

Viewpoints

New U.S. Supreme Court Ruling Supports Affordability for School District Internet Connections



In a recent decision, ***Wisconsin Bell Inc. v. United States ex rel. Heath***, the U.S. Supreme Court unanimously decided that the False Claims Act, a major anti-fraud statute, could be applied to the federal E-Rate program.

The federal E-Rate program provides funding for school district and library internet connections and network infrastructure. As was the case in *Wisconsin Bell*, the decision prevents internet providers from billing school districts and/or libraries for amounts exceeding the price point allowed under the E-Rate program and seeking reimbursement from the E-Rate program based on inflated prices charged to these entities.

This means that not only may school districts invoke this anti-fraud statute under similar circumstances, but internet provider pricing must also comply with rules requiring that no school or library be charged more than similarly situated customers.



In its unanimous decision in *Wisconsin Bell Inc. v. United States ex rel. Heath*, the court rejected arguments by an AT&T Corp. subsidiary that the \$4 billion program is entirely privately funded through the payments from telecommunications companies to a private administrator and thus not subject to the False Claims Act, a Civil War-era law that allows private parties to help root out fraud in federal programs.

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Professionals



Treesineu McDaniel

Associate

Oakland

510.550.8229

tmcdaniel@f3law.com