BOARD MEMO – INFORMATION ITEM

PUTNAM COUNTY COMMUNITY UNIT SCHOOL DISTRICT #535
Providing Foundations Together, Cultivating Individual Growth

To: Board of Education

From: Cody Martzluf, Superintendent

Date: Tuesday, October 20, 2026

RE: Erate Program

Background:

- The Federal Communications Commission (FCC) is currently conducting a significant review of the federal E-Rate program, which provides discounts to eligible schools for internet connectivity and internal network infrastructure.
- Since its creation in 1996, E-Rate has become an important funding source for school districts, particularly for broadband service and the network equipment necessary to provide reliable connectivity within school buildings.
- On June 25, 2026, the FCC adopted a Notice of Proposed Rulemaking and Further Notice of Proposed Rulemaking that initiates a broad review of E-Rate. The proposal was formally published in the Federal Register on August 14, 2026. Public comments are due October 13, 2026, with reply comments due November 12, 2026.

Key Points:

- E-Rate has not been eliminated. The FCC is currently reviewing the future scope and structure of the program. No final decision has been made.
- The FCC is considering whether E-Rate should continue it its current form, be more narrowly targeted to certain schools or communities, reduce the types of eligible services and equipment, or potentially be phased out over time.
- One area of particular concern is Category 2 funding, which helps districts pay for internal network infrastructure such as network cabling, network switches, wireless access points, and other internal connectivity equipment.

Impact on Putnam County Schools:

- Much of our network infrastructure is outdated and I estimate the district will need hundreds of thousands in network infrastructure upgrades over the next five years. I'm currently working on a long-range technology infrastructure plan that anticipates using E-Rate Category 2 funding to offset a portion of these expenses.
- If Category 2 funding is reduced or eliminated, a larger portion of these costs would shift to district operating funds and ultimately local property taxpayers. This issue is particularly important for small, rural districts that have limited financial capacity to absorb large technology infrastructure costs.
- For Funding Year 2026, the FCC has indicated that sufficient funding is available to fully fund eligible Category 1 and Category 2 requests. Therefore, the current debate is primarily about the future direction of the program, not an immediate lack of funding.

District Response

- I have prepared letters to our federal representatives urging them to support preservation of the E-Rate program. Letters are being directed to: U.S. Senator Dick Durbin, U.S. Senator Tammy Duckworth, Congresswoman Lauren Underwood, and Congressman Darin LaHood.
- Our message is straightforward: E-Rate remains an important resource for rural schools, and eliminating or significantly reducing Category 2 support would simply shift substantial technology infrastructure costs from the federal program back to local school districts and local property taxpayers.

PUTNAM COUNTY COMMUNITY UNIT SCHOOL DISTRICT #535

Providing Foundations Together, Cultivating Individual Growth

October 13, 2026

The Honorable Dick Durbin
United States Senate
711 Hart Senate Office Building
Washington, DC 20510

Re: Preserving the Federal E-Rate Program

Dear Senator Durbin:

I am writing on behalf of Putnam County Community Unit School District #535 to strongly urge you to provide any support necessary to preserve the federal E-Rate program and protect continued access to both Category 1 and Category 2 funding for public schools and libraries.

For small and rural school districts like Putnam County Schools, E-Rate is not simply a supplemental technology program. It is an essential funding mechanism that allows us to maintain the network infrastructure required to operate a modern public school system without placing the entire financial burden on local taxpayers.

Putnam County Schools serves approximately 800 students across four school buildings in a rural Illinois community. Much of our network infrastructure is outdated and will need significant investment in the coming years. We currently estimate that the district will need to complete hundreds of thousands in network infrastructure upgrades over the next five years. We are specifically counting on E-Rate Category 2 funding to help offset a portion of those costs.

If E-Rate funding is reduced, restricted, or eliminated, those costs do not simply disappear. They are shifted back to local school districts and, ultimately, to local property taxpayers. For a small rural district, absorbing hundreds of thousands of dollars in additional infrastructure costs can force difficult choices between maintaining reliable technology systems and funding other important priorities such as instructional programs, student services, staffing, transportation, safety improvements, and facility needs.

