

SUPPORTING STATEMENT

This submission is being made pursuant to 44 U.S.C. 3507 of the Paperwork Reduction Act of 1995 to obtain OMB approval to revise existing collection 3060-0806 as a result of a recent order as explained below.

A. Justification:

1. *Circumstances that make the collection necessary.* The Federal Communications Commission seeks emergency processing under the Paperwork Reduction Act (PRA), 5 C.F.R. § 1320.13. The Commission is requesting OMB approval for this revised information collection by November 3, 2014.

- The Communications Act of 1934, as amended by the Telecommunications Act of 1996 (Act), directed the Commission to take steps necessary to establish support mechanisms to ensure the delivery of affordable telecommunications service for all Americans, including consumers in high cost areas, low-income consumers, rural health care providers, and eligible schools and libraries. Section 254(h) of the Act, as implemented by the Federal Communications Commission (Commission) in its *Universal Service Order* (CC Docket No. 96-45, FCC 97-157), established, *inter alia*, the federal universal service support mechanism for schools and libraries.
- Under the schools and libraries support mechanism (also known as the E-rate program), eligible schools, school districts, libraries, and consortia that include eligible schools and libraries may apply for discounts ranging from 20 percent to 90 percent of the pre-discount price of eligible services, based on indicators of need.
- Eligible school and library applicants can seek funding on an annual basis by commencing the application process with the Universal Service Administrative Company (USAC), the current administrator of all of the universal service programs, including the E-rate program.
- On July 23, 2013, the Commission released the *E-rate Modernization NPRM* (WC Docket No. 13-184; FCC 13-100; 78 FR 51597, August 20, 2013), seeking comment on various proposals to modernize the E-rate program, including streamlining the application and administrative processes.
- On March 6, 2014, the Wireline Competition Bureau issued a Public Notice (DA 14-308) seeking additional comment on these proposals.
- On July 23, 2014, the Commission released an Order adopting many of the proposals made in the *E-rate Modernization NPRM* (WC Docket No. 13-184, FCC 14-99; 79 FR 49160, August 19, 2014) (*E-rate Modernization Order*). Specifically, the *E-rate Modernization Order* adopts new rules and procedures to reorient the E-rate program to focus support on high-speed broadband for schools and libraries while also taking steps to streamline the program for the upcoming 2015 funding year.

The Commission seeks to revise OMB 3060-0806 to conform this information collection with changes implemented in the *E-Rate Modernization Order*. These changes include:

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- Simplifying the application process by:
 - Moving FCC Forms 470 and 471 to a new electronic filing platform, reducing the opportunity for omissions and clerical errors, and allowing for web-based, user-friendly interfaces for submission of these forms;
 - Enabling streamlined review of funding requests that involve multi-year contracts for eligible services;
 - Implementing an exemption in our competitive bidding rules for applicants seeking E-rate support to purchase commercially available, business-class Internet access services that cost \$3,600 or less for a single year;
 - Allowing applicants to take services on a preferred master contract designated by the Bureau without filing an FCC Form 470;
 - Implementing a simplified “district-wide” discount calculation mechanism.
- Collecting data to facilitate measurement of progress towards the adopted program goals and to establish budgets for schools and libraries, including more detailed data on the nature of the services requested;
- Revising the forms and instructions nomenclature to reflect a change from descriptions of the eligible categories of services as “priority 1” or “priority 2” to “category 1” and “category 2”; updating the forms to include managed internal broadband services as a new type of service that is eligible for support; and separating out voice service from other services because it will be subject to a lower discount rate;
- Updating applicant certifications to reflect new exemptions from filing requirements, elimination of technology planning, and extension of the document retention period.

Collection of the information on FCC Forms 470 and 471 is necessary so that the Commission and USAC have sufficient information to determine if entities are eligible for funding pursuant to the schools and libraries support mechanism, to determine if entities are complying with the Commission’s rules, and to prevent waste, fraud, and abuse. In addition, the information is necessary for the Commission to evaluate the extent to which the E-rate program is meeting the statutory objectives specified in section 254(h) of the 1996 Act, and the Commission’s own performance goals established in the *E-rate Modernization Order*. This information collection, as described in more detail below, is being revised to modify the information collection requirements for the existing E-rate program, including changes to the FCC Form 470 and Form 471. Taken as a whole, these modifications should reduce administrative burdens and costs for applicants, service providers, and the E-rate program Administrator.

