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UNITED STATES
HOUSE OF REPRESENTATIVES

December 4, 2014

1254

Tom Wheeler
Chairman
Federal Communications Commission
445 12th St. SW
Washington, D.C. 20554

Dear Chairman Wheeler;

I was pleased to learn about the Federal Communication Commission's (FCC) proposal to increase funding for the E-Rate program from $2.4 billion to $3.9 billion a year. The E-Rate program provides certain disadvantaged schools and libraries affordable telecommunications services and products, including internet access.

In the 2014 funding year, Wisconsin schools and libraries received $27,610,389 in funding from the E-Rate program. This funding is critical to ensuring many of the schools in my district and across the state have Internet access and the technology essential for students developing skills necessary for the modern workforce.

Currently, funding for the E-Rate program is capped at $2.4 billion dollars. Schools across the country, including many in Wisconsin, rely on E-Rate funding to update obsolete and inefficient technology. According to a report by the *Milwaukee Sentinel Journal*, the cost of internet service to schools in Wisconsin is significantly higher than the national average, leaving many school districts struggling to meet students' needs.

I am deeply concerned that without increased funding for the E-Rate program, many students residing in rural Wisconsin school districts will be left behind when it comes to technology updates.

According to a FCC study, 68 percent of school districts do not meet the established goals for Internet speeds in schools to hit 1,000 megabits per second for every 1,000 students. Even more alarming, 41 percent of rural schools do not meet current connectivity goals.

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I strongly encourage the FCC to move forward with its proposal to increase funding for the E-Rate Program in order to allow students the ability to access 21st Century classrooms equipped with the necessary technology. Thank you for your hard work on this important issue.

Sincerely,

Mark Pocan
Member of Congress

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

January 23, 2015

The Honorable Mark Pocan
U. S. House of Representatives
313 Cannon House Office Building
Washington, D.C. 20515

Dear Congressman Pocan:

Thank you for your letter supporting increased funding for the E-rate program. I agree with your views that increased investment in the E-rate program will provide technology essential for providing students with the skills necessary for the modern workforce. Access to high speed broadband will increase educational opportunities for students throughout the United States, including for students in Wisconsin.

I consider modernization of the E-rate program among the most important tasks currently facing this Commission. This past July, the Commission approved the first major modification in the E-rate program's 18 year history. The *E-Rate Modernization Order* took significant steps towards addressing the Wi-Fi gap in America's schools and libraries. We established an annual funding target of $1 billion for Wi-Fi, as well as a fairer method for distributing funds so that all schools and libraries can benefit, including far more rural schools and libraries than in the past. Based on Commission analysis, Wisconsin, in particular, could benefit by up to $91 million in new Wi-Fi funding to impact over 985,000 students in approximately 3,100 schools and 460 libraries.

However, American schools and libraries still face a connectivity gap. Two-thirds of schools and libraries do not subscribe to sufficient high-speed connectivity. In addition, nearly one-third of all schools and three-fourths of all libraries cannot get a high-speed connection because the infrastructure simply is not available. This gap is worst in rural America. But it is not just rural communities that are being disproportionately left behind. Low-income schools in both rural and urban communities significantly lag behind affluent schools. Nearly 40 percent of affluent schools have high-speed access versus less than 15 percent of lower-income urban and rural schools.

Closing this connectivity gap requires raising the E-rate spending cap. Our December *Modernization Order* took the critical step of making more funding available for schools and libraries to purchase broadband connectivity capable of delivering speeds up to 1 Gbps over the next five years. We have looked long-term to forecast the funding needs going forward and based the new $3.9 billion spending cap on those forecasts. This increase is the first reset of the cap since it was initially set at $2.25 billion in 1997, an amount that was not adjusted for inflation until 2010.

What will actually be spent – and the rate that Americans will be asked to contribute – will vary from year to year. E-rate is funded by fees on consumers' phone bills. As you note, the increase may over time require Americans to contribute approximately 16 cents a month for a telephone line – annually about the cost of a cup of coffee at Dunkin' Donuts.

I can assure you that I take the fiduciary responsibility over the investment of America's contributions very seriously. That is why we have placed an emphasis on improving the cost-effectiveness of the program. The December *Order* makes further changes to the E-rate program rules to ensure more competition for E-rate dollars and to maximize the cost-effectiveness of E-rate supported purchases.

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

Sincerely,

Tom Wheeler