



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

The Honorable John D. Rockefeller IV
Chairman
Committee on Commerce, Science, and Transportation
United States Senate
Washington, D.C. 20510

Dear Chairman Rockefeller:

Thank you for your letter expressing your views on modernizing the E-rate program. Like you, I am deeply committed to ensure that the E-rate program continues to serve the purpose for which, under your leadership, it was established and remains strong and sustainable well into the future. Consequently, your input – as a founding father of E-rate – is very important to me. I will ensure that your letter is placed in the record of the proceeding, and given all due consideration as the Commission moves forward with E-rate modernization.

In your letter, you request that the Commission adopt reforms to E-rate that support multi-year applications and minimize paperwork for applicants. Further, while recognizing the importance of ensuring Wi-Fi connectivity inside classrooms and libraries, you suggest that basic Internet connectivity requests should be honored before Wi-Fi funding is available and that new methods for allocating support for Wi-Fi should be appropriately tested. Finally, you raise the issue of increasing the E-rate funding cap to meet present and future broadband needs of schools and libraries. I believe all the issues you raised were dealt with in the *Order*.

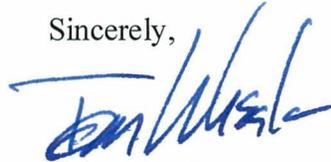
Concerning the first point, the *E-rate Modernization Order* adopted by the Commission on July 11, 2014, significantly simplifies the application process for funding requests that involve multi-year contracts and streamlines the overall application process. For example, the improvements contained in the *Order* expedite the review process for small dollar, cost-effective applications, mandate the electronic filing of all documents, and simplify discount calculations.

With respect to Wi-Fi, the *Order* takes significant steps to address the Wi-Fi gap in America's schools and libraries, setting an annual funding target of \$1 billion for Wi-Fi and establishing a more fair method for distributing funds so that ALL schools and libraries can benefit, including far more rural schools than in the past. This is an important step, given that 40 percent of classrooms 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. Nevertheless, in recognition of your concerns, the *Order* ensures that adequate funding will be available for broadband connectivity to schools and libraries before funding is made available for Wi-Fi. Moreover, the new Wi-Fi support methodology has been established for the next two E-rate funding years as we continue to evaluate the long-term funding needs of the program.

The *Order* is a critical next step in the E-rate modernization process. And we have started this process in a responsible manner. We are targeting already available funds to meet the greatest current needs, and we are getting as much as we can out of every E-rate dollar. And, importantly, we are formally and expeditiously investigating the appropriate funding level for this program, based upon the steps we have taken to improve the structure and administration of the program. Specifically, the *Further Notice of Proposed Rulemaking* accompanying the *Order* specifically seeks comment on long-term program funding needs to meet the goals and funding targets established in the *Order*.

Prior to the July *Order*, E-rate was able to support Wi-Fi funding requests for less than five percent of schools and one percent of libraries. Over the next two years, the Commission's July *Order* will help up to 20 million students and thousands of libraries gain access to Wi-Fi, all while increasing Wi-Fi support available to both rural and urban areas and not compromising funding for Internet connectivity. However, more remains to be done in order to secure a sustainable future for E-rate. As always, I welcome your input and look forward to continuing to work with you.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tom Wheeler", with a stylized flourish above the name.

Tom Wheeler