Statutory authority for this collection of information is contained in sections 1, 4(i), 4(j), 201-205, 214, 254, and 403 of the Communications Act of 1934, as amended, 47 U.S.C. § 151-154, 201-205, 218-220, 254, 303(r), 403 and 405.

- a. Revision of FCC Form 470 “Description of Services Requested and Certification”.

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To begin the application process for E-rate funding, applicants must comply with the Commission’s competitive rules. This starts when the applicant seeks bids from vendors by posting an FCC Form 470 describing the services it needs. Applicants must submit the FCC Form 470 to USAC which then must be posted for 28 days before applicants can enter into contracts or agreements for services. The funding year for the E-rate program starts on July 1 and ends on June 30. Many applicants must post the FCC Form 470 one year prior to the start of the upcoming funding year in order to meet state, local, and other procurement deadlines and requirements. For example, the upcoming funding year begins July 1, 2015 which requires many applicants to post the FCC Form 470 on, or shortly after, July 1, 2014. Applicants and consultants completing the FCC Form 470 must provide basic information on the form, including contact information and demographic information to assist in the processing of the application. At a minimum the form must include a list of specified services for which the school, library, or consortium requests bids, and sufficient information to enable bidders to reasonably determine the needs of the applicant. See 47 C.F.R. § 54.503(c)(1). We propose to modify the FCC Form 470 as follows:

- **Multiple:** Add “FCC” before “Form 470.” For example, Block 4, Item 15 in the penultimate sentence.
- **Header:** Delete “(You can also file online at www.usac.org/sl).” (See FCC 14-99 at paras. 205-206).
- **Block 2, Revised Item 8:** Replace “Priority One Services (Telecommunications and/or Internet Access)” with “Category One: Internet Access and/or Telecommunications.” (See FCC 14-99 at para. 77; 47 C.F.R. § 54.502(a)).
- **Block 2, Revised Item 10:** Replace “Internal Connections Other Than Basic Maintenance” with “Category Two: Internal Connections and Managed Internal Broadband Services. In item 10b, add the clause “and Managed Internal Broadband Services” after “...you must list below the Internal Connections ...” (See FCC 14-99 at paras. 124-125, 127; 47 C.F.R. §§ 54.500, 54.502(a)).
- **Block 2, Revised Item 11:** Add: “Category Two:” before “Basic Maintenance of Internal Connections.” (See FCC 14-99 at para. 77; 47 C.F.R. § 54.502(a)).
- **Block 5, Removed Item 17:** Delete the certification for technology planning. Reserve this section for future use. (See FCC 14-99 at paras. 197-198)
- **Block 5, Revised Item 18:** Change “my” to “any applicable”.
- **Block 5, Revised Item 19:** Because the Commission has extended recordkeeping requirements in all facets of the Universal Service program (see, e.g., the *USF/ICC Transformation Order*, 26 FCC Rcd at 17864, paras. 619-21; *Lifeline Reform Order*, 27 FCC Rcd at 6857, paras. 505-06), the certification language that reads “at least five years” is replaced with “at least 10 years.” (See FCC 14-99 at para. 262; 47 C.F.R. § 54.516(a)(1)).
- **Block 5, Revised Item 23:** Change “can” to “may,” etc.

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- b. Revision of FCC Form 470 “Description of Services Requested and Certification” Instructions:
The FCC Form 470 instructions are updated to reflect the above changes, the transition to all electronic filing, and to clarify the nature of the information to be filed in light of changes to the program made in the *E-Rate Modernization Order*. For example, certain business-class Internet access services and preferred master contracts are exempt from the requirement to post an FCC Form 470, and the Commission also eliminated the technology planning requirement in its E-rate rules allowing for the elimination of the certification on the FCC Form 470.
- c. Revision of FCC Form 471 “Services Ordered and Certification.”

Once a school or library has complied with the Commission’s competitive bidding requirements and entered into an agreement for eligible services, it must file an FCC Form 471 application to notify USAC of the services that have been ordered, the service providers with whom the applicant has entered into an agreement, and an estimate of the funds needed to cover the discounts to be given for eligible services. See 47 CFR § 54.504(a). Applicants also must provide their FCC Registration Number. See 47 CFR §§ 1.8002 and 1.8003. The funding window in which USAC accepts FCC Form 471 applications typically opens in January and closes in March before the funding year begins on July 1. For example, based on past filing window deadlines, the application funding year window for the 2015 funding year is likely expected to open in January 2015, and close in March 2015. This timing allows USAC to process applications and start granting funds prior to the start of the funding year.

