

United States Senate

COMMITTEE ON COMMERCE, SCIENCE,
AND TRANSPORTATION

WASHINGTON, DC 20510-6125

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October 9, 2009

The Honorable Julius Genachowski
Chairman
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Dear Mr. Genachowski:

In the Telecommunications Act of 1996, I worked to establish the E-rate program, in order to provide schools and libraries with affordable access to telecommunications services and the Internet. The E-rate program has been the singularly most effective and powerful of all of the Federal Communications Commission's universal service programs at supporting the expansion of broadband service. Thanks to the E-rate program, today more than 90 percent of all classrooms have access to the Internet. Children in rural communities and low-income communities in every state are able to enjoy the educational benefits and opportunities that broadband access provides.

When the Commission first put in place its rules governing this program, it capped the funds available annually at \$2.25 billion. I am concerned that more than a decade later the strength of this program has been reduced by the failure of the agency to adjust its rules to accommodate the impact of inflation. Taking into consideration growth in the consumer price index, the cap that was put in place in July 1997 has an equivalent value in August 2009 of \$1.68 billion.

This situation has significant consequences. While each year students' need for broadband educational opportunities increases, the real dollar value of the E-rate program decreases. This unfortunate trend denies too many of our children the tools they need to thrive in the digital world. But students are not the only ones who are harmed by this situation. In increasing numbers, low-income, elderly, and unemployed members of our society turn to libraries as their sole access point to the Internet. As job applications, government services, and health information have migrated online, libraries increasingly play an essential role bridging the digital divide. In short, if we continue to allow the value of the E-rate program to be reduced by inflation, we reduce access to the broadband services that communities across the country desperately need.

I know you understand the great importance of furthering the availability of broadband in this country. I know, too, that you understand the record of broadband success in the E-rate program. As a result, I ask that you expeditiously adjust Commission rules to address the toll that inflation has taken on this important program.

Sincerely,



John D. Rockefeller IV
Chairman