

June 20, 2014

Dear Chairman Wheeler and Commissioners Clyburn, Rosenworcel, Pai and O’Rielly:

We, the undersigned organizations representing the intended education beneficiaries of the E-rate Program, write to express our appreciation to the Federal Communications Commission (Commission) for addressing E-rate Program modernization to help support 21st century teaching and learning. With a united voice, we write to express our strong concerns with proposed changes we believe will only dilute an already over-subscribed E-rate Program by threatening the program’s sustainability and historically successful track record and failing to meet the needs of urban, rural and low-density populated areas.

First, we are extremely concerned about the sustainability of the E-rate Program in response to learning of the Commission’s intent to implement a five year \$5 billion plan to invest in Priority II Wi-Fi connections. While the Commission has reprogrammed \$2 billion in existing funding for the first two years, we have serious concerns about the Commission’s plan and ability to fund years three through five absent a permanent increase in the funding cap. While nominal savings may be realized by eliminating legacy services and implementing additional efficiencies, we believe they will not add up to an additional \$3 billion. Without investing additional money, the only remaining funding source for the five-year Wi-Fi connections plan would be Priority I and we cannot support raiding Priority I funds – resources beneficiaries depend upon to help meet their ongoing, monthly costs for broadband connectivity – to support Wi-Fi.

Second, we are concerned about the Commission’s intent to change the existing funding structure for Priority II to a per-pupil formula allocation for schools (and per square-foot for libraries), even if done within the existing discount matrix. The proposed per-pupil method assumes “one-size-fits-all” costs for all E-rate applicants – no matter a school’s enrollment (e.g. whether 12 or 1,000 students), or geographic location (e.g. rural, suburban, urban). We believe a per-pupil allocation grossly oversimplifies the variance in costs and purchasing power.

We strongly believe that the E-rate Program must continue to distribute funds in an equitable way, based on need (calculated by level of poverty and locale), and not by a formula that will water down support for all areas. Moving away from a need-based method by incorporating a per-pupil allocation erodes the equitable distribution of E-rate funds as well as our ability to ensure funds reach those it was designed to help: those schools, libraries and communities most in need.

We believe any effort to modernize the E-rate Program must include increasing the E-rate funding cap. Capped since its inception, having only received inflationary adjustments since 2010, the E-rate Program is vastly underfunded. Our nation’s schools and libraries are struggling to meet 21st century broadband connectivity needs with 1998 dollars. Demand for the E-rate Program is now more than double the funding available. While we do not support a per-pupil distribution model for funding Wi-Fi connectivity, we do believe that an adjustment to the cap would provide additional funding to invest in the Commission’s proposed five-year Wi-Fi connections plan. In addition, a cap adjustment would help meet Priority I demands moving

forward and support the continued sustainability of the Program. We cannot wait any longer to address the critical need for additional, sustained E-rate funding.

Our letter is uniquely on behalf of education organizations representing E-rate beneficiaries. We know first-hand the tremendous, positive impact the E-rate has had in our classrooms and schools. Without the E-rate, many of our schools would not be able to sustain on-going access to the Internet. We welcome the opportunity to continue to work together to implement those modernizations that will improve high-speed broadband connectivity and capacity while also ensuring the program's successful commitment to equity and long-term sustainability are not upended in the process. Our country's ability to prepare our students in our schools and classrooms to compete in 21st century global economy is in all our hands. Let us not rush into make significant structural changes for the sake of modernization and risk jeopardizing the entire E-rate Program.

Sincerely,

AASA, The School Superintendents Association
American Federation of Teachers
Association of Educational Service Agencies
Council of the Great City Schools
International Society for Technology in Education
National Association of Elementary School Principals
National Association of Federally Impacted Schools
National Association of Secondary School Principals
National Catholic Educational Association
National Education Association
National PTA
National Rural Education Advocacy Coalition
National Rural Education Association