Besides basic information about the applicant or consultant filling out the form, the form also collects information to determine the discount amount for the applicant and information to determine whether the services requested are eligible for funding. The form contains a discount calculation worksheet for certifying the percentage of students eligible in that school for the national school lunch program (or other acceptable indicators of economic disadvantage determined by the Commission) because economically disadvantaged schools and rural schools receive a greater share of E-rate program funding. See 47 CFR § 54.505(b)(1). Libraries must make certifications about students eligible for national school lunch programs in nearby areas. See 47 CFR § 54.505(b)(2). Also, rural schools and libraries receive slightly more funding than urban participants. See 47 CFR § 54.505(b)(3) and (c). We propose to modify the FCC Form 471 as follows:

- **Form Description:** Revise form description to more accurately describe its purpose.
- **Block 1; Revised Item 3a:** Online form begins here. System populates contact information in Block 1 based on stored data.
- **Block 1; Revised Item 6:** Revised to make e-mail the required mode of contact for all questions about the application. (See FCC 14-99 at paras. 205-206).
- **Block 4; Revised Item 7a:** Old Item 9, is partially revised and replaced with item 7a “All Schools or Libraries in District or System.” This item requires applicants to identify each individual school that makes up a district that is part of the application because applicants seeking support for category two services are required to seek support under a set budget and on a school-by-school and library-by-library basis. Although, school districts will use a single district-wide discount rate for all of their schools, as will library

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systems for all of their libraries. (See FCC 14-99 at paras. 86, 115; 47 CFR §§ 54.502(b), 54.505(b)-(c)). This item provides information that allows USAC to identify where services will be delivered later in Block 5; Item 21.

- o **Revision Description:** Item 7a collects most of the information previously required by Item 9a as approved in a previous request for this information collection. New information is also collected in this item including (for each school that is part of the application): state local education agency (LEA) ID; state school ID; the number of students that attend full time or part time; an indicator of whether the school is a charter school; an indicator of whether the entity is tribal; and an indicator of any alternative discount mechanisms that are used such as the Community Eligibility Option under the National School Lunch Program (NSLP). The entity's pre-discount and post-discount category two budget will be automatically populated from information entered in other fields. New information required from libraries include the total square footage of each library outlet, an indicator of whether the outlet is a main branch, and the billed entity number for the school district that the library is using to calculate its discount rate. The library's pre- and post-discount category two budget will be automatically populated from information entered in other fields.
- o FCC Form 471 no longer collects the following information that was required by Item 9a and 9b: Discount from Discount Matrix; New Construction; Weighted Product; and Shared Services.
- **Block 4; New Item 7b:** Old Item 9, which allowed applicants to apply for some or all of the schools in a district, is replaced with new item 7b to implement the requirement that the applicable discount be calculated on a district-wide basis. The title of this item is changed from "Discount Calculation Worksheet" to "School District Discount Calculation." The "School District Discount Calculation" is a revision requiring district-wide information including School District Name, School District Entity Number, Total Number of Students in School District, and Total Number Students in School District Eligible for NSLP to allow USAC to establish the district-wide discount applicable to any schools located in the district seeking E-rate support. Libraries are required to provide the information for the public school district(s) in which the main branch of the library is located. Consortia are required to complete one line for each school district entity number that will be featured in the Consortium Discount Calculation. (See FCC 14-99 at para. 217; 47 C.F.R. §54.505(b)-(c)).
- **Block 4; Revised Item 8:** We remove questions from former Block 5, Item 24 and revise questions seeking data broadband connection information and speeds. This additional information will better facilitate measurement of progress towards the adopted program goals and will inform decisions regarding budgets for schools and libraries. For each school, school district, library, or library system (but not consortia), the applicant is required to indicate Internet access speeds per populations served; the number of schools in their school district, and libraries in their library system that have Wide Area Networking connections scalable to 10 Gbps; the number of schools in their school district, and libraries in their library system that have local area network (LAN)/wireless local area network (WLAN) capacity and coverage; and, for those schools and libraries that do not have sufficient WLAN capacity and coverage to support the educational

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objectives or library activities conducted at that location, the reason for the insufficiency. A drop down menu with common reasons will be provided for applicants as well as a text box to input miscellaneous reasons. Consortia are not required to complete this Item. (See FCC 14-99 at paras. 32-27, 39, 42, 46-47; 47 CFR § 54.502(b)).

