believe that there should be an exemption to the bidding portal for those small entities whose requests are at or under a reasonable funding request threshold. We find the dollar amount requested by ALA is straightforward, reasonable, and simple to administer.⁸

Interaction with State and Local Procurement Rules:

The State E-Rate Coordinator's Alliance (SECA) points out several examples where state or local bidding requirements will not align with the proposed federal E-Rate bidding portal.⁹ In Arkansas, many of our public libraries are either county or city entities. For county purchases requiring formal bidding, county purchasing procedures require steps such as posting the bid in a conspicuous location in the county courthouse and publicizing the date, time, and place of the bid opening.¹⁰ Even if it is possible to align these local bidding procedures with the proposed federal E-Rate bidding portal, the administrative burden that will fall on the library and county officials will be significant. The additional administrative burden will in many instances outweigh the benefits of the E-Rate program, especially when the public library is the only county entity subject to

³ Of the 123 Arkansas public library outlets represented in FY 2022 E-Rate applications, 91 receive the Rural discount in the E-Rate program.

⁴ Only one Rural Arkansas library representing two recipients of service employed a consultant to file its FY 2022 E-Rate application. The other Rural Arkansas libraries filed on their own or with the assistance of the Manager of E-Rate Services at the Arkansas State Library.

⁵ ALA, page 4.

⁶ 47 CFR §54.503 (e)

⁷ USAC Open Data. *E-Rate FCC Form 471 Download Tool*. Retrieved May 19, 2022, from <https://opendata.usac.org/stories/s/E-rate-Tools/bneq-mh8b/>.

⁸ ALA, footnote 22.

⁹ Initial Comments of the State E-Rate Coordinators' Alliance. WC 21-455. Filed April 27, 2022. page 15. (SECA).

¹⁰ARK. CODE ANN. § 14-22-101 to – 108.

these additional rules. The current requirement for applicants to follow state, local, and E-Rate bidding procedures is a well-established practice and one that applicants already follow. Making changes to the E-Rate competitive bidding process will cause confusion among applicants and lead to inadvertent errors.

SPAM:

SECA addresses the problem of “spam” bids in the E-Rate program. We agree with the way the problem of spam is characterized in their comments.¹¹ The vendors who send spam bids prey on applicants who may lack the technical expertise to know if the bid is real or something sent to every applicant who filed a Form 470. If these vendors submit spam bids to a bidding portal instead of to applicants directly, and especially if applicants are not able to look at bids until a 28-day bid holding period has passed, spam will become a bigger issue in the program than it is now. By having the ability to receive bids directly and look at bids when they are received, applicants can better determine what is spam and what is a legitimate bid.

Thank you very much for considering our comments.

Respectfully Submitted,



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¹¹SECA, page 17.