2018 ANNUAL REPORT
The Schools, Health & Libraries Broadband (SHLB) Coalition is a 501(c)(3) advocacy organization that supports research and public policies that promote open, affordable, high-quality broadband connectivity for anchor institutions and their communities. Founded in 2009 in Washington, D.C., the SHLB Coalition receives financial support from its nonprofit and corporate members. For more information, visit www.shlb.org/.
Dear SHLB Community,

As Executive Director of the Kansas City Public Library, I’m all too aware of the digital divide. Hundreds of people come to our library branches every day because they cannot get Internet access at home. The digital divide is not just a rural problem – it also afflicts technology hubs like Kansas City. Our library has worked hard to address this problem by providing online training; launching a coalition to address digital equity; and collaborating with schools, the business community, and the city government. Every community needs a digital champion, and libraries and other community anchor institutions are in the best position to take a leadership role in connecting our nation.

That is why the SHLB Coalition is so important. SHLB provides the vision, the research, and the collaborative spirit to help anchor institutions become digital champions. It has been my pleasure to promote SHLB’s growth over the past two years as Chairman of the Board. After nine years, our Gates Foundation support came to a close at the end of 2018. Thus, I will stay on as Chair to smooth this transition. With the help of five new board members, our growing membership, and our generous Honors Club donors, 2019 will be the first year that SHLB will stand on its own, setting the stage for even bigger things to come. We invite you to join us as we seek to solve the digital divide through anchor institutions.

Sincerely,

R. Crosby Kemper III
SHLB Board Chair

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LETTER FROM OUR EXECUTIVE DIRECTOR

Dear SHLB Friends,

The SHLB Coalition made enormous strides in 2018. We welcomed over 40 new members, hosted our most successful Conference yet, and continued our monthly webinar series. On the policy front, we published a study that estimated the cost of providing fiber to fiber-less anchor institutions. This study informed our “To and Through Anchors” strategy, which we developed to illustrate the vital role that anchor institutions can play in closing the digital divide.

Our advocacy work achieved several victories in 2018. We prevented hundreds of E-rate applications from being denied over a technicality, we obtained an increase in funding for the Rural Health Care program, and we were instrumental in convincing the FCC to launch a proceeding to issue EBS licenses in rural America. We also filed comments with NTIA to promote broadband mapping, and urged state leaders to include anchor institutions in their broadband plans.

While we’ve made great headway on these issues, there’s still much more to be done. We will urge the FCC to streamline the application process for obtaining universal service funding, and to expand commercial companies’ opportunities to provide wireless broadband services to anchors and their surrounding communities. SHLB’s practical and forward-looking approach to broadband policy has made it a respected voice for community anchor institutions before leaders at every level of government, and I hope that we can count on your continued support.

Sincerely,

John Windhausen, Jr.
SHLB Executive Director

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LETTER FROM OUR CHAIR

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Sincerely,

R. Crosby Kemper III
SHLB Board Chair
SHLB put forth “To and Through Anchors: A Strategy to Connect Rural Communities” to chart a path forward on closing the digital divide. Lack of competition, high cost of deployment, and uncoordinated infrastructure efforts actively contribute to the rural broadband gap. “To and Through” explains that anchor institutions are the key to overcoming these barriers. Anchors provide Internet access to populations most impacted by the digital divide, and also provide “jumping off” points to extend additional broadband service to the surrounding community.

Keynote speaker Larry Irving delivers an update on the 1993 Agenda for Action and describes how the U.S. can maintain its role as a leader in broadband and Internet services. (Photo by Alicja Johnson)

For the eighth consecutive year, SHLB hosted its Annual Conference in Washington, D.C., convening over 300 broadband champions from across the country to discuss the most pressing policy issues facing community anchor institution broadband. In addition to 80 distinguished speakers, Conference attendees enjoyed insights from U.S. Senator Roy Blunt, Missouri Secretary of State Jay Ashcroft, FCC Commissioner Michael O’Rielly, Former FCC Commissioner Mignon Clyburn, and Former FCC Commissioner Rob McDowell. “Building the Future - Bit by Bit” received overwhelming praise from attendees, some of whom dubbed it the “best SHLB Conference yet.” The 9th Annual SHLB Conference takes place October 16 - 18, 2019, in Crystal City, Virginia.

SHLB and CTC Technology and Energy published a study to understand the cost of ubiquitous anchor connectivity. The cost estimate revealed a number of important findings, which serve as the basis of SHLB’s “To and Through” strategy:

- The cost of connecting all anchors in the continental U.S. and Hawaii to fiber could be between $13 billion and $19 billion.
- Connecting anchors would bring 95 percent of the U.S. population within the zip code of an anchor institution’s broadband, making last mile deployment to residents and businesses far more feasible.

SHLB began its Grow2Gig+ Webinar series in 2017 to educate the anchor institution broadband community on the latest and most relevant issues. Over 500 different people tuned in to learn from a Grow2Gig+ Webinar in 2018.
**E-RATE REFORM**

The problem: In January, a sizable collection of FY2017 E-rate requests were on the verge of denial due to the confusion around the E-rate application drop-down menu.

Outcome: SHLB submitted a letter to the FCC, which in turn ordered the Universal Service Administrative Company (USAC) not to deny the FY2017 applications over this technicality. SHLB’s intervention saved hundreds of E-rate applicants from unfair denial.

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**RURAL HEALTH CARE REFORM**

The problem: Due to increased demand for Rural Health Care (RHC) funding in FY2017, the FCC intended to impose pro rata reductions on applicants to keep funding below the $400 million cap.

