



NEWS

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Federal Communications Commission
445 12th Street, S.W.
Washington, D. C. 20554

This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See MCI v. FCC, 515 F 2d 385 (D.C. Circ 1974).

For Immediate Release
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For More Information Contact:
Steve Adamske 418.8221

STATEMENT OF FCC CHAIRMAN WILLIAM E. KENNARD AND COMMISSIONER GLORIA TRISTANI

E-RATE TO RECEIVE FULL FUNDING *\$186 Million to be sent this week*

We are pleased to announce that funding commitments for the third year of the Schools and Libraries Universal Service Program – known as the E-Rate – will begin this week. This year's program will be funded at \$2.25 billion – the full amount allowed under the Commission's rules.

The E-Rate is a cornerstone of the Commission's efforts to bridge the Digital Divide. From America's largest urban areas to its most rural and insular regions, the E-Rate is delivering telecommunications services to schools, libraries and communities nationwide. For example, over the first two funding years of the program, the Detroit Public School District – Where some of its students learn in 19th Century, coal heated buildings – received nearly \$40 million in E-Rate discounts to allow its 175,000 students to gain access to the Internet. Also, the Kuspuks School District in Aniak, Alaska – which is only accessible by air – used the over \$400,000 in discounted funding it received to wire all of its school buildings and connect its 425 mostly Eskimo students to the Internet. Through the E-Rate program, we have brought to life the promise of universal access to modern communications services at the nation's schools and libraries– regardless of their wealth or geography.

Recent statistics indicate that the E-Rate is making the grade:

- 63% of public school classrooms had Internet access in 1999, a 12% rise in Internet connectivity since 1998.
- Last year, 82% of the Nation's public schools and over half of the public libraries received discounted services under the program, with more than 53,000 urban schools and more than 25,000 rural schools receiving E-Rate support.
- This year's applications for discounts show high demand for the program: it received over 36,000 applications totaling \$4.7 billion in discount requests.

While we are unable to fulfill all applicant requests this year, we are certain that Year Three of the E-Rate will build on the program's extraordinarily successful legacy and continue towards

our goal of connecting every classroom to the Internet in a way that meets the needs of the future.

The first wave of funding commitment letters, which will be mailed this week, commits approximately \$185.6 million in support to public and private schools and libraries nationwide. Other funding waves, committing the remaining funds, will follow each week.

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