

**SUMMARY OF REMARKS OF  
COMMISSIONER JESSICA ROSENWORCEL  
SXSWEDU CONFERENCE & FESTIVAL  
AUSTIN, TEXAS  
MARCH 6, 2014**

At the SXSWedu Conference & Festival, FCC Commissioner Jessica Rosenworcel set out her perspectives on modernizing the E-Rate program. “At the FCC we recently started a reform effort to modernize our E-Rate system—what I like to call E-Rate 2.0. Just like with the evolution of any operating system, we need to take the good that we have put in place, build on it, and upgrade it for the future.” Here’s how.

The S’s of E-Rate reform: Speed, Simplify, and Spending Smart.

- Speed. In the near term, we want to have 100 Megabits per 1000 students to all of our schools. By the end of the decade, we want to have 1 Gigabit per 1000 students to all of our schools.
  - Making more bandwidth available at nationwide scale will foster new opportunities for creative content, services, teaching tools, and devices.
  - Bringing these kinds of speeds to schools makes it incrementally less expensive to deploy higher-speed broadband to the homes and businesses nearby.
  - To meet these goals, the FCC needs to collect better data from each of our applicants about what capacity they have and what capacity they need. That way we can fine tune our efforts over time to achieve our goals.
- Simplify. We need to reduce the bureaucracy associated with E-Rate.
  - We need to allow multiyear applications.
  - We need to create incentives for consortia in the application process. With consortia, schools can benefit from more cost-effective bulk purchasing. And by encouraging consortia to include nearby schools and districts that lack high-speed connections, we can use local forces to help bring everyone along.
  - A simpler process also means greater transparency during the review process for E-Rate applicants.
- Spending Smart. “Spending smart means better accounting practices that the FCC has already identified will free up for more E-Rate broadband support over the next two years. But spending smart goes beyond that. Because on a long-term basis we need to make sure that all E-Rate support is focused on high-speed broadband.”
  - It’s time to phase down the estimated \$600 million this program now spends annually on outdated services.
  - “At a minimum, we need to restore the purchasing power of this program by bringing back what inflation has taken away. Between when the cap was put in place and other adjustments were made in 2010, that is nearly \$1 billion.”
  - But we should go beyond this and identify what more we need to meet the goal of connecting 99 percent of schools in five years. “Because when it comes to bringing broadband to schools, the rest of the world is on course to do this. We can let them out spend us, out educate us, and out achieve us. Or we can be courageous—and do something about it.”