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WASHINGTON D.C. – The Federal Communications Commission announced today the agency will invest an additional $2 billion over the next two years to support broadband networks in our nation’s schools and libraries. This represents a doubling of investment in broadband and will connect 20 million students in at least 15,000 schools to high-speed Internet access.

FCC Chairman Tom Wheeler said, “This investment is a down-payment on the goal of 99 percent of America’s students having high-speed Internet connections within five years. As we consider long-term improvements to the program, we will take immediate steps to make existing funds go farther, significantly increasing our investment in high-speed Internet to help connect millions of students to the digital age.”

Funding for new investments in high-speed Internet will come from reprioritizing existing E-Rate funds to focus on high-capacity Internet connectivity, increasing efficiency, and modernizing management of the E-Rate program. “We will take a business-like approach to the management of the program, identifying opportunities to improve the ways funds are deployed and streamlining the process for schools and libraries,” Chairman Wheeler said.

Established in 1996, E-Rate provides $2.4 billion to schools and libraries annually for communications services, and has helped connect virtually all U.S. schools and libraries to basic Internet. The additional support will be targeted to address the most urgent Internet upgrade needs of schools and libraries. Today only about half of E-Rate funds go to true high-speed Internet connections.

Last summer, the Commission began a proceeding to explore ways to modernize the E-Rate program. In November, Chairman Wheeler launched a top to bottom review of the program to examine how E-Rate can better meet the 21st century connectivity needs of schools and libraries.

The new investment in broadband will be one element of a comprehensive approach to modernizing E-Rate. The FCC will also streamline the application process, increase transparency, and provide more assistance to schools and libraries to help them lower the prices they pay. In addition, the FCC will ramp up oversight and enforcement within the program to ensure every dollar that is intended to reach a school or library gets there.

The E-Rate program is administered by the Universal Service Administrative Company under the direction of the FCC. Specifically, USAC is responsible for processing the applications for support,
confirming eligibility, and reimbursing service providers and eligible schools and libraries for the discounted services. USAC also ensures that the applicants and service providers comply with the E-Rate rules and procedures established by the Commission.

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News about the Federal Communications Commission can also be found on the Commission’s web site www.fcc.gov.