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# **E-Rate vs CTF on Mobile Broadband Webinar**

Presented by CTF Staff



California Public  
Utilities Commission



# California Teleconnect Fund

The program aims to bring every Californian direct access to advanced communications services in their local communities, particularly those with lower rates of internet adoption and greater financial need. – *California Teleconnect Fund*

# Agenda Items

- ❖ E-Rate
- ❖ FCC's Order Rescinding E-rate Support
- ❖ CTF support 50% discount
- ❖ eCAP demo
- ❖ The Importance of Recertification for School and Libraries
- ❖ E-Rate Priority Categories for Funding
- ❖ CTF Claims
- ❖ Conclusion
- ❖ Q&A Session



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What is E-Rate?

Geoff Balleau, California Department of Education

# E-Rate (Schools and Libraries Universal Service Program)

The program was authorized by the U.S. Congress as part of the Telecommunications Act of 1996. This Act expanded the traditional goal of universal service to include increased access to high-speed Internet and telecommunication services. It was signed into law by President Clinton on Feb 8, 1996. It provides discounts ranging from 20% to 90% on services like Internet access, data transmission, and internal network connections (like Wi-Fi)

(Legal authority – Section 254(h)(1)(B))

The program is funded by the Universal Service Fund which collects contributions (fees) from companies that provide interstate and international telecommunications services.



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# What is E-Rate for CTF?

## Connie Wong

# CTF Discount after E-Rate Funding

## CTF Discount

- ❖ CTF Program provide 50% discount to eligible broadband service which included Wi-Fi Hotspots and internet access to qualifying schools and libraries.

## How is the CTF subsidy impacted after E-Rate?

- ❖ If the participant has a Funding Commitment Decision Letter from E-Rate, the CTF discount of 50% applies to only the balance remaining after its E-Rate support.
  - *E-Rate percentages vary depending on the funding commitment to the participant by the federal E-Rate program*
- ❖ If schools and libraries are not receiving E-Rate, the E-Rate Statewide average will be used.
  - *E-Rate statewide average- PUC Code 884.5*
    - *07/01/2025-06/30/2026 E-Rate Statewide Avg is 73%.*



# CTF Discount after E-RATE Changes

- ❖ CTF will continue to provide full 50% support on On-Premises and Off-Premises Wi-Fi, hotspots.
- ❖ Schools and libraries do not need to be approved for E-Rate in order to receive the CTF discount.
- ❖ CTF will provide 50% discount on mobile broadband services without E-Rate statewide average.
- ❖ The Funding Commitment letter is not required to submit in eCAP.



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# FCC Orders Rescinding E-Rate Support

## Peter Chang

# FCC Orders on E-Rate Support for Wi-Fi Hotspot

- **On Sept. 30, 2025, FCC issued two orders rolling back COVID era expansion of E-Rate program.**
- In FCC Order 25-62 (WC Docket No. 21-31, Addressing the Homework Gap through the E-Rate Program), FCC found that it lacked legal authority to expand the E-Rate program to fund Wi-Fi hotspots that students or library patrons could use outside of a school or library in its 2024 Wi-Fi Hotspots Order.
- In FCC Ruling 25-63 (WC Docket No. 13-184, Modernizing the E-Rate Program for Schools and Libraries ) FCC ruled that it lacked legal authority to expand the E-Rate program to fund Wi-Fi hotspots on school buses.



# CPUC Petitioned FCC to Reconsider

**On Nov. 18, 2025, CPUC filed a petition for reconsideration with the FCC, asking it to reconsider its two Sept. 30, 2025 orders rolling back its prior expansions of the E-Rate program.**

- In its petition to reconsider, CPUC argues that the FCC reconsider these two orders because they harm the public interest, particularly students in rural and urban areas. They also exacerbate the Homework Gap and digital divide.
- CPUC also argues that Section 254(h)(1)(B) of the Communications Act does allow for support of off-premises educational purposes.



