



OFFICE OF
THE CHAIRMAN

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

January 13, 2010

The Honorable John D. Rockefeller
Chairman
Committee on Commerce, Science and Transportation
United States Senate
508 Dirksen Senate Office Building
Washington, D.C. 20510

Dear Chairman Rockefeller:

Thank you for your letter concerning the impact of inflation on the schools and libraries universal service support mechanism's (the E-rate program) annual \$2.25 billion funding cap. Specifically, you requested that the Commission amend its E-rate rules to take into consideration growth in the consumer price index so that schools and libraries will continue to have access to affordable telecommunications services and the Internet.

I was privileged to see the early development of the E-rate program during the 1990s, when I served on the Commission staff. The manner in which you championed this important provision to connect classrooms and libraries to the Internet was instrumental to its success. Like you, I see the E-rate program – and universal service support in general – as one of the most powerful tools available to enable universal access to broadband services across all areas of the country. It is clear that updating the Universal Service Fund rules and policies must be one of our first steps in implementing the National Broadband Plan. As part of the process of developing the National Broadband Plan, we have also sought comment on your proposal to index the E-rate funding cap to inflation. I am enclosing a copy of the Public Notice seeking comment on this proposal.

I appreciate the opportunity that we have had to meet with your staff on these very important issues, and I look forward to continuing our work with you to update the Commission's policies and promote ubiquitous broadband service for this country. Please let me know if you have any further questions or concerns.

Sincerely,



Julius Genachowski

Enclosure