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E-RATE DISCOUNTS FOR MONTANA SCHOOLS & LIBRARIES

TOP \$1 MILLION

Commitments for more than \$1 million worth of funding for discounted telecommunications services, including internet connections, have been received so far this year by Montana schools and libraries that applied for funding from the federal E-rate program, according to the state Public Service Commission.

As of the end of July, 124 of the 369 Montana schools and libraries that applied for E-rate discounts have been notified they will receive telecommunications discounts totaling \$1,120,235 for the period of July 1, 1999 through June 30, 2000. The remaining applicants will receive their funding commitment letters from the Schools & Libraries Division of the Universal Service Administrative Company, which operates the program, within the next four weeks. Funding for Montana schools' and libraries' discounts this year is expected to exceed the \$3.6 million committed to Montana applicants last year.

Congress created the program -- termed the E-rate program -- as part of the federal Telecommunications Act of 1996. It funds discounts for telecommunications services and internet connections for schools and libraries and for access to advanced telecommunications for rural health care providers. The amount available annually for the school and library discounts is \$2.25 billion. The discounts provided range from 20 to 90 percent, depending on how many schoolchildren in the applicant's area are eligible for the free or reduced-price school lunch program and whether the area is urban or rural. Most Montana schools and libraries qualify for discounts of at least 60 percent. This is the program's second year and more than \$270 million has been committed nationally to 10,491 schools and libraries.

All applicants who filed complete and timely applications will be funded to the maximum applicable discount level for their recurring telecommunications and internet expenses. Applicants qualifying for discounts at 70 percent or higher will be also receive funding for the costs of wiring their buildings to connect facilities to advanced services.

The PSC, the state's library and education communities and Montana's local telephone companies have led the effort to provide E-rate program outreach and education throughout Montana. Other states are looking to Montana as an example of successful networking and cooperation in providing information and assistance so that schools and libraries may receive full benefits from the E-rate program.

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