

Congress of the United States
Washington, DC 20510

January 24, 2018

Ajit Pai
Chairman
Federal Communications Commission
445 12th St, SW
Washington, DC 20554

Dear Chairman Pai:

We write regarding a Universal Service Administrative Company (USAC) request that several Minnesota school districts return Schools and Libraries (E-rate) funding. The amount of funding proposed to be rescinded would be a significant financial burden and result in fewer services and opportunities for the 1,900 students served by these three small rural school districts. We urge you to work with these districts to quickly resolve this issue.

Freshwater Education District (Freshwater), a consortium of 12 rural school districts in north-central Minnesota, has received E-rate funding without interruption since 1998. This program has been successful in helping these school districts obtain affordable telecommunications and internet access. For some students in these districts, this is the only reliable, high-speed access to broadband they have. In 2006, Freshwater member school districts Menahga, Henning, and Bertha – Hewett applied for E-rate support. Freshwater conducted a competitive procurement process for broadband services on behalf of these three member districts and USAC approved the applications. Following USAC approval, the Menahga, Henning, and Bertha – Hewett school districts received one-time funding in 2006 of \$67,200, \$33,600 and \$28,080 respectively. These funds enabled these school districts to acquire internet service.

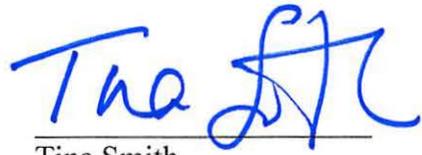
In 2010, USAC contacted Freshwater regarding concerns with its 2006 application materials. Freshwater provided documentation which addressed and satisfied USAC's concerns. Despite this, in June 2017, USAC reexamined the 2006 application material and issued a notice of intent to recover the funds awarded to these districts. Freshwater has appealed this decision to the Federal Communications Commission. Repaying these funds would be a significant burden for these rural school districts. If funding is rescinded, Freshwater member districts will face teacher and staff reductions and other budgetary implications with negative impacts on students. We urge you to quickly review Freshwater's appeal and work to resolve this issue.

Thank you for your consideration of this important matter.

Sincerely,



Amy Klobuchar
United States Senator



Tina Smith
United States Senator



Richard M. Nolan
United States Representative