FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

June 16, 2014

The Honorable Ron Barber
U.S. House of Representatives
1029 Longworth House Office Building
Washington, D.C. 20515

Dear Congressman Barber:

Thank you for sharing your views on the importance of modernizing the E-Rate program to provide high-speed broadband to and within all of our nation's schools and libraries. I agree with each of the recommendations in your letter and hope to soon be able to adopt an Order beginning the process of E-rate modernization consistent with the approach you have outlined.

Since its creation as part of the 1996 Telecommunications Act, the E-Rate program has provided crucial support to meet the technology needs of schools and libraries. But just as technology and teaching have evolved over the past two decades, so too must E-Rate. The technology tools that supported the educational needs of the Class of 1998 bear virtually no resemblance to those the Classes of 2015 and beyond need to succeed in the 21st Century.

I am especially concerned about the lack of robust Wi-Fi in schools and libraries. Unfortunately, nearly 60% of schools in America lack sufficient Wi-Fi to provide their students and teachers with modern educational tools, and far too many schools simply have no Wi-Fi at all. The current E-rate program rules are simply not set up to meet this challenge. In the most recent funding year, no E-Rate funding was allocated to Wi-Fi. In previous years, when funds were available, E-Rate supported internal connections like Wi-Fi to less than 10 percent of schools and just one percent of libraries, with rural schools consistently receiving a very small percentage of funding for in-classroom connectivity. This is unacceptable.

The main reason for this problem is that there is no certainty within the current system. Schools do not know if they will qualify from year to year. Funds for Wi-Fi are provided on a secondary basis and are only available once all "priority one" requests are funded. I have seen firsthand that Wi-Fi is as important as any other form of Internet access in today's schools and libraries and believe the E-rate program should provide substantially greater predictability in funding for Wi-Fi going forward. Every school district and library should know that funding for Wi-Fi will be available to them over a multi-year period so they can effectively plan for the future. Far more rural schools would benefit compared to the current system and such changes could be made while

maintaining a hallmark of the E-rate program – providing the highest discounts for those schools that need it the most and providing an additional discount for certain rural schools.

In addition to rethinking how we provide support for Wi-Fi, we also need to address funding levels. Just last week I received a letter from 106 organizations calling for an increase in E-rate spending and noting that "the program has effectively been shortchanged by not having any CPI [consumer price index] increase for the first fourteen years of the program." Others have also called for an inflation adjustment to the program's budget. Had such a rule been in place when the program was launched, the Commission would provide approximately $3.25 billion in E-rate support in the upcoming funding year. I am pleased to say that, due to efforts of the Commission's staff this year in improving the overall management and administration of the E-rate program, funds will be made available that can be put to use to enable the Commission to provide more than that CPI-adjusted level of funding in 2015. As I announced earlier this year, using these already collected funds, the Commission will invest an additional $2 billion in broadband for schools and libraries while continuing to assess the long-term funding needs of the program.

As a first step, I believe we should put those resources to work now to meet our educators' pent-up demand for upgrading Wi-Fi. But how and when we put those resources to work is very important. According to internal staff estimates, allocating an additional $1 billion to Wi-Fi next year without updated program rules will allow us to reach fewer than 4 million students, mostly in urban areas. With modernized rules for internal connections, however, E-Rate could help over 10 million students connect to Wi-Fi in their classrooms, including many in rural areas. It would also support Wi-Fi deployment in substantially more libraries than in the past. But timing is critical. Practically speaking, to have an impact in the 2015 school year, the Commission will need to act this summer to adopt new rules. If we don't move quickly on new rules, we will miss the opportunity for Wi-Fi to have its greatest impact in the coming funding year.

As you correctly point out, there are several other important issues. My focus on Wi-Fi is not to suggest that other steps should not also be taken to modernize the program. I agree that we need to make the hard decision now to begin transitioning the program away from non-broadband services and to broadband services. I also share your goal of ensuring that these funds are spent wisely on the best service at the lowest price in order to stretch these funds to reach as many schools as possible. It is called the E-*rate* program for a reason, and it is our responsibility to facilitate access to the best possible services at the lowest possible rates. We can take specific actions to address this issue by, for example, facilitating consortium-based applications and requiring greater transparency in the program so that all E-rate beneficiaries have the best possible information when making purchasing decisions. I am also firmly committed to streamlining the application process. Today, for example, I am pleased to say that the Commission has already committed over $1 billion for the 2014 funding year, which

includes over $700 million in broadband-related funding – a milestone that has been achieved a full three months faster than in the previous funding year.

