



OFFICE OF
THE CHAIRMAN

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

August 11, 2014

The Honorable Kelly Ayotte
United States Senate
144 Russell Senate Office Building
Washington, D.C. 20510

Dear Senator Ayotte

Thank you for sharing your views on the importance of modernizing the E-rate program to provide high-speed broadband to and within all of our nation's schools and libraries. Your letter urges the Commission to take meaningful reform that distributes E-rate funds more equitably, simplifies the application process, and gives schools greater flexibility to spend funds on technologies that directly benefit students. Your views are very important and will be included in the record of the proceeding and considered as part of the Commission's review.

Since its creation as part of the 1996 Telecommunications Act, the E-rate program has provided crucial support to meet the technology needs of schools and libraries. But just as technology and teaching have evolved over the past two decades, so too must E-rate. The technology tools that supported the educational needs of the Class of 1998 bear virtually no resemblance to those the Classes of 2015 and beyond need to succeed in the 21st century. I am committed to ensuring that the E-rate program evolves to meet the demands of the 21st century by supporting high-speed broadband both to and within schools and libraries. Schools need this broadband to take advantage of digital learning technologies, and libraries need to provide their patrons with high-speed access to the Internet.

I completely agree with your view that "[t]he intent of E-Rate is to provide rural, urban, and suburban students the same access to quality communications services." That is exactly why the *Order* adopted by the Commission at our July Open Meeting takes significant steps to modernize the E-rate program by addressing the Wi-Fi gap in America's schools and libraries. We established an annual funding target of \$1 billion for Wi-Fi, as well as a fairer method for distributing funds so that *all* schools and libraries can benefit, including more rural schools and libraries in New Hampshire. Given that 40 percent of classrooms nationwide are not currently Wi-Fi-enabled, and nearly two-thirds of schools indicate that they do not have sufficient Wi-Fi capacity to meet their digital learning needs, it is critically important that we focus our limited program resources on connectivity, not only to the school or library, but also to the student or library patron. The *Order* funds support for Wi-Fi through the combination of funds already available for this purpose and savings associated with transitioning support from non-broadband services to broadband. At the same time, the *Order* ensures that adequate funding will be available for broadband connectivity to schools and libraries and seeks further comment on the long-term funding needs of the program.

Consistent with your suggestions to simplify the application process, the *Order* makes several changes to help make the E-rate processes faster, simpler, and more efficient for all stakeholders and provide schools with greater flexibility on technologies that directly benefit students. The *Order* streamlines the application process by simplifying review of multi-year contracts, expediting small dollar, cost-effective applications, speeding review of all applications, requiring electronic filing, and enabling direct connections between schools and libraries.

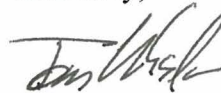
Moreover, to make E-rate dollars go further, the *Order* adopts transparency measures to provide applicants with the pricing and connectivity data needed to make smart purchasing decisions. The *Order* also encourages consortia purchasing to drive down prices and ensures that applicants are selecting from the best possible bids through the lowest corresponding price rule.

The *Order* is a common sense, responsible step in the E-rate modernization process. We are targeting already available funds to meet the greatest current needs, we are getting as much as we can out of every E-rate dollar, and we are formally and expeditiously investigating the appropriate funding level for this program, based upon the steps we have taken to improve its structure and administration. But there is still more work to do.

E-rate modernization is one of the most important issues before the Commission today. We have an opportunity to make a real, positive difference in the lives of millions of students. I look forward to working with you and your colleagues toward our mutual goal of increased access to high-speed broadband in our nation's schools and libraries.

Thank you again for your interest in this important matter. Please do not hesitate to contact me if you have any further concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Wheeler", written in a cursive style.

Tom Wheeler