- **Block 4; New Item 9:** Requires no data entry from the applicant because the entire “Consortium Discount Calculation” worksheet is auto-populated based on previously provided data. (See FCC 14-99 at para.221; 47 CFR § 54.505(b)(4)).
- **Block 5; Revised Item 11:** We remove “Priority 1” and “Priority 2” from Item 11 and replace with “Category One” and “Category Two,” and update the names of the services available in these categories. Category One contains the following check boxes: “Telecommunications Services,” “Internet Access,” and “Voice Services.” Category Two contains checkboxes for “Basic Maintenance of Internal Connections,” and “Internal Connections and Managed Internal Broadband Services.” These changes reflect the elimination of Priority 1 and 2 services, and provide a way for applicants to seek support for voice services separately from other services. Applicants must seek support for voice services under a separate funding request number (FRN) from other eligible services because voice services are subject to a 20 percentage point reduction beginning with funding year 2015. (See FCC 14-99 at para. 77, 123-124, 135; 47 C.F.R. §§ 54.502(a), 54.505(d)).
- **Block 5; Revised Item 12:** Modify Item 12 to include two additional check boxes for the applicant to indicate whether: 1) the Funding Request is for an eligible commercially available business-class Internet access service exempt from the requirement to post an FCC Form 470; and 2) the Funding Request is for an eligible preferred master contract exempt from the requirement to post an FCC Form 470. The E-rate Modernization Order exempts applicants from the competitive bidding rules when they purchase commercially available business-class Internet access service that cost \$3,600 or less for a single year, and when they purchase services from a preferred master contract designated by the Bureau without filing an FCC Form 470. Block 5 allows applicants to indicate that they have exercised these new options. (See FCC 14-99 at paras. 170-173, 199-202; CFR § 54.503(e)).
- **Block 5; Revised Item 15e:** In the E-rate Modernization Order, the Commission determined that the E-rate program will make information regarding the specific services and equipment purchased by schools and libraries, as well as related line item costs, publicly available on USAC’s website for funding year 2015 and beyond. For those applicants that are unable to have the E-rate program publish this information, Item 15e is added to the previous sub-items in this field. Item 15e provides an additional check box for applicants to “certify that there is a specific statute, rule or other restriction barring publication of the information provided in Item 21.” The item further provides language informing applicants of the requirement to retain the necessary documentation that supports this certification. (See FCC 14-99 at paras. 160-161).
- **Block 5; Revised Items 19, and 20a-b:** Deletes the previous Item 19, replacing it with Items 19a – d. Original language is retained except for new Item 19d.
 - **New Item 19d.** Requires applicant to indicate whether the contract for this funding

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request contains a clause that permits the parties to extend or renew the agreement at the end of the initial contract period by responding “yes” or “no.” If yes, a drop down menu provides numeric values for the applicant to select the number of possible extensions remaining and the total length of contract if all extensions are exercised.

- **Block 5; Item 20 Revises and Replaces Item 23:** Item 20 is replaced by Item 23 “Calculations.” The majority of the Item is system calculated and auto-populated from data entered in other fields, primarily Item 21. Current Field J, “Discount from Block 4 Worksheet” is modified to reflect the gradual phase-out of support for voice services. (See FCC 14-99 at para. 135; 47 C.F.R. § 54.505(d)).
- **Block 5; Revised Item 21:** Revised Item 21 replaces and revises the Item 21 attachment and replaces and revises Item 24. Item 21 is modified from what was an uploaded attachment to data entry fields embedded in the form. The information collected in Item 24 is replaced by modified Item 21. Revised Item 21a-c requires detailed price and service information that will be publicly available. The E-rate Modernization Order states that increased price transparency will improve cost-effectiveness within the program. Item 21 is separated into sections: (a) Telecommunications (including voice) and Internet Access, (b) Internal Connections and Managed Internal Broadband Services; and (c) Basic Maintenance of Internal Connections. For each section, in the field labeled “Narrative Description of this FRN,” the applicant is first required to provide a narrative description of the FRN. The applicant is required to provide a detailed description of the requested services; the entry fields change depending on the service category and drop down menus assist applicants in selecting specific products. The information collected enables USAC and the Commission to determine the eligibility and location of entities receiving the services requested, track what services and products are purchased, collect connectivity data, and help promote pricing transparency. (See FCC 14-99 at paras. 32-27, 39, 42, 46-47, 160-161; 47 CFR §§ 54.502, 54.504).
- **Block 5; Item 22:** This item is removed because this information is now captured in Block 5; Revised Item 21.
- **Block 6: Certifications and Signature.** Due to changes in Block 5, Item 12, as well as the elimination of several Items, Block 6 now begins with certifications at Item 22 through 40, instead of Item 25 through 43. The E-rate Modernization Order eliminates the technology plan requirements. Therefore, the Item 27 certification is removed because it is no longer relevant. The revisions to Block 6 include:
 - **Block 6; New Item 24:** The applicant is required to check this certification if it checked Item 12a on the Block 5 worksheet, and is not relying on the exemptions in Items 12b or 12c. The certification is a minor modification of the certification in former Item 28.
 - **Block 6; New Item 25:** The applicant is required to check this certification if it also checked Item 12b on the Block 5 worksheet. The certification states, “I certify that if I checked item 12b on any Block 5 worksheet on this form that I selected an eligible commercially available business-class Internet access service exempt from the requirement to post an FCC Form 470.” (See FCC 14-99 at paras. 199-202; CFR § 54.503(e)).

