



NEWS

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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. Cir. 1974).

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FCC LAUNCHES MODERNIZATION OF E-RATE PROGRAM TO DELIVER STUDENTS & TEACHERS ACCESS TO HIGH-CAPACITY BROADBAND NATIONWIDE

Revitalized E-rate program to focus on 21st century broadband needs of schools and libraries

Washington, D.C. – Today, the Federal Communications Commission initiated a thorough review and modernization of the E-rate program built around three goals: increased broadband capacity, cost-effective purchasing, and streamlined program administration.

E-rate was established in 1997 and represents the federal government's largest education technology program. When Congress passed the Telecommunications Act of 1996, only 14 percent of classrooms had Internet; today it's near 100%. To date, the E-rate program has successfully connected virtually all U.S. schools and libraries (97% of U.S. classrooms) to the Internet.

Over the past 15 years, support provided by the E-rate program has helped revolutionize schools' and libraries' access to modern communications networks, but the needs of schools and libraries are changing. In schools, high speed broadband access means an increasingly interactive and individualized learning environment and expands school boundaries through distance learning applications. In libraries, high-speed broadband access provides patrons the ability to apply for jobs; interact with federal, state, local, and Tribal government agencies; engage in life-long learning; and stay in touch with friends and family.

The Commission's initiative today marks the first comprehensive update of the E-rate program since 1997. According to a 2010 survey of E-rate applicants, half had slower connection speeds than the average American home and 39% cited cost of service as the greatest barrier to better meeting their needs. And according to a recent American Library Association survey, one quarter of libraries still have broadband speeds of 1.5 Mbps or less, and only 9 percent of libraries have speeds of 100 Mbps or greater. In light of these findings, there is growing consensus that E-rate needs to be updated and revitalized with a renewed focus on ensuring that all schools and libraries have affordable access to high-capacity broadband.

To meet the needs of today's students, teachers, and library patrons the Commission sets forth three proposed goals to modernize the E-rate program and seeks comment on options to advance these goals:

- **Increased Broadband Capacity:** To ensure schools and libraries have affordable access to 21st century broadband, the Commission seeks comment on a range of proposals to focus funds on supporting high-capacity broadband, including: simplifying rules on fiber deployment to lower barriers to new construction; prioritizing funding for new fiber deployments that will drive higher speeds and long-term efficiency; phasing out support for services like paging and directory assistance; ensuring that schools and libraries can access funding for modern high-speed Wi-Fi networks in classrooms and library buildings; and allocating funding on a simplified, per-student basis.

- Cost-effective Purchasing: To maximize the cost-effectiveness of E-rate purchases, the Commission seeks comment on how to increase consortium purchasing to drive down prices; how to create other bulk buying opportunities; how to increase transparency of prices and spending; how to improve the competitive bidding processes; and a pilot program to incentivize and test more cost-effective purchasing practices.
- Streamlined Program Administration: To streamline the administration of the E-rate program, the Commission seeks comment on speeding the review of E-rate applications; providing a streamlined electronic filing system and requiring electronic filing of documents; increasing the transparency of USAC's processes; simplifying the eligible services list and finding more efficient ways to disburse E-rate funds; reducing unused E-rate funding; and streamlining the E-rate appeals process.

The proposal also seeks comment on a variety of other issues, including the applicability of the Children's Internet Protection Act (CIPA) to devices brought into schools and libraries and to devices provided by schools and libraries for at-home use; adjusting to changes in the National School Lunch Program that affect E-rate; additional measures for protecting the program from waste, fraud and abuse; wireless community hotspots; and the adoption of E-rate program procedures in the event of a national emergency or natural disaster

During the Commission meeting, Kenmore Middle School Principal Dr. John Word joined representatives from the bipartisan LEAD Commission – former U.S. Department of Education Secretary Margaret Spellings and Founder and CEO of Common Sense Media Jim Steyer – to deliver presentations on the need to wire U.S. schools for digital education.

Action by the Commission July 19, 2013, by Notice of Proposed Rulemaking (FCC 13-100). Acting Chairwoman Clyburn, Commissioners Rosenworcel and Pai with Acting Chairwoman Clyburn, Commissioners Rosenworcel and Pai issuing statements.

WC Docket No. 13-184

Additional information can be found at <http://www.fcc.gov/e-rate-update>