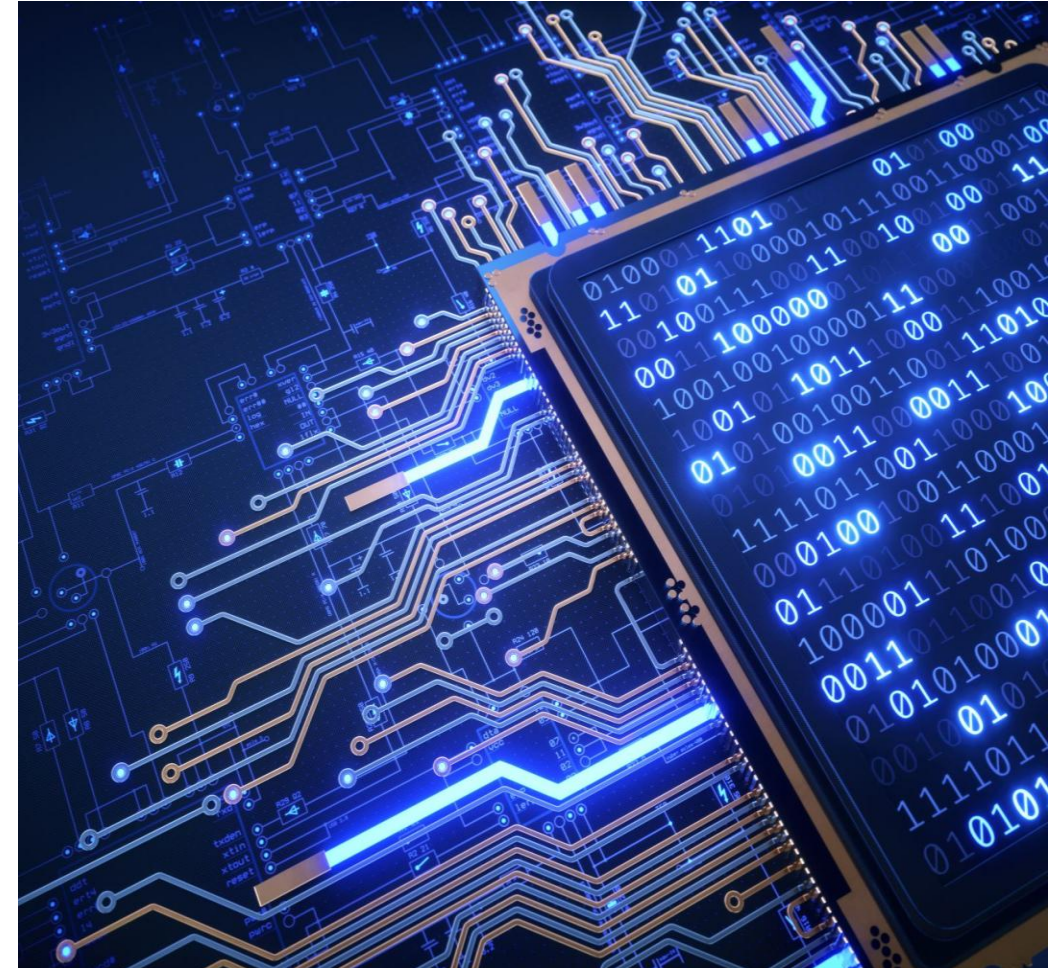


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CTF Support 50% Discount  
Joy Alba-Librojo and Mary Penno

# Eligible Services

- Asynchronous Transfer Mode (ATM)
- Broadband Over Power Lines (BPL)
- Cable Modem
- Digital Subscriber Line (DSL)
- Digital Signal, DS1, DS2, etc.
- Ethernet
- Fiber Optics, including leased dark fiber and leased lit fiber
- Fixed Wireless (e.g. Microwave)
- Frame Relay