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- **Block 6; New Item 26:** The applicant is required to check this certification if it also checked Item 12c on the Block 5 worksheet. The certification states, “I certify that if I checked item 12c on any Block 5 worksheet on this form the services ordered were from an eligible preferred master contract exempt from the requirement to post an FCC form 470.” (See FCC 14-99 at paras. 170-173).
- **Block 6; New Item 31:** Modifies the language from Item 33 that reads “for a period of five years” to read “for a period of at least ten years.” This change reflects the increased document retention period for all required E-rate records. (See FCC 14-99 at para. 262; 47 C.F.R. § 54.516(a)(1)).
- **Instructions:** The FCC Form 471 instructions are updated to reflect all electronic filing and to clarify the nature of the information to be filed in light of changes to the program made in the *E-Rate Modernization Order*.

New or revised rules impacting this collection:

- Revised **section 54.504(b)(2)-(3), (5)** of the Commission’s rules requires collection of data to determine student count and library size to calculate category two budgets for applicants. (See FCC 14-99 at paras. 86, 115).
- Revised **section 54.505(b)(4)** of the Commission’s rules requires a revision to the current collection of data to calculate discounts on services according to a district-wide calculation formula. (See FCC 14-99 at para. 217).
- Revised **section 54.516(a)** of the Commission’s rules to extend the current document retention requirement from five years to ten years because the current five-year document retention requirement is not adequate for purposes of litigation under the False Claims Act (FCA), which can involve conduct that occurred substantially more than five years prior to the filing of a complaint. (See FCC 14-99 at para. 262).

This information collection does not affect individuals or households; thus, there are no impacts under the Privacy Act.

2. *Use of Information.* The requirements contained herein are necessary to implement the congressional mandate for universal service. The information collected herein provides the Commission and USAC with the necessary information to administer the E-rate program, determine the amount of support entities seeking funding are eligible to receive, to determine if entities are complying with the Commission’s rules, and to prevent waste, fraud, and abuse. The information will also allow the Commission to evaluate the extent to which the E-rate program is meeting the statutory objectives specified in section 254 of the 1996 Act, the Commission’s own performance goals set in the E-rate Modernization Order, and to evaluate the need and feasibility for any future revisions to program rules.
3. *Use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology.* Beginning in Funding Year 2015, the filing process is being modernized to provide a simple, web-based interface for submission of the FCC Forms 470 and 471. The online implementation of the forms being provided with this submission may not, in non-material respects, exactly resemble the paper “draft” of the forms. USAC will implement the revised information

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collection for these forms through an online interface on the USAC web site (online only filing). The system will permit applicants to be able to input data in required fields and have calculations and other data auto-populated for them in other related fields or worksheets. To reduce applicant confusion, the electronic filing process will utilize progressive disclosure, so that an applicant will be asked to provide only information relevant to their application (e.g., school applicants will not be asked to provide, or see questions intended for, library applicants). The interface is being designed to provide online storage of applications and related materials for school and library entities, in order to ease compliance with recordkeeping requirements and possible audits. Furthermore, the system is being updated so that information already provided by applicants can be carried forward to filings in later funding years (i.e. pre-populated data), in order to further reduce the filing burden.

