Center for Public Education

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E-rate Schools

AN **nsba** PUBLICATION

E-rate Schools

What is E-rate?

The Schools and Libraries Universal Service program, commonly known as "E-rate," provides discounts of up to 90 percent to help eligible schools and libraries in the United States obtain affordable telecommunications and internet access. (Source: U.S. Department of Education)
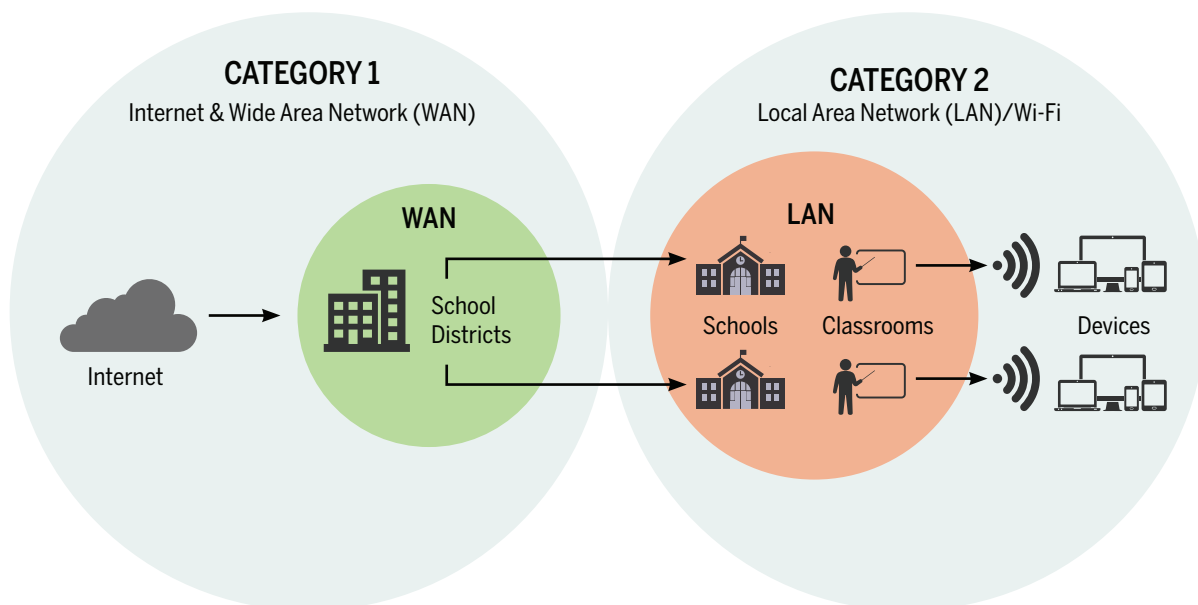

Image recreated from the E-rate webpage of the EducationSuperHighway

According to the Federal Communications Commission (FCC), eligible schools, school districts, and libraries may apply for E-rate funds individually or as part of a consortium. Funding may be requested under two categories of service:

- **Category 1** services to a school or library (telecommunications, telecommunications services, and internet access); and

- **Category 2** services that deliver internet access within schools and libraries (internal connections, basic maintenance of internal connections, and managed internal broadband services).

## Type of E-rate Applicants in Funding Year 2019
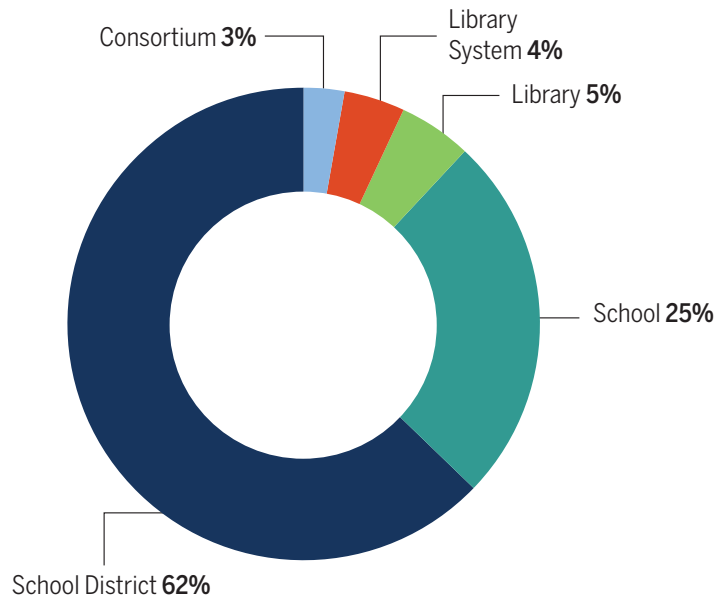
In 2019, 62% of E-rate applications were from school districts.