# Eligible Services (Cont.)

- Integrated Services Digital Network (ISDN), excluding dedicated voice channels
- Multi-Protocol Label Switching (MPLS)
- Optical Carrier, OC1, OC2, etc.
- Satellite
- Switched Multimegabit Data Service (SMDS)
- Wide Area Network (WAN)
- Wi-Fi Hotspots/Mobile Broadband Service (MBS)\*

\* Public and private schools, as well as public libraries, are eligible to receive the 50% discount on the monthly recurring service charges for Wi-Fi hotspots that allow schools, libraries and their annexes to extend learning opportunities off premise. Mobile broadband Service refers to cellular and/or mobile internet access or broadband services. Both “onsite” and “offsite” mobile broadband services are eligible.



# CTF Approved Applications for Schools, Libraries and Bookmobiles

| CTF Approved Applications<br>FY 2024-2025 |                             |   |  |
|---|-----------------------------|---|--|
| Categories                                | Total Approved Applications | Were Individual On-Premise Mobile Connections | Were Individual Off-Premise Mobile Connections |
| Public Schools                            | 2,637                       | 618   | 0  |
| Public Schools (Annex)                    | 4                           | 0   | 0  |
| Private Schools                           | 1,545                       | 3   | 0  |
| Private Schools (Annex)                   | 17                          | 0   | 0  |
| Libraries                                 | 545                         | 11  | 0  |
| Libraries (Annex)                         | 2                           | 0   | 0  |
| Bookmobiles (Annex)                       | 0                           | 0   | 0  |
| <b>Total</b>                              | <b>4,750</b>                | <b>632</b>                                    | <b>0</b>                                       |

CPUC Resolution [T-17848](#): This resolution modifies the categories of advanced communication services that are eligible for the California Teleconnect Fund (CTF) program discount to incorporate mobile broadband services, which includes but is not limited to, advanced communication services via Wi-Fi Hotspots and portable satellite devices.

# eCAP Application Process



**Log in to your eCAP account**

**Click on New CTF Application**

**eCAP system will present series of questions**

**Instruction and Basic Information tab**

**Mobile Broadband and Required Documents tab**

**Review and submit application**





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# eCAP – Live Demonstration

## Joy Alba-Librojo



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# The Importance for Continued Eligibility for Recertification for School and Libraries

Gordon Huang

# Recertification for School and Libraries

## Important Information

- ❖ Over 4,000 schools and libraries have CTF eligibility ending in the years, 2026, and 2027.
- ❖ Continue receiving discounts on eligible broadband services by recertifying before the eligibility end date.
- ❖ Recertification will extend eligibility for CTF discounts by 5 years, per D. 08-06-020.



# Requirements for Recertification

## ❖ Libraries and Their Annexes

- Certification from the California State Library for each library location, if submitting multiple applications

## ❖ Schools and Their Annexes

- Public (Non-Charter)
  - County-District-School (CDS) Code from the California Department of Education
  - School District Name
- Charter
  - CDS Code
  - Sponsoring School District / County Office of Education Name
- Non-Profit Private
  - CDS Code
  - Internal Revenue Service (IRS) 501(c)(3) tax-exemption letter.
  - Documentation (IRS Form 990 or pro forma IRS Form 990) showing total endowments.





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# E-Rate Priority Categories for Funding

## Geoff Balleau, California Department of Education

## **E-Rate Categories**

### Category 1– External Connections - CTF Aligned

E-Rate Category 1 services are defined as those that provide Data Transmission Services and/or Internet Access.

Examples of eligible services under Category 1 include:

- Internet Access.
- Leased Lit Fiber.
- Leased Dark Fiber (including the equipment and software necessary to make the dark fiber service functional).
- Self-Provisioned Broadband Networks.
- Various other transmission services like Ethernet and Satellite Services.

In short, Category 1 funds the connection to the school's door.