4. *Efforts to identify duplication.* There will be no duplication of information. The information sought is unique to each applicant and similar information is not already available. The Commission does not otherwise collect information from schools and libraries. The data collected by the Commission regarding school and library use of telecommunications, information and broadband services is, to the best of the Commission’s knowledge, not available from other sources. To the extent data can be cross-walked based on unique identifiers, this information will be obtained and automatically pre-populated into the FCC Forms 470 and 471. The forms and information collection process for the E-rate program are being modernized to ensure that applicants need only report a single piece of information once, to the extent possible. The online system is also being modified to “pre-populate” information so that applicants do not have to manually re-enter information that has not changed from previous filings.
5. *Impact on small entities.* Entities directly subject to the requirements in the forms are primarily schools, libraries, school districts, and consortia comprised of schools and libraries. The forms have been designed to impose the least possible burden on the respondents while ensuring that the Administrator and the Commission have information necessary to administer and improve the program. Smaller entities may avail themselves of the following options to minimize potential burdens:
 - Participate in consortium purchasing whereby a consortium lead seeks bids and enters into contracts on behalf of other school district, school and library entities.
 - Rely on the school district the school or library is in to provide the inputs for calculating the district wide discounts on the FCC Form 471, and other entity-level information, rather than having to expend their own school-based resources to collect this information.
 - Use the “Copy Block 4” feature that allows users to copy the Block 4 data from another FCC Form 471.
 - Use the “Block 4 Bulk Upload” feature to upload Block 4 information from a spreadsheet, which will then populate the fields on the FCC Form 471.
 - Use the new competitive bidding exemptions to reduce administrative burdens: (1) select an eligible commercially available business-class Internet access service that is exempt from the FCC Form 470 posting requirement; (2) order services from an eligible preferred master contract exempt from the FCC Form 470 posting requirement.
 - Use the new simplified application process for seeking funding for services under multi-year contracts.
6. *Consequences if information not collected.* Failing to collect the information, or collecting it less frequently, would prevent the Commission from implementing section 254 of the 1996 Act, which in turn would prevent eligible schools and libraries from receiving discounted eligible services.

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7. *Special circumstances.* Applicants are required to retain records filed with the administrator for ten years. The records are needed in the event the applicant is audited. If an applicant is audited, it should be able to demonstrate to the auditor how the entries in its application were provided. We do not foresee any special circumstances that would cause an information collection to be conducted under extraordinary circumstances.
8. *Federal Register notice; efforts to consult with persons outside the Commission.* Emergency approval is being sought for this information collection, and the Commission seeks waiver of the 60-day notice requirement due to the emergency nature of this request under 5 CFR § 1320.8(d). However, the Commission has prepared and will publish a 30-day notice, announcing submission of this emergency request.

The Commission will conduct all the regular OMB clearance processes and procedures upon approval of the emergency request. We will publish the necessary notice(s) in the Federal Register when seeking regular OMB approval.

The Notice of Proposed Rulemaking for the *E-rate Modernization Order* was published in the Federal Register, as required by 5 C.F.R. § 1320.8(d) on July 23, 2013. See 78 FR 51597. Prior to releasing the *E-rate Modernization Order*, the Commission consulted with persons outside the agency to obtain their views on the above topics, including representatives of schools, school districts, and libraries, state education representatives, trade associations, service providers, and other stakeholders. The Commission worked with USAC to modify the forms in a manner that will provide USAC and the Commission with necessary information, while limiting the burden on applicants to respond. Steps have been and are being taken to reduce the burden for future information collections by modernizing the online version of the FCC Forms 470 and 471, streamlining the process for seeking funds under multi-year contracts, and to reduce the number of applications due to incentives for district-wide applications from schools, multiple school districts, and consortia.

9. *Payments or gifts to respondents.* There will be no payments or gift to respondents.
10. *Assurances of confidentiality.* There is no assurance of confidentiality provided to respondents concerning this information collection. However, respondents may request materials or information submitted to the Commission or to the Administrator be withheld from public inspection under 47 C.F.R. § 0.459 of the FCC's rules.
11. *Questions of a sensitive nature.* The request does not address any private matters of a sensitive nature.
12. *Estimates of the hour burden of the collection to respondents.* The following represents the hour burden on the collections of information:
 - a. Submission of FCC Form 470 "Description of Service Requested and Certification."
Applicants in the E-rate program generally must submit an FCC Form 470 with a description of the services needed to USAC, which administers the fund. The information from the FCC Form 470 is then posted on USAC's website for all potential competing service providers to review. After waiting 28 days, the applicant can enter into an agreement for services. Applicants and consultants completing the FCC Form 470 must provide basic information on the form, including contact information and demographic information to assist in the processing of the application.

