

## Federal Communications Commission

### Explanation of Non-Substantive Changes to OMB Control Number: 3060-0806:

- FCC rule 54.502 (d) and (e)
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**Purpose of this Submission:** This submission is being made for proposed non-substantive change to an existing information collection pursuant to 44 U.S.C. § 3507. This submission seeks to make a non-substantive change to reflect the modification of FCC rule 54.502.

**Background:** On August 13, 2020, the Commission submitted revised information collection requirements for review and approval by the Office of Management and Budget (OMB), as required by the Paperwork Reduction Act (PRA) of 1995. That non-substantive change request sought to change certain fields, instructions, and the filing process for the FCC Form 471 to implement the changes adopted by the Commission in the Category Two Report and Order, FCC 19-117. That submission also sought to make non-substantive changes to the instructions and process by which applicants fill out the FCC Form 471 to improve the user experience and reduce the administrative burden. On September 2, 2020, OMB approved that information collection request. Sections 47 CFR 54.502(d) and (e) codifies these requirements. Upon OMB's review and approval of this submission, an effective date notice will be published to announce the effective date of these rules.

### Summary of Proposed Updates to the 3060-0806:

We propose the following modifications to 3060-0806 to reflect the amendment to § 54.502 by re-designating paragraph (d) as paragraph (e); and adding new paragraph (d). The new provisions read as follows:

#### § 54.502 Eligible services

(d) Funding year 2021 and beyond. Schools, school districts, libraries, and library systems shall be eligible for support for category two services pursuant to the five-year budgets described in paragraphs (d)(1) through (6) of this section.

(1) Fixed five-year funding cycle. Beginning in funding year 2021, each eligible school, school district, library, or library system shall be eligible for a budgeted amount of pre-discount support for category two services over a five-year funding cycle that will reset in funding year 2026 and subsequently, after every five funding years. Each school, school district, library, or library system shall be eligible for the total available budget less the pre-discount amount of any support received for category two services in the prior funding years of that fixed five-year funding cycle.

(2) School and school district multipliers. Each eligible school district and schools operating independently of a school district shall be eligible for support for category two services up to a pre-discount price of \$167 per student over a five-year funding cycle. The amount of support will be calculated at the time that the discount is calculated in the first funding year of the five-year cycle in which the applicant requests category two support, unless the school or school district elects to seek additional program support using updated enrollment numbers in subsequent funding years in the five-year cycle. School districts shall provide the total number of students within the school district. Independent charter schools, private schools, and other eligible educational facilities that operate under the control of a central administrative agency shall provide the total

number of students under the control of that agency. Schools that are not affiliated financially or operationally with a school district or central administrative agency shall provide the total number of students in the school.

(3) Library and library system multipliers. Library systems and libraries operating independently of a system shall be eligible for support for category two services, up to a pre-discount price of \$4.50 per square foot over a five-year funding cycle. The amount of support will be calculated at the time that the discount is calculated in the first funding year of the five-year cycle in which the applicant requests category two support, unless the library or library system elects to seek additional program support using updated square footage in subsequent funding years in the five-year cycle. Library systems shall provide the total area for all floors, in square feet, of all of its library outlets, including all areas enclosed by the outer walls of the library outlet and occupied by the library, including those areas off-limits to the public. Independent libraries shall provide the total area for all floors, in square feet, of all areas enclosed by the outer walls of the library outlet and occupied by the library, including those areas off-limits to the public.

(4) Funding floor. Each eligible school and library shall be eligible for support for category two services of at least a pre-discount price of \$25,000 over five funding years.

(5) Calculation increase. Before funding year 2026 and every subsequent five-year funding cycle, the Wireline Competition Bureau shall announce the multipliers and funding floor as adjusted for inflation at least 60 days before the start of the filing window for the next five-year funding cycle. The Bureau shall use the last four quarters of data on the Gross Domestic Product Chain-type Price Index (GDP-CPI) compared with the equivalent quarters from the beginning of the five-year funding cycle. The increase shall be rounded to the nearest 0.1 percent and shall be used to calculate the category two budget multipliers and funding floor for that five-year funding cycle. The multipliers and funding floor shall be rounded to the nearest cent.

(6) Non-instructional buildings. Support is not available for category two services provided to or within non-instructional school buildings or separate library administrative buildings unless those category two services are essential for the effective transport of information to or within one or more instructional buildings of a school or non-administrative library buildings, or the Commission has found that the use of those services meets the definition of educational purpose, as defined in §54.500. When applying for category two support for eligible services to a non-instructional school building or library administrative building, the applicant shall deduct the cost of the non-instructional building's use of the category two services or equipment.

(e) Eligible services list process. The Administrator shall submit by March 30 of each year a draft list of services eligible for support, based on the Commission's rules for the following funding year. The Wireline Competition Bureau will issue a Public Notice seeking comment on the Administrator's proposed eligible services list. The final list of services eligible for support will be released at least 60 days prior to the opening of the application filing window for the following funding year.