- Category 1 applications—54% were school districts; among those who reported having state or local restrictions, 62% were school districts.

- Category 2 applications—71% were school districts; among those who reported having state or local restrictions, 78% were school districts.

The count of applicants is based on applications and one school district may have multiple applications.

Number of E-rate public schools and average number of students who participated in the National School Lunch Program (NSLP) in the schools, by state: 2019
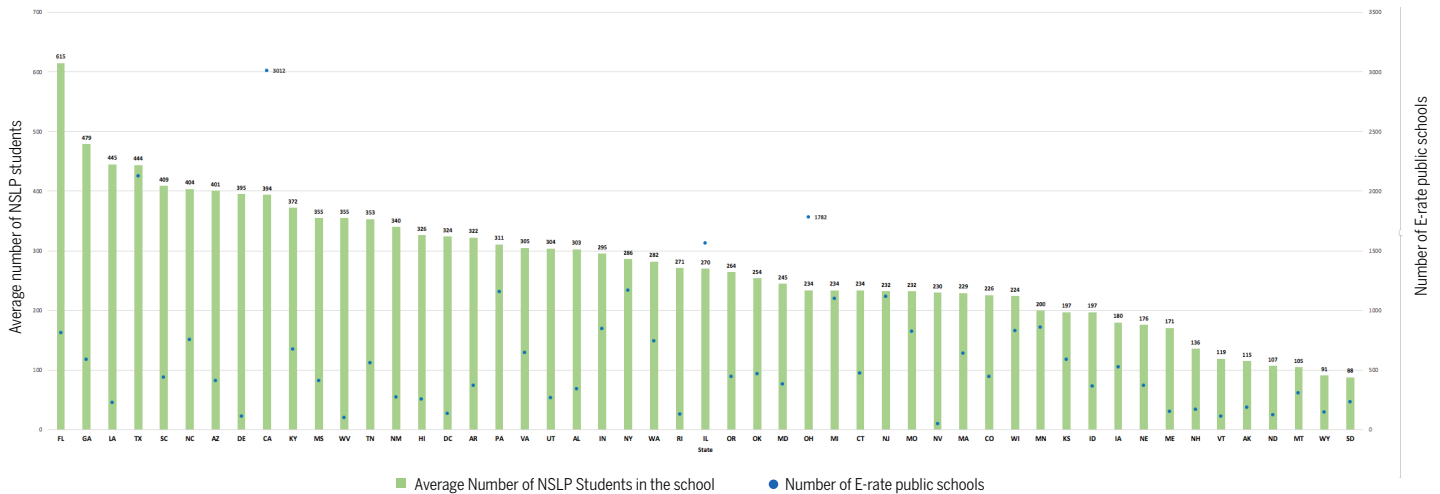
In 2019, the 10 states where public schools received most E-rate funds for Category 2 products and services were (1) California, (2) Texas, (3) New York, (4) Illinois, (5) Florida, (6) Ohio, (7) Virginia, (8) New Jersey, (9) Pennsylvania, and (10) Michigan.

In 2019, the average number of students who participated in the National School Lunch Program (NSLP) in an E-rate school ranged from 200 to over 600 in 39 states.

