

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554**

In the Matter of )  
 )  
Modernizing the E-rate ) WC Docket No. 13-184  
Program for Schools and Libraries )  
 )

**Reply Comments of the  
Schools, Health & Libraries Broadband (SHLB) Coalition**

**I. INTRODUCTION**

The Schools, Health & Libraries Broadband Coalition (“SHLB Coalition”) submits these reply comments in support of the petitions for reconsideration regarding the Federal Communications Commission’s (FCC’s) change in the definition of rural in the July 2014 E-rate Modernization Order. The change in this definition alters the discounts available to schools and libraries in the E-rate program, and the proposed language submitted by SECA and others in response to these petitions will restore the rural discount for the vast majority of schools and libraries.

The SHLB Coalition is a broad-based coalition consisting of representatives of schools, libraries, private sector companies, for-profit and not-for-profit broadband providers, state and national research and education (R&E) networks, state mapping agencies, municipalities, philanthropic foundations, consumer organizations and others.<sup>1</sup>

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<sup>1</sup> See [www.shlb.org](http://www.shlb.org) for a current list of the members of the SHLB Coalition.

## II. PETITION FOR RECONSIDERATION

### A. The SHLB Coalition supports the Petitions for Reconsideration.

The SHLB Coalition is pleased to support the petitions for reconsideration filed on September 15, 2014 by the Utah Education Network (UEN), the National Telephone Cooperative Association (NTCA) and the State E-rate Coordinator's Alliance (SECA).<sup>2</sup> These petitions focus on problems that arise with the FCC's use of the 2010 U.S. Census' definition of urban, which has the effect of reducing the eligibility of many schools and libraries for the additional rural discount.

These petitions are correct to ask for a change in how the FCC uses the 2010 U.S. Census' definitions of urban and rural in the new E-rate Modernization Order. The Order states:

“For the 2010 Census, the Census Bureau defined urban areas as the densely settled core of census tracts or blocks that met minimum population density requirements (50,000 people or more), along with adjacent territories of at least 2,500 people that link to the densely settled core. “Rural” encompasses all population, housing and territory not included within an urban area. Therefore, beginning with funding year 2015, schools and libraries located in areas that are not located in urban areas, as defined by the most recent decennial Census, will be considered rural for the purposes of the E-rate program.”<sup>3</sup>

The Order uses the two types of urban areas as defined by the 2010 U.S. Census: urbanized areas, which consist of 50,000 or more people, and urbanized clusters, which consist of at least 2,500 and less than 50,000 people. According to the petitions, the rule change will eliminate the rural discount for thousands of rural schools and libraries that will fall into the definition of an “urban cluster.”

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<sup>2</sup> Federal Register, Oct. 7, 2014, Vol. 79 No. 194 <https://www.federalregister.gov/articles/2014/10/07/2014-23803/petitions-for-reconsideration-of-action-in-rulemaking-proceeding>

<sup>3</sup> *Modernizing the E-rate Program for Schools and Libraries*, Report and Order further Notice of Proposed Rulemaking, WC Docket 13-184 paragraphs 222-223, released July 23, 2014. (“E-rate Modernization Order”).

**B. Harmful Implication to the E-rate Program Using the U.S. Census' Definition of Urban and Rural.**

Including “urban clusters” in the definition of urban areas in the E-rate Modernization Order would greatly reduce the number of schools and libraries considered to be rural, thus affecting their additional rural discount. According to the Utah Education Networks (UEN) petition, the UEN states that with the new definition about 310 of the state’s rural schools will no longer be considered rural for the E-rate program in the State of Utah alone.<sup>4</sup> As a result, these schools will no longer qualify for the additional rural discount and their funding support will be reduced. Library representatives from various states informed SHLB that libraries will be effected by the redefinition of rural as well. In Montana, 34% of libraries that apply for funding will be negatively impacted by the new definition. In Ohio, out of the 102 libraries that are currently rural, 93 of them will be considered urban under the new definition.

**C. The SHLB Coalition Supports the Compromise Position.**

On October 27, 2014, twenty-two (22) education groups, including the SHLB Coalition, submitted a letter to support a compromise definition that would classify E-rate applicants located in urban clusters that have populations of 25, 000 or less as rural. The SHLB Coalition fully supports this compromise. According to SECA, this compromise will re-classify 92% of urban clusters as rural, which would allow applicants in those areas to benefit from the additional 10% rural discount that was eliminated by the E-rate Modernization Order.

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<sup>4</sup> *Utah Education Network Petition for Reconsideration of the Rural Definition of the E-rate Program*, p 2-3 released September 17, 2014.

Respectfully submitted by,

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