E-rate modernization is one of the most important issues before the Commission today. We have an opportunity to make a real difference in the lives of millions of students. Thank you again for your very helpful recommendations. I look forward to working with you toward our mutual goal of increased access to high-speed broadband in our nation's schools.

Sincerely,

Tom Wheeler

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

June 16, 2014

The Honorable Richard Hanna
U.S. House of Representatives
319 Cannon House Office Building
Washington, D.C. 20515

Dear Congressman Hanna:

Thank you for sharing your views on the importance of modernizing the E-Rate program to provide high-speed broadband to and within all of our nation's schools and libraries. I agree with each of the recommendations in your letter and hope to soon be able to adopt an Order beginning the process of E-rate modernization consistent with the approach you have outlined.

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Sincerely,

Tom Wheeler

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

June 16, 2014

The Honorable Pete Gallego
U.S. House of Representatives
431 Cannon House Office Building
Washington, D.C. 20515

Dear Congressman Gallego:

Thank you for sharing your views on the importance of modernizing the E-Rate program to provide high-speed broadband to and within all of our nation's schools and libraries. I agree with each of the recommendations in your letter and hope to soon be able to adopt an Order beginning the process of E-rate modernization consistent with the approach you have outlined.

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Sincerely,

Tom Wheeler

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

June 16, 2014

The Honorable Lois Capps
U.S. House of Representatives
2231 Rayburn House Office Building
Washington, D.C. 20515

Dear Congresswoman Capps:

Thank you for sharing your views on the importance of modernizing the E-Rate program to provide high-speed broadband to and within all of our nation's schools and libraries. I agree with each of the recommendations in your letter and hope to soon be able to adopt an Order beginning the process of E-rate modernization consistent with the approach you have outlined.

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Sincerely,

Tom Wheeler

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

June 16, 2014

The Honorable John Delaney
U.S. House of Representatives
1632 Longworth House Office Building
Washington, D.C. 20515

Dear Congressman Delaney:

Thank you for sharing your views on the importance of modernizing the E-Rate program to provide high-speed broadband to and within all of our nation's schools and libraries. I agree with each of the recommendations in your letter and hope to soon be able to adopt an Order beginning the process of E-rate modernization consistent with the approach you have outlined.

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Sincerely,

Tom Wheeler

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

June 16, 2014

The Honorable John Carney
U.S. House of Representatives
1406 Longworth House Office Building
Washington, D.C. 20515

Dear Congressman Carney:

Thank you for sharing your views on the importance of modernizing the E-Rate program to provide high-speed broadband to and within all of our nation's schools and libraries. I agree with each of the recommendations in your letter and hope to soon be able to adopt an Order beginning the process of E-rate modernization consistent with the approach you have outlined.

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June 16, 2014

The Honorable Joe Garcia
U.S. House of Representatives
1440 Longworth House Office Building
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Dear Congressman Garcia:

Thank you for sharing your views on the importance of modernizing the E-Rate program to provide high-speed broadband to and within all of our nation's schools and libraries. I agree with each of the recommendations in your letter and hope to soon be able to adopt an Order beginning the process of E-rate modernization consistent with the approach you have outlined.

Since its creation as part of the 1996 Telecommunications Act, the E-Rate program has provided crucial support to meet the technology needs of schools and libraries. But just as technology and teaching have evolved over the past two decades, so too must E-Rate. The technology tools that supported the educational needs of the Class of 1998 bear virtually no resemblance to those the Classes of 2015 and beyond need to succeed in the 21st Century.

I am especially concerned about the lack of robust Wi-Fi in schools and libraries. Unfortunately, nearly 60% of schools in America lack sufficient Wi-Fi to provide their students and teachers with modern educational tools, and far too many schools simply have no Wi-Fi at all. The current E-rate program rules are simply not set up to meet this challenge. In the most recent funding year, no E-Rate funding was allocated to Wi-Fi. In previous years, when funds were available, E-Rate supported internal connections like Wi-Fi to less than 10 percent of schools and just one percent of libraries, with rural schools consistently receiving a very small percentage of funding for in-classroom connectivity. This is unacceptable.

The main reason for this problem is that there is no certainty within the current system. Schools do not know if they will qualify from year to year. Funds for Wi-Fi are provided on a secondary basis and are only available once all "priority one" requests are funded. I have seen firsthand that Wi-Fi is as important as any other form of Internet access in today's schools and libraries and believe the E-rate program should provide substantially greater predictability in funding for Wi-Fi going forward. Every school district and library should know that funding for Wi-Fi will be available to them over a multi-year period so they can effectively plan for the future. Far more rural schools would benefit compared to the current system and such changes could be made while

maintaining a hallmark of the E-rate program – providing the highest discounts for those schools that need it the most and providing an additional discount for certain rural schools.

