



JORDAN CRENSHAW

Executive Director and Policy Counsel

1615 H STREET, NW
WASHINGTON, DC 20062-2000
(202) 463-5632
jcrenshaw@uschamber.com

February 16, 2021

COMMENTS

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
45 L Street, NE
Washington, DC 20554

RE: Petitions for Emergency Relief to Allow the Use of E-Rate Funds to Support Remote Learning During the COVID-19 Pandemic (No. 21-31).

Dear Ms. Dortch:

The U.S. Chamber of Commerce’s Technology Engagement Center (“C_TEC” or “Chamber”) appreciates the opportunity to respond to the Federal Communications Commission’s (“FCC” or “Commission”) Public Notice requesting comments on petitions to expand the use of E-Rate funds to support broadband services for homes and students to facilitate remote learning.¹

COVID-19 has required school districts to close across the country requiring students to learn in virtual classrooms at home. Unfortunately, mandatory online learning exacerbates the Homework Gap among students who have access to high-speed broadband and those who do not. The pandemic also incurred hardship on families making it more difficult for them to afford day-to-day expenses. According to one report, “[m]ore than 80 million adults—35 percent of all adults—reported it was somewhat or very difficult for their household to cover usual expenses in the last seven days.”²

Even at the beginning of the pandemic as found by Pew Research, [o]ne-in-four teens in households with an annual income under \$30,000 lack access to a computer at home, compared with just 4 percent of households earning over \$75,000.³ That same report showed that Hispanic (18 percent of those surveyed) and Black (11percent) homes were more likely to lack access to a

¹ *Wireline Competition Bureau Seeks Comment on Petitions for Emergency Relief to Allow the Use of E-Rate Funds to Support Remote Learning During the COVID-19 Pandemic*, Public Notice, WC Docket No. 21-31 (Feb. 1, 2021) available at <https://docs.fcc.gov/public/attachments/DA-21-98A1.pdfv> (hereinafter “PN”).

² Claire Zippel, “Hardship Remains High, Latest Census Data Show,” Center on Budget and Policy Priorities (Jan. 27, 2021) available at <https://www.cbpp.org/blog/hardship-remains-high-latest-census-data-show>.

³ Brooke Auxier and Monica Anderson, “As schools close due to the coronavirus, some U.S. students face digital homework gap,” Pew Research Fact Tank (Mar. 16, 2020) available at <https://www.pewresearch.org/fact-tank/2020/03/16/as-schools-close-due-to-the-coronavirus-some-u-s-students-face-a-digital-homework-gap/>.

computer.⁴ In addition to the inequities caused by mandated school closures, the COVID-19 Homework Gap will have major economic costs. A report released by Common Sense and the Boston Consulting group projected that the “long-term” Homework Gap will negatively impact a student’s GPA by nearly half a point and lower annual incomes by \$1,400 to \$2,000.⁵ These financial consequences could lead to a \$22 to \$33 billion annual GDP loss.⁶

Currently, the FCC oversees and the Universal Service Administrative Company manages the E-Rate program provides discounts on eligible services and equipment, including connections necessary to support broadband connectivity to eligible elementary and secondary schools as well as.⁷ The E-Rate program does not currently support off-campus, direct broadband connectivity for individual students and households. The Public Notice requests comment on whether E-Rate funds can be used for off-campus connectivity to facilitate remote learning during the COVID-19 pandemic.

Although the Chamber believes schools should work to fulfill President Biden’s commitment to reopen within the next 100 days⁸, C_TEC urges policymakers to issue timely, targeted, and temporary relief to address the Homework Gap that has been exacerbated by COVID-19.

The Chamber urges the Commission to consider the following principles when addressing the Homework Gap:

1. **Program Design:** In order to expedite relief to those students that need it most, the Commission should streamline legacy competitive bidding E-Rate rules to allow E-Rate funds to be used for off-campus connectivity for K-12 students .
2. **Sustainability:** The Chamber prefers that funding for the Homework Gap be allocated from general appropriations by Congress and not the Universal Service Fund (“USF”). The USF relies on contributions from telecommunications carriers and providers of telecommunications based on a percentage of interstate and international end user revenue. Currently, the contribution factor during the first quarter of 2021 is at a staggering **31.8 percent**.⁹ If the Commission proceeds with utilizing E-Rate for in-home connectivity, the FCC should authorize relief in a sustainable manner that

⁴ *Id.*

⁵ “What it will take to permanently close the K-12 digital divide,” Common Sense at 7 (2021) available at https://www.common sense media.org/sites/default/files/uploads/kids_action/final_-_what_it_will_take_to_permanently_close_the_k-12_digital_divide_vjan26_1.pdf.

⁶ *Id.*

⁷ 47 U.S.C. § 254(h)(1)(B).

⁸ See U.S. Chamber Letter to Congress on the American Rescue Plan (Feb. 2, 2021) available at https://www.uschamber.com/sites/default/files/210202_americanrescueplanresponse_potus_congress.pdf.

⁹ *Contribution Factor & Quarterly Filings—Universal Service Fund (USF) Management Support*, Federal Communications Commission available at <https://www.fcc.gov/general/contribution-factor-quarterly-filings-universal-service-fund-usf-management-support>.

does not significantly increase the USF contribution factor and resultant burden on consumers in the long-term.

3. **Targeted and Temporary:** Individual and household Homework Gap assistance should last for only the duration of the COVID-19 national emergency and be targeted to low-income households without a home broadband connection or those in jeopardy of losing their broadband connection, including related equipment or a computer. One of the Petitions under consideration by the Public Notice seeks permission to use E-Rate funds to install wireless hotspots on the roofs of school buildings that could transmit potentially 3 miles off campus.¹⁰ C_TEC is concerned such an approach could lead to subsidizing overbuilding capacity in already served areas where funds could be used to more expeditiously connect unconnected households to broadband service.
4. **Technology Neutrality:** Emergency funding should not favor one form of technology or connectivity over another.
5. **Eligibility of Service:** Funding should be limited to 1) connectivity (wired or wireless), 2) service equipment (e.g. modems, routers, hotspots¹¹), and 3) devices (e.g. tablets, computers, smartphones).

The Chamber stands ready to work with the Commission and Congress to ensure that all students have access to high-speed broadband and minimize the impact of the COVID-19 pandemic on students' ability to learn.

Thank you for the opportunity to participate in this proceeding and if you have any follow up questions, I may be reached at (202) 463-5632 or by e-mail at jcrenshaw@uschamber.com.

Sincerely,



Jordan Crenshaw
Executive Director & Policy Counsel
Chamber Technology Engagement Center

¹⁰ PN at 4.

¹¹ See, e.g. "K-12 Connections: How Schools and Wireless Providers Are Partnering to Get Students Online During Covid-19," Chiefs for Change (Dec. 2020) available at <https://chiefsforchange.org/wp-content/uploads/2020/12/K-12-Connections-How-Schools-and-Wireless-Providers-Are-Partnering-to-Get-Students-Online-During-COVID-19.pdf>