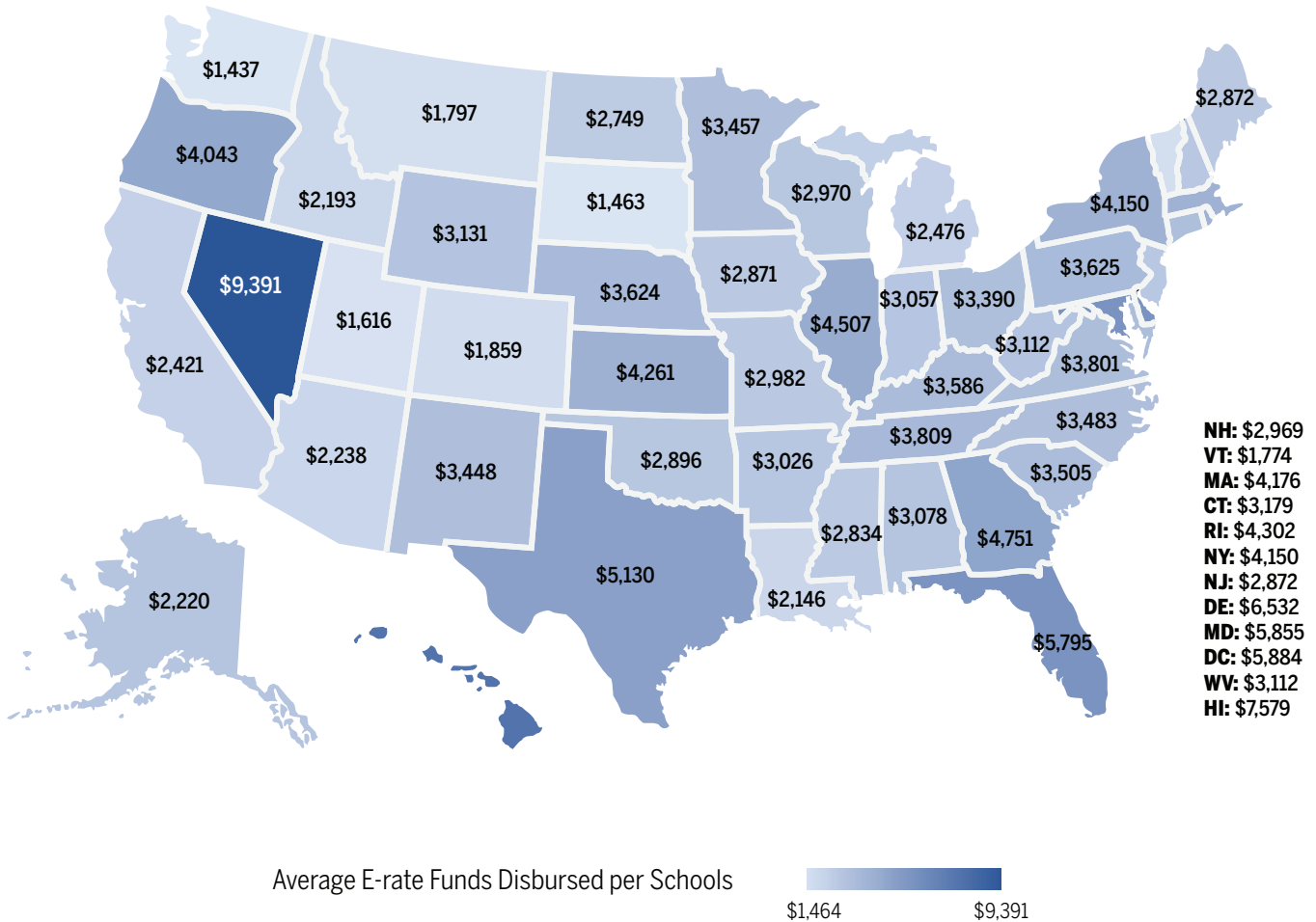The five states with the highest average number of NSLP students in an E-rate school were:

- Florida
- Georgia
- Louisiana
- Texas
- South Carolina

Total cost allocation for public schools receiving Category 2 products & services, by state: 2019
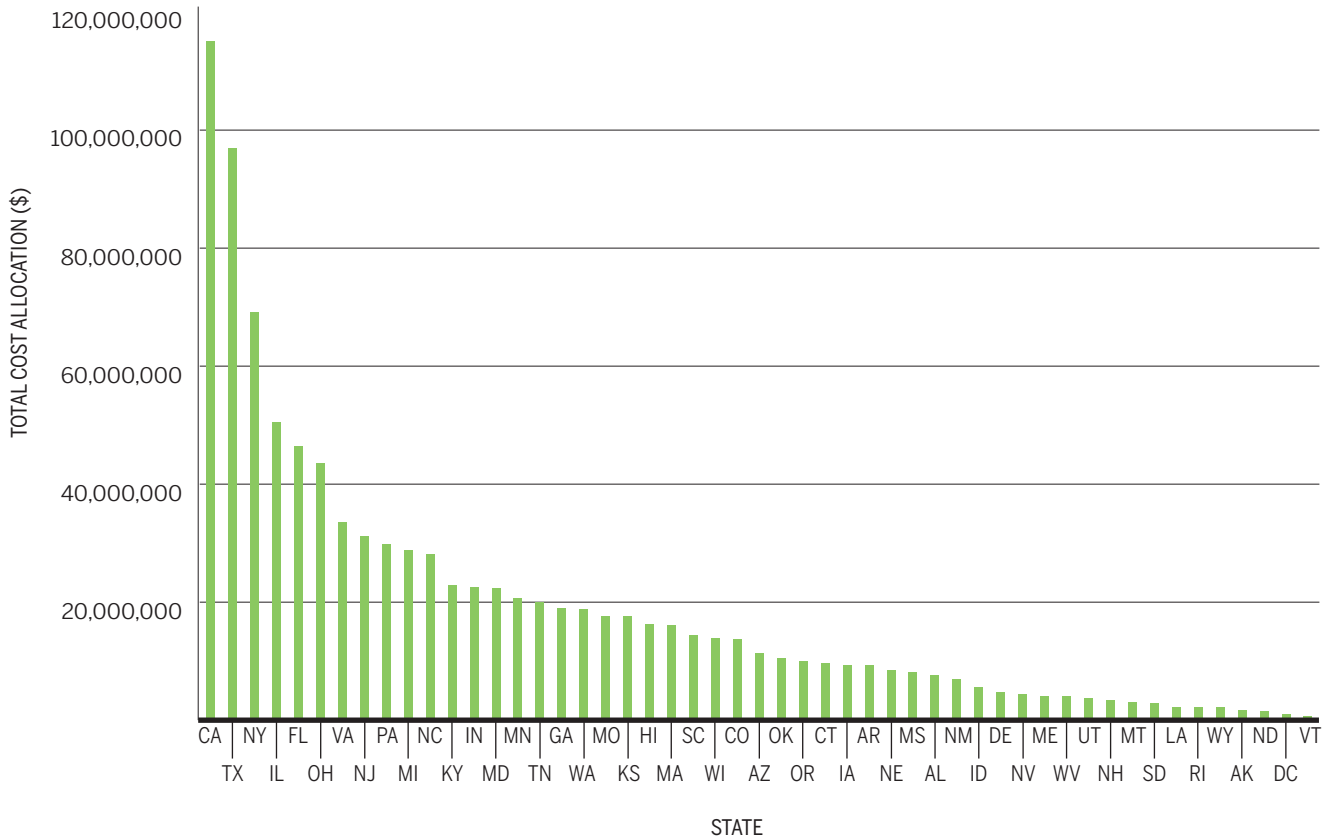
Average E-rate funds disbursed per public school for Category 2 products & services, by state: 2019

$1,437
$1,797
$2,749
$3,457
$2,872
$4,043
$2,193
$1,463
$2,970
$4,150
$3,131
$2,476
$9,391
$2,871
$3,625
$1,616
$3,624
$3,057 $3,390
$2,421
$1,859
$4,507
$3,112
$2,238
$4,261
$2,982
$3,586
$3,801
$3,448
$2,896
$3,026
$3,809
$3,483
$2,220
$5,130
$2,834
$3,078
$3,505
$2,146
$4,751
$5,795

NH: $2,969
VT: $1,774
MA: $4,176
CT: $3,179
RI: $4,302
NY: $4,150
NJ: $2,872
DE: $6,532
MD: $5,855
DC: $5,884
WV: $3,112
HI: $7,579

Average E-rate Funds Disbursed per Schools

$1,464 $9,391

According to the FCC, discounts for support depend on the level of poverty and whether the school or library is located in an urban or rural area. E-rate program funding is based on demand up to an annual Commission-established cap of $4.15 billion.