## **Continued... E-Rate Categories**

### Category 2 - Internal Connections

E-Rate Category 2 funding, often referred to as Internal Connections. It covers the equipment and services necessary to distribute broadband connectivity throughout a school or library building.

This category is divided into three main groups of eligible services:

1. Internal Connections (IC)
2. Managed Internal Broadband Services (MIBS)
3. Basic Maintenance of Eligible Broadband Internal Connections (BMIC)

Budget fixed with a pre-discount cap over a five-year cycle. Calculated based on number of students (schools) or square foot of libraries.



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# CTF Claims

## Kirsten Mueting



# CTF Claims – Important Reminders



- ❖ CTF program rules are separate and different from E-Rate program rules.
- ❖ The CTF discount is net of E-Rate – It is applied after the E-Rate discount is applied.
- ❖ The CTF discount is only applied to eligible services, as listed on the CTF eligible services list. Infrastructure, fees, surcharges, taxes, or other are not discounted by CTF.
- ❖ CTF does not provide discounts on services delivered to Non-Instructional Facilities (NIF).

# CTF Claims - Overview

- ❖ Internet Service Providers (ISP) provide the CTF discount to CTF participants. Then, they submit CTF claims for reimbursement to CTF.
- ❖ CTF Claims must be submitted 60 days from the last day of the claim month. For example, a December 2024 claim would be submitted any time after January 1, 2025 and before March 1, 2025.
- ❖ Claims submitted after the deadline are not eligible for reimbursement. If a service provider misses a claim submission deadline, we recommend that they reach out to CTF about the specifics of their scenario.
- ❖ Claim records are required to be included in the claim month that corresponds to the month in which the CTF participant received the CTF discount. The Service Month & Service Year columns in each entry must indicate the month/year in which the CTF participant received the CTF discount. Often, the month in which the CTF participant received the CTF discount is the month in which the CTF participant was billed for services.
  - ❖ For example: If a CTF participant received eligible internet/broadband services in November 2024 and received the CTF discount for these services (was billed for these services) in December 2024, the record for this must be included in the December 2024 claim. November 2024 would need to be listed in the Service Month and Service Year columns of the record.

# CTF Claims – Claim Records

- ❖ CTF claim records are entered into the CTF Claims Worksheet.
- ❖ Service providers should ensure they are using the most recent CTF Claim Worksheet.

| Service_Month | Service_Year | Provider_DBA | Affiliate | App_Number | CTF_ID | Part_Cat      | Service_Name     | Service_Cat               | Quantity |
|---------------|--------------|--------------|-----------|------------|--------|---------------|------------------|---------------------------|----------|
| 12            | 2025         | Example      | N         | 123        |        | Public School | Example MBS Name | Mobile Broadband Services | 1        |

| Full_MRC | Eligible_MRC | Erate_Support | Erate_Statewide_Average | RHCP_Support | CTF_Discount | Orig_Discount | Claim_Amount | RecordType | Notes |
|----------|--------------|---------------|-------------------------|--------------|--------------|---------------|--------------|------------|-------|
| 100      | 50           |               |                         |              | 25           |               | 25           | Standard   |       |



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## Conclusion

# Conclusion

- ❖ The FCC issued two orders - FCC Order 25-62 and FCC Order 25-63 regarding Wi-Fi Hotspots on September 30, 2025.
- ❖ CPUC filed a petition for reconsideration with the FCC on November 18, 2025 to reconsider the two orders rolling back its prior expansion of the E-Rate Program.
- ❖ CPUC will continue to provide 50% support on on-premises and off-premises Wi-Fi Hotspots.
- ❖ Applicant to the CTF program must login to eCAP and submit a complete application with updated and accurate supporting documents.
- ❖ CTF claims ensure service providers are reimbursed for offering discounts, supporting affordable access to advanced communication services in California.



