

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of)	
)	
Lifeline and Link Up Reform and Modernization)	WC Docket No. 11-42
)	
Lifeline and Link Up)	WC Docket No. 03-109
)	
Federal-State Joint Board on Universal Service)	CC Docket No. 96-45
)	
Advancing Broadband Availability Through Digital Literacy Training)	WC Docket No. 12-23
)	

REPLY COMMENTS
Of The
North Carolina Department of Public Instruction

I. Background

The North Carolina Department of Public Instruction, which is the authorized entity for E-rate in the State of North Carolina, is pleased to submit the following reply comments to the Further Notice of Proposed Rule Making document on modernizing the Universal Service Fund's (USF's) Lifeline program, which subsidizes telephone service for low-income citizens. The FNPRM includes a proposal to establish a Digital Literacy pilot program that would fund schools and libraries operating digital literacy training courses. The FNPRM recommends that this pilot operate for four years, consisting of \$50 million per year, giving libraries 80 percent of the funding and giving schools the remaining 20 percent. The FNPRM also proposes three options for administering the pilot, including: operating the pilot within the USF Low Income program; running the pilot through the E-rate program, which would require rule and E-rate Eligible Services List changes; or establishing a separate program within USF.

II. NCDPI Response to the Digital Literacy Pilot Program Proposal

We all realize that to compete in a global market, the ability to use advanced technology is essential - whether that is a computer software package or robotic arm, mining data, coal and oil, or QR code scanning technology. Even more critical is the concept of life-long learning and the tools used to facilitate that learning. The concept of continuous learning is stable, but the tools emerge and evolve. We are entirely confident that the E-rate program is the sustenance for the backbone of connectivity, but it is not the appropriate mechanism for administering or funding the proposed digital literacy pilot program.

The E-rate program, the "backbone," is already on its knees due to high levels of need, which will only continue to grow with new applications, distance learning, 1-1 rollouts and online testing.

There are still far too many unserved and underserved areas that need funding to ensure access to world-class broadband and the lifelong learning opportunities and global competitiveness that it affords. To that end, we urge the Commission to give the newly launched competition that begins July 2, 2012, to identify the best ways to increase broadband adoption among low-income Americans, using \$25 million in savings from major reforms earlier this year, a chance to work, and not commingle or attenuate the E-rate funding mechanism or administration.

Respectfully submitted,

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Dated May 1, 2012