



OFFICE OF  
THE CHAIRMAN

FEDERAL COMMUNICATIONS COMMISSION  
WASHINGTON

August 11, 2014

The Honorable Billy Long  
U.S. House of Representatives  
1541 Longworth House Office Building  
Washington, D.C. 20515

Dear Congressman Long:

Thank you for sharing your concerns about modernizing the E-rate program. In your letter, you express concerns about the source of funding for Wi-Fi and that proposals to adopt a single flat rate of E-rate funding per student, as well as eliminate support for voice and web hosting services, would undermine disadvantage rural schools, such as those in your district. Your views are very important, and will be included in the record of the proceeding and considered as part of the Commission's review.

As you are aware, as part of the Commission's E-rate modernization effort, I am committed to ensuring that the E-rate program evolves to provide support for high-speed broadband both to and within schools and libraries. Schools need this broadband to take advantage of digital learning technologies, and libraries need to provide their patrons with high-speed access to the Internet.

The *Order* adopted by the Commission at our July Open Meeting takes significant steps to modernize the E-rate program by addressing the Wi-Fi gap in America's schools and libraries. We established an annual funding target of \$1 billion for Wi-Fi, as well as a fairer method for distributing funds so that *all* schools and libraries can benefit, including far more rural schools and libraries than in the past. 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, it is critically important that we focus our limited program resources on connectivity, not only to the school or library, but also to the student or library patron. The *Order* funds support for Wi-Fi through the combination of funds already available for this purpose, and utilizes savings associated with transitioning support from non-broadband services to broadband. At the same time, the *Order* ensures that adequate funding will also be available for broadband connectivity to schools and libraries, and seeks further comment on the long-term funding needs of the program.

With respect to your concerns on per-student funding, the *Order* establishes a multi-year budget for internal connections services, 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. Over the next two funding years, schools will be eligible for E-rate funding on purchases of up to \$150 (pre-discount) per student. Similarly, 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. To ensure these budgets are sufficient to meet the minimum demand that certain schools and libraries might have regardless of size, the *Order* establishes a pre-discount funding floor of \$9,200 for each school or library. These figures are based on the best available data provided to the Commission and will be reassessed over time. The accompanying *Further Notice of Proposed Rulemaking* seeks further comment on the per-square foot and per-student budgets for support of internal connections.

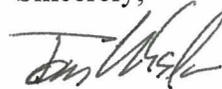
I understand fully your concern and agree that voice and web hosting services can be a valuable tool for school districts. The issue we face is how best to prioritize E-rate dollars so that all schools have the underlying broadband connectivity necessary for students and teachers to take advantage of the growing universe of available digital learning tools, as well as so libraries can serve their communities. Simply put, if broadband is the priority, then too many funds were being spent on non-broadband activities.

Schools need broadband connectivity to take advantage of digital learning technologies, and libraries need to provide their patrons with high-speed access to the Internet. I recognize the E-rate program has previously supported a variety of services, such as voice services and web hosting. However, I firmly believe that, in order to meet educational needs, the E-rate program must place a priority on ensuring that every school in America has a high-speed broadband connection and high-speed Wi-Fi in every classroom. Unfortunately, meeting that goal has meant redirecting funds previously spent on other activities, such as voice services and web hosting.

E-rate modernization is one of the most important issues before the Commission today. We have an opportunity to make a real, positive difference in the lives of millions of students. I look forward to working with you and your colleagues toward our mutual goal of increased access to high-speed broadband in our nation's schools and libraries.

Thank you again for your interest in this important matter. Please do not hesitate to contact me if you have any further concerns.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Wheeler". The signature is fluid and cursive, with the first name "Tom" being more prominent.

Tom Wheeler