

Congress of the United States
Washington, DC 20515

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November 15, 2019

The Honorable Ajit V. Pai
Chairman
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Dear Chairman Pai:

We write to express our concern about potential inefficiencies within the Universal Service Fund (USF) Schools and Libraries Program (E-Rate) that allow Federal dollars to be used to overbuild existing broadband networks. Federal support for constructing new broadband networks should be used only for areas without a connection, not duplicative overbuilding in areas that could be served by an existing provider's connection. We urge the Federal Communications Commission (FCC) to modernize the USF E-Rate program in a way that ensures finite Federal dollars are being used to close the digital divide, efficiently and consistent with other USF programs.

E-Rate is an important program that helps connect unserved schools and libraries to ensure our educational institutions can better serve their communities. However, reports of overbuilding from around the U.S.—including Montana, Texas, Michigan, and Arizona, among others—highlight a need to re-evaluate the program's mission and effectiveness as it works alongside other USF programs. In Texas alone, more than \$100 million in E-Rate funds have already been allocated under the authority of "special construction projects" to build duplicative fiber networks. What this means is that instead of using our limited Federal resources to connect completely unserved schools, we are instead using them to build new connections to schools and libraries that are already connected. This leads to less connectivity, and further exacerbates the homework gap facing our rural schools and communities.

Our first priority for special construction funds in the E-Rate program should be rural schools and libraries that still lack even the most basic Internet connection. Instead of duplicating existing networks with limited Federal dollars, Federal projects should work in a complementary fashion to reach areas where private investment is not suitable. While the instances in Texas certainly appear problematic, they are not unique. The Commission last modernized the E-Rate program in 2013, and after over half a decade, the success in other programs like the Connect America Fund raise new challenges for other USF programs like E-Rate.

As Members of the Communications and Technology Subcommittee, we share a common goal of closing the digital divide and reducing wasteful expenditures within the USF program at a time when billions of dollars are being invested. Most of all, we share your goal of ensuring children living in rural America grow up with access to the same digitally connected education as their urban counterparts so they can succeed in the 21st century economy. Thank you for your continued commitment to closing the digital divide and your attention to our request.

Sincerely,



Greg Gianforte
Member of Congress



Bill Flores
Member of Congress



Pete Olson
Member of Congress