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- (1) Number of respondents: Of these approximately 35,000 public school districts, private schools, public library systems, and consortia respondents,
 - (a) Approximately 29,000 respondents are in the government/public sector; and
 - (b) Approximately 6,000 respondents are in the non-profit/private sector.
- (2) Frequency of response: On occasion. Each applicant (may be a school district, multiple school districts, public library systems, or combination thereof) must submit the FCC Form 470, describing the services desired, to the Administrator before entering into an agreement for E-rate supported services.
- (3) Annual burden per response: 3 hours to fill out the form to comply with the reporting requirement; and 0.5 hour for the ten-year recordkeeping requirement. The total annual hour burden is: 122,500 hours.
- (4) Total estimate of annualized cost to respondents for the hour burdens for collection of information: \$6,001,275.
- (5) Explanation of calculation: We estimate that:
 - (a) It will take approximately 3 hours to fill out Form 470 for the reporting requirement:
 - 29,000 public sector respondents x 3 hours/form = 87,000 hours
 - 6,000 private sector respondents x 3 hours/form = 18,000 hours
 - (b) It will take approximately 0.5 hours for the ten-year recordkeeping requirement:
 - 29,000 public sector respondents x 0.5 hours = 14,500 hours
 - 6,000 private sector respondents x 0.5 hours = 3,000 hours
 - (c) These 35,000 (public sector and private sector) respondents will require approximately x 3.5 hours to comply with requirements: preparing Form 470, including time for reading instructions, and complying with the ten-year recordkeeping requirements at a cost of \$48.99 per hour (including administrative staff time and overhead): 35,000 respondents x 1 submission x \$48.99 per hour = \$6,001,275.

Summary of Estimated Total Annual Burden Hours for FCC Form 470:

Total Number of Respondents: 35,000 respondents: 29,000 public sector and 6,000 private sector

Total Number of Responses: 35,000 responses: 29,000 public sector and 6,000 private sector

Total Annual Hourly Burden: 122,500 hours

105,000 hours for reporting requirements

17,500 hours for recordkeeping requirements

b. Submission of FCC Form 471 “Services Ordered and Certification.”

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The FCC Form 471 must be filed each year by all E-rate applicants. Once a school or library has complied with the Commission's competitive bidding requirements and entered into an agreement for eligible services, it must file an application (FCC Form 471) to notify USAC of the services that have been ordered, the service providers with whom the applicant has entered into an agreement, and an estimate of the funds needed for eligible services. Besides basic information about the applicant or consultant filling out the form, the form also gathers information about the broadband services that the school or library is currently using to help the Commission and USAC determine the technological needs of participants in the E-rate program. Economically disadvantaged schools receive a greater share of E-rate program funding. Thus, the form contains a discount calculation worksheet for certifying the percentage of students eligible for the national school lunch program (or other acceptable indicators of economic disadvantage determined by the Commission) on a district-wide basis. Similarly, libraries must make certifications about students eligible for national school lunch programs in nearby areas. The FCC Form 471 requires applicant's demographic location because rural schools and libraries receive slightly more funding than urban participants. Entity-level information is required to determine school and library budgets for Category Two services and equipment.

- (1) Number of respondents: Of these approximately 47,000 public school districts, private schools, public library systems, and consortia respondents,
 - (a) Approximately 38,000 respondents are in the government/public sector; and
 - (b) Approximately 9,000 respondents are in the non-profit/private sector.
- (2) Frequency of response: Annually. Each school and library must submit FCC Form 471, describing the services desired, to the Administrator.
- (3) Annual burden per response: 4 hours to fill out the form to comply with the reporting requirement; and 0.5 hour for the ten-year recordkeeping requirement. The total annual hour burden is: 211,500 hours.
- (4) Total estimate of annualized cost to respondent for the hour burdens for collection of information: \$10,361,385.
- (5) Explanation of calculation: We estimate that:
 - (a) It will take approximately 4 hours to fill out Form 471 for the reporting requirement:

38,000 public sector respondents x 4 hours/form = 152,000 hours

9,000 private sector respondents x 4 hours/form = 36,000 hours
 - (b) It will take approximately 0.5 hours for the ten-year recordkeeping requirement:

38,000 public sector respondents x 0.5 hours = 19,000 hours

9,000 private sector respondents x 0.5 hours = 4,500 hours

These 47,000 (public sector and private sector) respondents will require approximately x 4.5 hours to comply with requirements: preparing Form 471, including time for reading instructions, and complying with the ten-year recordkeeping requirements at a cost of \$48.99 per hour (including administrative staff time and overhead):

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47,000 respondents x 1 submission x \$48.99 per hour = \$10,361,385.