Outcome: SHLB filed an emergency petition with the FCC, and drew Capitol Hill’s attention to the issue with an event that ultimately moved 31 Senators to send a letter to the Chairman. In June, the FCC voted to raise the RHC funding cap from $400 million to $571 million, indexed to inflation.

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**ADVOCACY FOR ANCHORS**

In 2018, SHLB advocated for change with the following policy filings:

- Ex-parte letter to the FCC regarding E-rate fiber experiences and difficulties
- Comments to the FCC regarding RHC reform
- Emergency petition to the FCC regarding the RHC funding cap
- Ex-parte letter to the FCC regarding E-rate drop-down menu difficulties
- Ex-parte letter to the FCC regarding the 3550-3700 MHz band
- Motion to the FCC to extend the comment cycle regarding the educational broadband service (EBS)
- Comments to the National Telecommunications and Information Administration regarding broadband mapping
- Comments to the FCC in partnership with the State E-rate Coordinators Alliance (SECA) regarding Forms 470 and 471
- Comments to the FCC regarding EBS
- Comments to the FCC regarding the Connected Care Pilot
- Ex-parte letter to the FCC regarding amortization restrictions
- Comments to the Office of Management and Budget regarding Forms 470 and 471
- Ex-parte letter to the FCC regarding EBS
- Ex-parte letter to the FCC regarding RHC transparency
- Ex-parte letter to the FCC in partnership with SECA and the Consortium for School Networking regarding the E-rate gift rule

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**FINANCES**

After nine years, the generous financial support of the Gates Foundation ended in 2018. SHLB has been working hard to develop replacement funding, and we made great strides in 2018 toward becoming fully self-sustaining. Revenues from membership and the Annual Conference have grown significantly over the past three years, and SHLB plans to develop multiple revenue streams in the future to ensure we can thrive and expand our advocacy activities. For instance, we hosted an Honors Club luncheon that featured former FCC Chairman Reed Hundt in September 2018, we obtained additional funding from a charitable foundation, and we plan to launch a grassroots fundraising campaign in 2019. SHLB also launched a Corporate Sponsorship program this year to generate additional funding from commercial companies that support our mission. But our primary sustainability strategy remains focused on membership growth. We look forward to expanding our outreach to schools, libraries, telehealth networks and other anchor institutions so that we can learn how to advocate most effectively on your behalf.
SHLB Coalition membership is open to any organization that supports its mission statement. Our 150 members span across the U.S., and include a diverse array of organizations united behind the mission of connecting every anchor. Members convene frequently for policy calls with the full membership, and for smaller working policy groups on E-rate, the RHC program, spectrum, infrastructure legislation, and the joint Universal Service Fund petition. Policy groups were added as a new member benefit in 2018, and greatly enhanced SHLB’s advocacy.

SHLB WELCOMED 41 NEW MEMBERS IN 2018:
ADS Advanced Data Services, Inc. • Alaska State Library • Arizona State Library • Beaverton School District • Broadband Law Group • California K12 High Speed Network • Center for Innovative Technology (CIT) • Chattanooga Public Library • Chippewa Valley Internetworking Consortium • Columbus Metropolitan Library • EdTechnologyFunds • Education Partners Solution, Inc. • EducationSuperHighway • eRate 360 Solutions, LLC • E-rate Services, LLC • ESC Region 12 • Essam Consulting Group LLC • Illinois Telehealth Network (ITN) • Kansas Department of Commerce • Libraries of Middlesex Automation Consortium (LMxAC) • National Collaborative for Digital Equity • New Mexico Primary Care Association • Northampton Community Television • OneWeb • Palmetto Care Connections • Port of Skagit • Prince William County Public Schools • Sacramento Public Library • Sherpa Fiber, LLC • Sonic • Sonoma County Library • State Library of Iowa • Topeka and Shawnee County Public Library • University of New Hampshire • University System of Georgia • Utah’s Governor's Office of Economic Development • Virginia Society for Technology in Education (VSTE) • Washington State Library • Washington State Office of Superintendent of Public Instruction • Wiley Rein LLP • Womble Bond Dickinson (US) LLP

The composition of the SHLB Coalition’s full membership, as of December 31, 2018. *The unmarked portion represents public media.
MEMBERSHIP IMPACT

“SHLB provides value to all its members in numerous, sometimes subtle ways.”

“Joining SHLB was a great decision for us. Participating in the organization is informative and enjoyable, and we are all doing great work on our mission of getting broadband to everyone.”

SURVEY SAYS...

Insights from SHLB’s 2018 membership survey of respondents rated SHLB as valuable, or more valuable than other membership organizations.

“SHLB raises the visibility of anchor institutions’ need for high-capacity Internet connections, and helps them obtain the funding needed to serve their communities.”

THANK YOU

To all of SHLB’s 2018 Conference sponsors and Honors Club donors

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A special thanks to our first corporate sponsor!

Education Networks of America (ENA) and its subsidiary, TeleQuality Communications, signed on as SHLB’s first corporate sponsors. Both ENA and TeleQuality share the goal of delivering high-quality technologies to anchors. Learn more at www.ena.com.
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Debra Kriete, Policy Counsel, State E-rate Coordinators Alliance (SECA)
Jane Patterson, President, Broadband Catalysts
Jennie Stapp, State Librarian, Montana
Tracy Weeks, Executive Director, State Educational Technology Directors Association (SETDA)
John Windhausen, Jr., Executive Director, SHLB Coalition

NEWLY ELECTED & APPOINTED DIRECTORS FOR 2019:
Cindy Aden, State Librarian, State of Washington
Erik Heinrich, Senior Manager SLED Business Development, Ruckus Networks
Tim Koxlien, CEO, TeleQuality Communications
Melissa Slawson, General Counsel and VP of Government Affairs and Education, GeoLinks
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