The map above shows that on average, **Nevada** had the most E-rate funds disbursed per school for Category 2 services ($9,391), while **Washington** state had the least ($1,437).

Nationwide, between 2016 and 2019, the average discount rate per school for Category 2 services (in percentage) **increased:**

- 7 points for rural schools in Nevada;

- 11 points for urban schools in Missouri.

A National Picture of Schools Connected to Digital Learning

46.3M
students connected
to internet

99% of schools nationwide
have a clear path to delivering
enough bandwidth for digital
learning in every classroom,
every day.

99% of school districts
have internet access at the
minimum 100 Kbps goal.

750K
students are NOT in
schools with 100 Kbps
per student.

In 2019, the national
median bandwidth
per student was
671 kbps, compared to
190 Kbps in 2015.

66% of school districts that
hit the 100 Kbps per student
goal have continued to boost
their bandwidth.

In 2019, only 839K students had upgraded
to the 1 Mbps per student standard.
Had districts taken advantage of no-cost
upgrades, **5 million** additional students
could have upgraded to this standard.

The FCC recommends 1 Mbps
per student to support digital
learning in every classroom,
every day. Only **38%** of
school districts are meeting
this standard.

National median cost
is **$2.24** per Mbps
in 2019.

In 2019, 1,371 school districts
could have upgraded with their
provider at no cost, but only
227 school districts actually did.

"School districts have taken advantage of a 90% decrease in the cost of internet access to make the promise of digital learning available to 46.3 million students" (Evan Marwell, founder of EducationSuperHighway). The purpose of this brief is to provide school board members with a broader picture of the E-rate program.

In this brief, the charts that do not have a source note are compiled from USAC publicly available data— Universal Service Administrative Co. Open Data. The data is current as of January 8, 2020. The terms used for this report are defined as follows:

- Public schools are defined as K-12 schools, excluding pre-K public schools, public charter schools, and private schools.

- E-rate schools are public schools that use E-rate funds or discount percentage for Category 1 and/or Category 2 products and services.

- Low-income schools are schools where 50 percent or more of students participated in the National School Lunch Program (NSLP).

- E-rate funds disbursed to schools refer to the cost allocation through E-rate programs.

- Percentage of E-rate funds disbursed to schools refers to the discount rate in percentage.

- Year refers to funding year, the period of time when federal funding is available for obligation by the recipient.

Table. E-rate Category 2 Support for Public Schools, by State: 2016 vs. 2019

State (Funding Year)	Total E-rate Funds Disbursed to Schools		Number of Schools Receiving E-rate Funds		Percentage of E-rate Funds Disbursed to Low-Income Schools		Percentage of E-rate Funds Disbursed to Rural Schools	
	2016	2019	2016	2019	2016	2019	2016	2019
Alabama	17,981,102	7,599,813	624	339	81%	80%	80%	77%
Alaska	6,999,418	1,549,316	191	189	75%	77%	78%	76%
Arizona	33,103,797	11,404,187	520	413	80%	80%	79%	80%
Arkansas	8,159,013	9,281,393	289	372	81%	80%	80%	77%
California	166,988,702	115,094,179	4,241	3,012	81%	81%	77%	79%
Colorado	13,693,774	13,661,147	560	443	74%	73%	69%	69%
Connecticut	8,548,384	9,325,770	302	473	80%	80%	54%	56%
Delaware	2,065,458	4,800,994	55	112	78%	80%	76%	75%
District of Columbia	842,782	994,456	110	133	85%	81%	–	–
Florida	54,074,352	46,496,203	941	810	79%	82%	77%	82%
Georgia	37,990,390	18,916,793	708	586	78%	81%	78%	78%
Hawaii	–	16,113,055	–	256	–	80%	–	–
Idaho	4,154,307	5,528,100	192	367	77%	72%	75%	74%
Illinois	48,277,453	50,451,723	1,582	1,564	82%	81%	71%	70%

