

Common Misconceptions about the E-Rate

Only low-income districts receive funding.

Many districts are confused about this. The fact is that in every year of the E-Rate program, for telecommunications and Internet-access funding, **every district that has applied has received the full amount** for which it was eligible. Only funding for "internal connections" has been unavailable to some districts.

Without a Web filter, our district is not eligible.

The Children's Internet Protection Act (CIPA) restricts federal funding for districts which do not have a filter to protect students from inappropriate Web sites. Compliance with CIPA is not required for E-Rate funding for Telecommunications Services. Compliance is required to receive funding for Internet Access or Internal Connections.

Our district is too small to bother with the E-Rate.

Any district can benefit from the E-Rate. As an example, with a discount of 40%, if you pay \$16 per month for each of your phone lines, you will save \$76 per year on each phone line your district uses. If you pay \$800 per month for your T-1 Internet connection, with a 40% discount you will receive \$3,840 per year.

The paperwork is overwhelming.

The administrative burden to complete the application is considerable. If the burden of learning the rules and filling out all the forms is too much, consider hiring On-Tech to handle your application.

I have heard that the E-Rate program will cease to exist.

This rumor has existed since year one, and in past years there have been attempts in Congress to kill the program. However, the program has survived every attempt to end it. There is a bill currently in committee, H.R. 1252, which seeks to terminate the E-Rate, and I encourage you to ask your representatives to oppose the measure. However, there are two other bills currently in committee which seek to expand the Universal Service program. If you are concerned about wasting your time completing the application process only to have the program end, hire an outside company to complete the application process for you on a contingency basis.