

July 6, 2014

The Honorable Thomas Wheeler, Chairman
The Honorable Mignon Clyburn
The Honorable Jessica Rosenworcel
The Honorable Ajit Pai
The Honorable Michael O’Rielly

Federal Communications Commission
445 12th St, SW
Washington, DC 20554

Dear Commissioners,

The modernization of the E-rate program is a critical and bold endeavor for the nation’s schools and libraries. I am writing to support Chairman Wheeler’s proposal to modernize the E-rate program as an important first step toward achieving the national goal of providing at least 99 percent of America’s students with access to high-speed broadband in their schools and libraries within the next five years.

North Carolina has effectively used the E-rate program to reshape state level policy and provide affordable equity of access to all 2,600 of its K12 and charter schools. When North Carolina began its effort in 2007 to address connectivity, many of our schools were not able to take advantage of the E-rate reimbursement program due to insufficient resources, which is the same situation many of country’s states and schools face today. During my tenure as Lt. Governor and Governor, we built a strong collaborative partnership with the state and private providers that built on our state assets and led to the sustainable and scalable expansion of the North Carolina Research Education Network (NCREN) through MCNC, a nonprofit organization. As a result of this strategic effort:

- 99% of NC schools are served with fiber.
- All NC schools have essentially unlimited access to the Internet through NCREN –
 - ✓ May 2009: All districts were connected to NCREN with a total aggregate Internet usage of 3 Gbps.
 - ✓ May 2014: Aggregate internet usage is 40 Gbps and continues to grow at 60% per year.
 - ✓ As usages increases connections are automatically upgraded when usage reaches 60%.

The key strategic state investment fact for North Carolina is that the consortium approach with aggregation and use of the nonprofit statewide network ensured a value add after E-Rate to the state’s \$10M investment which has remained flat since 2008. Other examples of consortium efforts are noted in the July 3 submission by the Council of Chief State School Officers and Digital Learning Now! which is affiliated with Foundation for Excellence in Education.

This strategic effort was well-planned took advantage of existing state resources and leveraged E-rate and state funds and it continues to provide an affordable and efficient statewide education backbone through NCREN with sufficient speeds to support digital learning in all schools.

The consortium approach and scalability of NCREN has received national attention and can serve as a model for other states, especially those looking for affordable equity of access. Since my tenure in public service, these strategic collaborations continue and led me to create DigiLEARN, a non-profit with a goal of accelerating digital learning opportunities across the country. The approach we used to get necessary high speed connectivity to the schools positions North Carolina to accelerate digital learning for all students and teachers no matter their location, if the necessary Wi-Fi can be provided in every classroom. While North Carolina has connected all of its districts and schools to a fiber network, only 22% have adequate Wi-Fi for their classrooms which is critical for successful digital learning.

I am therefore encouraged that Chairman Wheeler's modernization proposal includes \$2 billion in funding from program savings over two years for Wi-Fi upgrades. Last year, no funding was made available for these Priority 2 requests, with only limited funds made available the prior year. This limited North Carolina as well as other states' ability to up-fit their classrooms with Wi-Fi and take advantage of mobile technologies. These internal or Priority 2 connections are critical for those states that have made strategic investments in Priority 1 requests to get schools connected to move forward to the classroom.

While the proposed funding flexibility for Priority 2 needs is an important first step, I would encourage Commissioners to continue to address the flexibility in the use of these funds and broaden the purpose of Priority 1 funds to include Wi-Fi, thus eliminating the Priority 2 designation. Further, allowing this flexibility for states, schools and libraries to use the \$2 billion in funding has the potential to provide valuable data about cost and service needs that will enable the Commission to determine future budget demands for the E-rate program. Just as North Carolina is a model for developing an efficient and affordable statewide education broadband network, our state is positioned to serve as a model for the acceleration of digital learning in and out of the classroom.

In addition, I am encouraged by Chairman Wheeler's proposal that the Commission facilitate greater use of consortia-enabled bulk purchasing—a move that can lead to significant cost savings. The improvements that will be made under Chairman Wheeler's and the Commission's leadership are an important first step to modernizing the E-rate program. I look forward to continuing to work with the FCC as it continued to modernize E-rate towards the goal of providing at least 99 percent of America's students with access to high-speed broadband in their schools and libraries within the next five years.

Best Regards,



Beverly Eaves Perdue
Founder and Chair, DigiLEARN
NC Governor, 2009-2012 • Lt. Governor, 2001-2008