



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

May 16, 2014

The Honorable Richard Neal
U.S. House of Representatives
2208 Rayburn House Office Building
Washington, D.C. 20515

Dear Congressman Neal:

Thank you for your letter on behalf of your constituent, Mr. Daniel Warwick, the Superintendent of Springfield, Massachusetts Schools, regarding the inability of the Schools and Libraries universal support mechanism (the E-rate program) to provide financial support for "priority two" services for the current 2013 funding year. I understand your concerns regarding the impact of the denial of funding for internal connections, particularly for school districts with a high percentage of economically disadvantaged students, such as those in Springfield.

Funding for the E-rate program is capped at approximately \$2.4 billion per year. Under the current rules, E-rate funds are allocated according to rules of priority, with first priority provided to requests for telecommunications services and Internet access (priority one services). Any funds remaining after funding requests for priority one services are allocated to requests for support for internal connections and basic maintenance of internal connections (priority two services). For funding year 2013, insufficient funds were available to fund priority two services. As a result none of the applicants, including Springfield Schools, that sought priority two funding in funding year 2013 received such support.

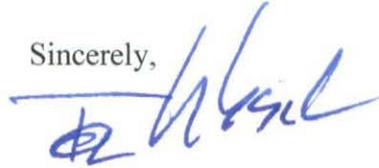
The E-rate program's current inability to ensure predictable funding for Wi-Fi and other internal connections is one of the key issues I am seeking to address as we take steps to modernize the E-rate program. In order to help provide our students with a 21st century education, it is essential that we re-prioritize program resources to focus on high-speed broadband connectivity both *to* schools and libraries and *within* schools and libraries. One of the specific objectives I have in modernizing the program is to ensure that all schools and libraries have predictable funding for Wi-Fi connectivity. Schools and libraries should not have to be in a wait-and-see mode about the availability of funding for Wi-Fi connections, as is the case today.

My goal is for the Commission to adopt an Order this summer that would implement fundamental structural and administrative changes, the results of which would go into effect in FY 2015. We need to ensure that the E-rate program supports the high-capacity broadband needed to give our students access to 21st century educational opportunities, while

simultaneously improving the efficiency and administration of the program and establishing explicit program goals and measurements.

I appreciate your interest in this matter. Please let me know if I can be of any further assistance.

Sincerely,

A handwritten signature in blue ink, appearing to read "Tom Wheeler", written over a horizontal line.

Tom Wheeler