# Conclusion

- ❖ School and Libraries continue receiving discounts on eligible broadband services by recertifying before the eligibility end date.
- ❖ The difference between E-Rate and CTF funding is E-Rate uses Category 1 and Category 2 as apposed to CTF which fund claims on first come, first serve bases.
- ❖ For successful claim submission, service providers needs to maintain organized records, double-check claim accuracy, and review their final excel sheet formatting.



# Questions?



# Resources

For more information:

<https://www.cpuc.ca.gov/CTF>

CTF Applicant & Participant Guidebook

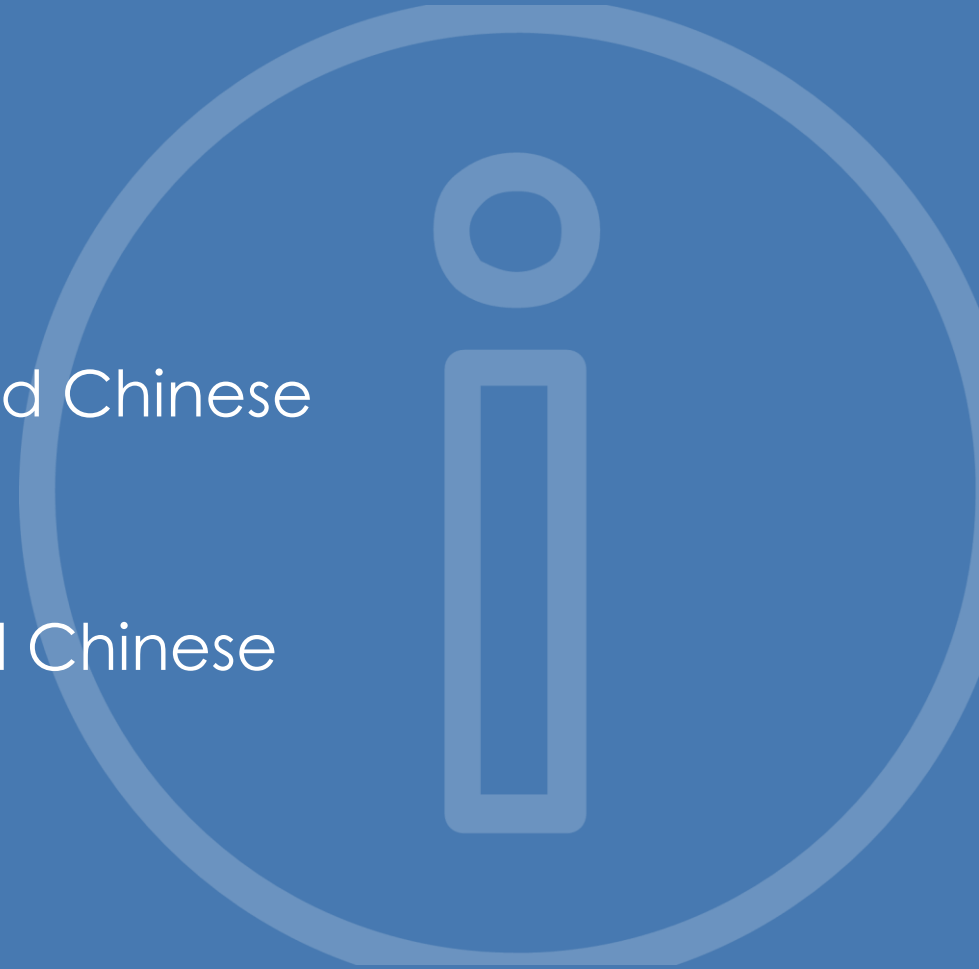
\_Available on our website in English, Spanish, and Chinese

CTF Service Provider Manual

Available on our website in English, Spanish and Chinese

E-CAP Frequently Asked Questions:

[Help - FAQs \(ca.gov\)](#)







# California Public Utilities Commission

For questions regarding the CTF program and application process, please reach out to us at [CTFHelp@cpuc.ca.gov](mailto:CTFHelp@cpuc.ca.gov).