



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

The Honorable Edward J. Markey
United States Senate
218 Russell Senate Office Building
Washington, D.C. 20510

Dear Senator Markey:

Thank you for your recent letters expressing your views on modernizing the E-rate program. Like you, I am deeply committed to ensuring 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. Your views are very important to me, particularly given your critical role as a founding father of this vital program. I will ensure that your letters are placed in the record of the proceeding, and given all due consideration as the Commission moves forward with E-rate modernization.

As you know, in July the Commission adopted a *Report and Order and Further Notice of Proposed Rulemaking* (“*Order*” and “*Further Notice*,” respectively) in which we took critical steps to modernize the E-rate program. Your views were a critical input to shaping what the Commission adopted. For example, you raised concerns that adopting a single flat rate of E-rate funding per square foot may not result in adequate wireless coverage for schools and libraries. Rather, you recommend that the Commission consider a wide range of factors including the number of users, connections from wireless in other buildings, architectural impediments, inside cabling, and the speed of access to the buildings.

Based on the record before us, the *Order* established a multi-year budget for internal connections, such as Wi-Fi, that will serve our goal of ensuring affordable access to high-speed broadband for schools and libraries as we continue to evaluate long term program needs. Specifically, over the next two funding years, libraries may request E-rate support of up to \$2.30 (pre-discount) per square foot for internal connections services over a five-year period, consistent with a recommendation by the American Library Association and data submitted by numerous individual library systems. Schools will be eligible for E-rate funding on purchases of up to \$150 (pre-discount) per student. Moreover, to ensure these budgets are sufficient to meet the minimum demand that certain libraries and schools might have regardless of size, the *Order* establishes a pre-discount funding floor of \$9,200 for each library or school. These figures were arrived at based on the best available data to the Commission and will continue to be assessed over time.

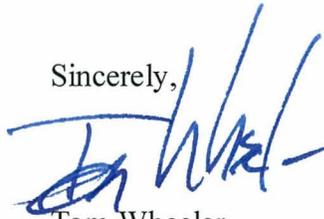
The Commission declined to adopt other metrics at this time due to a lack of available data sources on these metrics for all libraries, as well as a concern that many of these metrics

may vary dramatically and could be difficult to measure. However, the *Further Notice* seeks to build a record on whether we should adopt another metric in addition to, or instead of, square footage to set library budgets. We also seek additional comment on the appropriate funding amount for each library because some commenters suggest that a \$2.30 per square foot pre-discount budget is insufficient.

In the joint letter you sent with Senator Rockefeller, you raised several other issues. For example, you suggest that basic Internet connectivity requests should be honored before Wi-Fi funding is available, and you raise the issue of increasing the E-rate funding cap to meet present and future broadband needs of schools and libraries. With respect to the former, the *Order* ensures that adequate funding will be available for broadband connectivity to schools and libraries before funding is made available for Wi-Fi. With respect to the latter, the *Further Notice* specifically asks for comment about long-term program funding needs to meet the goals and funding targets established in the *Order*.

E-rate modernization is one of the most important issues before the Commission today. We have an opportunity to make a real difference in the lives of millions of students. However, more remains to be done in order to secure a sustainable future for E-rate. As always, I look forward to working with you toward our mutual goal of increased access to high-speed broadband in our nation's schools and libraries.

Sincerely,

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

Tom Wheeler