That is particularly concerning for rural communities. Larger school systems may have greater economies of scale, broader tax bases, or more internal resources to absorb unexpected technology expenses. Small districts often do not. Programs such as E-Rate help level the playing field and ensure that a student's access to reliable technology infrastructure is not determined by the size or wealth of the community in which that student happens to live.

Reliable connectivity has also become fundamental to nearly every aspect of school operations. Our network supports classroom instruction, student assessments, communication systems, cybersecurity protections, administrative operations, safety technology, cloud-based applications, and countless other services used by students and staff every day. These systems are no longer optional conveniences; they are part of the basic infrastructure required to educate students safely and effectively.

We understand and support appropriate oversight, accountability, and responsible stewardship of federal resources. If there are opportunities to improve the administration or efficiency of E-Rate, those conversations should occur. However, reforms should strengthen this longstanding program rather than undermine the ability of schools and libraries to maintain dependable connectivity.

I respectfully ask that you advocate for the preservation of E-Rate and oppose efforts that would significantly reduce its scope, funding, or availability to public schools. I also ask that you help ensure that Category 2 funding remains available so districts like ours can continue making the internal network upgrades necessary to serve students effectively.

For Putnam County Schools, the future of E-Rate has a very real local impact. We are currently planning several hundred thousand dollars in necessary network improvements, and federal E-Rate assistance will directly affect how much of that burden must be borne by our district and our taxpayers.

Public education should not become less technologically capable simply because a school is located in a small or rural community. Preserving E-Rate is one important way the federal government can continue supporting equitable educational opportunities while also protecting local taxpayers from costs that would otherwise be extremely difficult for smaller districts to absorb.

Thank you for your service and for your consideration of this important issue. I would be happy to provide additional information regarding Putnam County Schools' infrastructure needs or the importance of E-Rate funding to our district. You can reach me at 815-882-2800 or via email at martzlufc@pcschools535.org.

Sincerely,



Cody Martzluf
Superintendent
Putnam County Community Unit School District #535

PUTNAM COUNTY COMMUNITY UNIT SCHOOL DISTRICT #535

Providing Foundations Together, Cultivating Individual Growth

October 13, 2026

The Honorable Tammy Duckworth
United States Senate
524 Hart Senate Office Building
Washington, DC 20510

Re: Preserving the Federal E-Rate Program

Dear Senator Duckworth:

I am writing on behalf of Putnam County Community Unit School District #535 to strongly urge you to provide any support necessary to preserve the federal E-Rate program and protect continued access to both Category 1 and Category 2 funding for public schools and libraries.

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Cody Martzluf
Superintendent
Putnam County Community Unit School District #535

PUTNAM COUNTY COMMUNITY UNIT SCHOOL DISTRICT #535

Providing Foundations Together, Cultivating Individual Growth

October 13, 2026

The Honorable Lauren Underwood
U.S. House of Representatives
2228 Rayburn House Office Building
Washington, DC 20515

Re: Preserving the Federal E-Rate Program

Dear Congresswoman Underwood:

I am writing on behalf of Putnam County Community Unit School District #535 to strongly urge you to provide any support necessary to preserve the federal E-Rate program and protect continued access to both Category 1 and Category 2 funding for public schools and libraries.

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Cody Martzluf
Superintendent
Putnam County Community Unit School District #535

PUTNAM COUNTY COMMUNITY UNIT SCHOOL DISTRICT #535

Providing Foundations Together, Cultivating Individual Growth

October 13, 2026

The Honorable Darin LaHood
U.S. House of Representatives
503 Cannon House Office Building
Washington, DC 20515

Re: Preserving the Federal E-Rate Program

Dear Congressman LaHood:

I am writing on behalf of Putnam County Community Unit School District #535 to strongly urge you to provide any support necessary to preserve the federal E-Rate program and protect continued access to both Category 1 and Category 2 funding for public schools and libraries.

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