

United States Senate

July 12, 2018

The Honorable Ajit Pai
Chairman, Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

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Dear Chairman Pai:

It has come to my attention that the Universal Service Administrative Company (USAC), an organization under your management, has withheld \$32.4 million in E-Rate discount funding from the State of Alabama.

As you know, the Schools and Libraries Universal Service Support Program, or E-Rate program, plays a critical role in providing Alabama schools and libraries with affordable high-speed internet access.

According to information I have received, the State of Alabama has not been paid \$6,705,647 that was approved in FY 2016. Further, the State of Alabama has submitted additional requests for FY 2016-2018 totaling \$25,698,961. It is my understanding that all of these applications are still pending with no indication whether they will be granted or not.

You have noted that, "Internet access in public schools has almost tripled since E-Rate's creation, and speeds have grown alongside availability." This is welcome news because, in today's economy, internet access is no longer just a luxury. Broadband is as much of a necessity in a classroom as notebooks and pencils. By failing to deliver universal internet, we fail to provide our children with the skills they need to compete for jobs in the 21st century economy.

Simply put, these unexplained delays are inexcusable and they hurt the 1,376 school and library sites and 692,515 students who benefit from E-rate funding and services in Alabama.

I have seen that you have advocated changing the E-Rate program to make it "student-centered." I certainly agree with you and believe that a great first step would be to keep your promise to provide the funding that is owed to Alabama and approve the pending applications.

I ask that you provide me with an update on the status of the State of Alabama's approved funding for FY 2016 and of the pending applications for requests for FY 2016-2018 at the earliest opportunity.

Sincerely,


Doug Jones
United States Senator



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

December 28, 2018

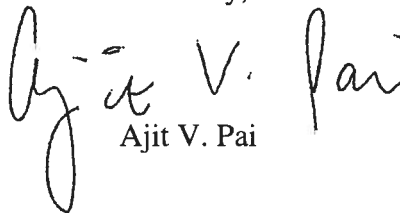
The Honorable Doug Jones
United States Senate
326 Russell Senate Office Building
Washington, D.C. 20510

Dear Senator Jones:

Thank you for your letter regarding the Universal Service Administrative Company's decision to delay and review E-Rate funding for Alabama Supercomputer's contract with CSRA State and Local Solutions, LLC. Per your request, I asked the Commission's Wireline Competition Bureau, among others, to look into the matter. Staff have explained to me that the delay in funding is due to a Special Compliance Review, triggered by concerns that Alabama Supercomputer has not complied with the E-Rate program's competitive bidding rules. Indeed, I understand that the Universal Service Administrative Company has issued a decision this week finding significant violations of those rules. Should Alabama Supercomputer disagree with that decision, our rules spell out an appeals process, including eventual review by Commission staff.

I appreciate your attention to this matter. Please let me know if I can be of any further assistance.

Sincerely,


Ajit V. Pai