State (Funding Year)	Total E-rate Funds Disbursed to Schools		Number of Schools Receiving E-rate Funds		Percentage of E-rate Funds Disbursed to Low-Income Schools		Percentage of E-rate Funds Disbursed to Rural Schools	
	2016	2019	2016	2019	2016	2019	2016	2019
Indiana	29,325,880	22,453,826	760	845	80%	80%	72%	72%
Iowa	6,377,542	10,000,793	337	526	78%	79%	68%	68%
Kansas	9,372,389	17,605,014	507	589	77%	78%	74%	72%
Kentucky	16,680,082	22,869,499	876	674	83%	83%	81%	82%
Louisiana	9,417,392	2,180,618	298	229	79%	84%	80%	83%
Maine	1,443,671	4,026,393	63	155	79%	79%	75%	73%
Maryland	11,994,134	22,273,308	599	382	76%	61%	61%	65%
Massachusetts	17,355,450	16,174,809	644	640	82%	82%	62%	65%
Michigan	32,761,718	28,779,739	1,152	1,097	79%	79%	74%	74%
Minnesota	13,723,450	20,577,697	636	860	69%	74%	67%	66%
Mississippi	9,817,697	8,532,206	376	409	81%	82%	81%	81%
Missouri	17,664,970	17,553,402	749	826	78%	81%	75%	75%
Montana	2,876,580	3,029,179	268	305	77%	80%	71%	71%
Nebraska	4,798,488	8,189,134	332	369	72%	79%	68%	71%
Nevada	2,180,464	4,385,603	170	47	69%	77%	72%	79%
New Hampshire	2,267,689	3,411,492	143	172	77%	71%	61%	62%
New Jersey	42,266,268	31,176,363	934	1,118	80%	82%	57%	56%
New Mexico	6,764,261	6,899,771	252	273	82%	83%	81%	82%
New York	59,458,209	69,133,984	2,281	1,169	80%	81%	70%	72%
North Carolina	43,728,954	28,136,538	898	753	78%	80%	77%	78%
North Dakota	3,100,266	1,640,979	151	123	63%	57%	63%	61%
Ohio	32,398,134	43,583,232	1,637	1,782	81%	81%	69%	69%
Oklahoma	9,937,710	10,488,569	450	467	82%	82%	80%	80%
Oregon	18,727,826	9,634,483	539	443	78%	79%	77%	78%
Pennsylvania	32,773,084	29,748,395	986	1,155	79%	81%	69%	69%
Rhode Island	1,705,920	2,254,343	68	129	73%	79%	58%	44%
South Carolina	16,045,513	13,919,151	318	437	81%	81%	80%	81%
South Dakota	3,319,533	2,874,372	215	235	73%	76%	68%	67%
Tennessee	22,211,789	20,023,110	584	558	78%	81%	78%	81%
Texas	104,767,241	96,962,738	1,963	2,128	80%	81%	76%	77%
Utah	4,865,670	3,760,315	372	268	71%	77%	68%	66%
Vermont	1,546,546	608,502	98	110	77%	79%	73%	74%
Virginia	25,038,314	33,524,575	857	644	71%	77%	71%	71%
Washington	19,907,439	18,817,718	955	744	72%	77%	72%	74%
West Virginia	3,345,586	4,014,525	47	101	81%	83%	81%	83%
Wisconsin	22,161,089	14,417,128	792	828	74%	80%	66%	66%
Wyoming	1,539,547	2,170,094	88	144	72%	64%	65%	62%
Grand Total	**716,098,255**	**711,811,420**	**32,710**	**30,803**	**79.6%**	**80.1%**	**73.7%**	**73.7%**

NOTE: No Change in 2019   Increase in 2019   Decrease in 2019   – Data unavailable

Data source: https://opendata.usac.org/browse?category=E-rate&limitTo=datasets
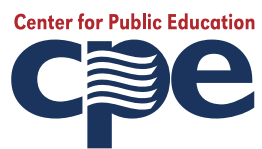
About CPE

The Center for Public Education is a national resource for credible and practical information about public education and its importance to the well-being of our nation. CPE provides up-to-date research, data, and analysis on current education issues and explores ways to improve student achievement and engage public support for public schools. CPE is an initiative of the National School Boards Association.

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NSBA is a federation of 49 state associations and the U.S. territory of the Virgin Islands, representing their more than 90,000 school board officials. These local officials govern over 13,600 local school districts serving more than 50 million public school students. Working with and through our state associations, and serving as their Washington, D.C. office, NSBA advocates for equity and excellence in public education through school board leadership.

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