In addition to rethinking how we provide support for Wi-Fi, we also need to address funding levels. Just last week I received a letter from 106 organizations calling for an increase in E-rate spending and noting that "the program has effectively been shortchanged by not having any CPI [consumer price index] increase for the first fourteen years of the program." Others have also called for an inflation adjustment to the program's budget. Had such a rule been in place when the program was launched, the Commission would provide approximately $3.25 billion in E-rate support in the upcoming funding year. I am pleased to say that, due to efforts of the Commission's staff this year in improving the overall management and administration of the E-rate program, funds will be made available that can be put to use to enable the Commission to provide more than that CPI-adjusted level of funding in 2015. As I announced earlier this year, using these already collected funds, the Commission will invest an additional $2 billion in broadband for schools and libraries while continuing to assess the long-term funding needs of the program.

As a first step, I believe we should put those resources to work now to meet our educators' pent-up demand for upgrading Wi-Fi. But how and when we put those resources to work is very important. According to internal staff estimates, allocating an additional $1 billion to Wi-Fi next year without updated program rules will allow us to reach fewer than 4 million students, mostly in urban areas. With modernized rules for internal connections, however, E-Rate could help over 10 million students connect to Wi-Fi in their classrooms, including many in rural areas. It would also support Wi-Fi deployment in substantially more libraries than in the past. But timing is critical. Practically speaking, to have an impact in the 2015 school year, the Commission will need to act this summer to adopt new rules. If we don't move quickly on new rules, we will miss the opportunity for Wi-Fi to have its greatest impact in the coming funding year.

As you correctly point out, there are several other important issues. My focus on Wi-Fi is not to suggest that other steps should not also be taken to modernize the program. I agree that we need to make the hard decision now to begin transitioning the program away from non-broadband services and to broadband services. I also share your goal of ensuring that these funds are spent wisely on the best service at the lowest price in order to stretch these funds to reach as many schools as possible. It is called the E-*rate* program for a reason, and it is our responsibility to facilitate access to the best possible services at the lowest possible rates. We can take specific actions to address this issue by, for example, facilitating consortium-based applications and requiring greater transparency in the program so that all E-rate beneficiaries have the best possible information when making purchasing decisions. I am also firmly committed to streamlining the application process. Today, for example, I am pleased to say that the Commission has already committed over $1 billion for the 2014 funding year, which

includes over $700 million in broadband-related funding – a milestone that has been achieved a full three months faster than in the previous funding year.

E-rate modernization is one of the most important issues before the Commission today. We have an opportunity to make a real difference in the lives of millions of students. Thank you again for your very helpful recommendations. I look forward to working with you toward our mutual goal of increased access to high-speed broadband in our nation's schools.

Sincerely,

Tom Wheeler

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

June 16, 2014

The Honorable Jim Himes
U.S. House of Representatives
119 Cannon House Office Building
Washington, D.C. 20515

Dear Congressman Himes:

Thank you for sharing your views on the importance of modernizing the E-Rate program to provide high-speed broadband to and within all of our nation's schools and libraries. I agree with each of the recommendations in your letter and hope to soon be able to adopt an Order beginning the process of E-rate modernization consistent with the approach you have outlined.

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I am especially concerned about the lack of robust Wi-Fi in schools and libraries. Unfortunately, nearly 60% of schools in America lack sufficient Wi-Fi to provide their students and teachers with modern educational tools, and far too many schools simply have no Wi-Fi at all. The current E-rate program rules are simply not set up to meet this challenge. In the most recent funding year, no E-Rate funding was allocated to Wi-Fi. In previous years, when funds were available, E-Rate supported internal connections like Wi-Fi to less than 10 percent of schools and just one percent of libraries, with rural schools consistently receiving a very small percentage of funding for in-classroom connectivity. This is unacceptable.

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Sincerely,

Tom Wheeler

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

June 16, 2014

The Honorable Jim Cooper
U.S. House of Representatives
1536 Longworth House Office Building
Washington, D.C. 20515

Dear Congressman Cooper:

Thank you for sharing your views on the importance of modernizing the E-Rate program to provide high-speed broadband to and within all of our nation's schools and libraries. I agree with each of the recommendations in your letter and hope to soon be able to adopt an Order beginning the process of E-rate modernization consistent with the approach you have outlined.

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