

**STATEMENT OF
CHAIRMAN JULIUS GENACHOWSKI**

*Re: Schools and Libraries Universal Service Support Mechanism, CC Docket No. 02-6, A
National Broadband Plan for Our Future, GN Docket No. 09-51*

For our children to compete in the 21st century, our schools and libraries must be connected to world-class broadband networks. The National Broadband Plan laid out a vision of cutting-edge classrooms where students and teachers have innovative digital tools, access to best online educational content in the world, and the skills to take advantage of them.

A few months ago we took our first step to modernize E-rate for broadband by allowing schools to open their services to their communities. Today, we take another step toward the vital goal of updating E-rate for broadband with a series of essential reforms.

E-rate -- enacted by Congress through the leadership of Senator Jay Rockefeller (D-WV), Senator Olympia Snowe (R-ME), and Congressman Ed Markey (D-MA) -- was a revolutionary achievement that has expanded opportunities for schoolchildren and communities across the country. Through the E-rate program, 97 percent of American schools and nearly all public libraries now have Internet access.

But the National Broadband Plan found that many schools need significant upgrades to meet broadband speed and capacity demands, and that many E-rate policies are out-of-date. Building on the National Broadband Plan, today we propose a number of significant reforms, drawing on the agency's years of knowledge and experience with E-rate -- and the vast array of feedback we've received from participants, educational experts, and other stakeholders through the National Broadband Plan process.

First, we propose giving schools and libraries greater flexibility to choose the most cost-effective and educationally useful broadband services -- including mobile services that students can use outside the classroom. Teachers across the country -- in urban and rural areas -- have told us that the use of broadband to enable learning should not stop at the schoolyard gate.

Second, we propose to simplify the E-rate application process; cut red tape by eliminating federal requirements that overlap with state or local contracting requirements; and reduce some of the limitations on residential schools that serve populations facing unique challenges.

And finally, in view of persuasive recommendations from many strong supporters of the E-rate program, we propose to index the E-rate cap to keep pace with inflation.

Together, these proposals will accomplish real and important objectives on behalf of families, children and teachers.

Updating E-rate is a key pillar of comprehensive reform of universal service, one of the primary recommendations of the National Broadband Plan. Today's item also reflects our commitment to smart and fiscally prudent policies that eliminate inefficiencies and target universal service support effectively to have the greatest possible impact.

I look forward to working with my colleagues to improve the E-rate program for the 21st century, and I thank the staff for their hard work on this item.