Summary of Estimated Total Annual Burden Hours for FCC Form 471:

Total Number of Respondents: 47,000 respondents: 38,000 public sector and 9,000 private sector

Total Number of Responses: 47,000 responses: 38,000 public sector and 9,000 private sector

Total Annual Hourly Burden: 211,500

188,000 hours for reporting requirements

23,500 hours for recordkeeping requirements

Summary of Estimated Total Annual Burden Hours:

Total Number of Respondents: 82,000 respondents: 67,000 public sector and 15,000 private sector

Total Number of Responses: 82,000 responses: 67,000 public sector and 15,000 private sector

Total Annual Hourly Burden: 334,000 hours

293,000 hours for reporting requirements

41,000 hours for recordkeeping requirements

14. *Estimates of the cost burden to the Commission.* There will be few, if any additional costs to the Commission because notice, enforcement, and policy analysis associated with the Universal Service Fund are already part of the Commission's duties. Moreover, there will be minimal cost to the Federal government because a third party (USAC) administers the E-rate program.
15. *Program changes or adjustments.* Although, there are no adjustments to this estimate of total annual burden hours, the Commission has re-evaluated the reporting requirements, and now believes that these only consist of: (1) reporting, i.e., completing one or both forms; and (2) recordkeeping for 10 years. The Commission has also re-evaluated its estimate of the respondent groups and now believes that respondents only include: (1) state, local, or tribal governments, i.e., public school districts, public library systems, and consortia respondents; and (2) not-for-profit institutions (private sector). There are program changes that impact the information collection burdens but in the balance, because these are program changes that both increase and decrease the information collection burdens in equal amounts, these changes do not alter the total annual hours requested. These program changes that impact but do not alter the total burden hours associated with this information collection include:
- (1) Decrease in burden hours due to all electronic filing.
 - (2) Decrease in time to complete applications due to web-based interface, forms with automated fields and pre-populated data and electronic filing.
 - (3) Decrease in the time to complete future applications because information will be stored and pre-populated; also multi-year applications will be able to use a simplified filing process in future funding years.

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- (4) Decrease in burden due to the elimination of the Commission’s technology planning requirements and certification.
 - (5) Increase in the time to complete school level data and collection of data to determine student count and library size to calculate category two budgets for applicants.
 - (6) Increase in time to answer connectivity questions.
 - (7) Increase in time to become familiar with changes to the forms and instructions.
16. *Collections of information whose results will be published.* Non-proprietary information will likely be made publicly available for the benefit of all interested parties (*e.g.*, annual summary data for USAC’s quarterly Universal Service Fund demand estimates). Also revised Item 21a-c requires detailed price and service information that will be publicly available unless a special showing can be made that there is a specific statute, rule or other restriction barring publication of the information provided in Item 21. The E-rate Modernization Order states that increased price transparency will improve cost-effectiveness within the program.
17. *Display of expiration date for OMB approval of information collection.* The Commission seeks continued approval to not display the expiration date for OMB approval of this information collection. The Commission will use an edition date in lieu of the OMB expiration date. This will prevent the Commission from having to repeatedly update the expiration date on the electronic and paper forms each time this collection is submitted to OMB for review and approval. The Commission publishes a list of all OMB-approved information collections in 47 C.F.R. § 0.408 of the Commission’s rules.
18. Exceptions to certification statement for Paperwork Reduction Act Submissions (Item 19 of OMB Form 83-I). There are two exceptions to item 19 of the OMB 83i certification:
- (a) The Commission is seeking a waiver of the 60-day notice requirement under 5 C.F.R. § 1320.8(d). Due to the emergency nature of this request the Commission did not publish a 60-day notice. However, the Commission will publish a 30-day notice in the Federal Register soliciting public comment on the emergency approval request. The Commission has requested an approval date of November 3, 2014.
 - (b) The Commission notes that, pursuant to the *E-rate Modernization Order*, applicants are required to retain certain records longer than three years. Applicants must retain records for ten years to be able to demonstrate to the auditor how the entries in their application were provided.

B. Collections of Information Employing Statistical Methods:

The Commission does not anticipate that the collection of information will employ statistical methods.