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FCC MODERNIZES E-RATE PROGRAM TO EXPAND ROBUST WI-FI NETWORKS IN THE NATION'S SCHOOLS AND LIBRARIES

Reforms to Expand Wi-Fi to 10 Million More Students, Thousands of Libraries Nationwide Next Year

Washington, D.C. – The Federal Communications Commission today took major steps to expand access to cutting-edge digital learning technologies by modernizing its E-rate program to widely support robust Wi-Fi networks in schools and libraries. Modernizing E-rate, the nation's largest program supporting communications technology in schools and libraries, is essential to closing the Wi-Fi gap in these institutions.

While E-rate over its 18-year life has succeeded in connecting virtually all schools and libraries to the Internet, it is not currently geared for today's world of interactive, individualized digital learning. By continuing to support broadband connectivity to the building while significantly expanding support for robust Wi-Fi networks within classrooms and libraries, the FCC's reforms can deliver the benefits of customized learning to students over tablets and laptops and enable library patrons to fully participate in today's digital world.

The Order and Further Notice of Proposed Rulemaking adopted by the FCC will accomplish three major goals:

- Significantly expand funding for Wi-Fi networks and distribute it fairly to all schools and libraries while recognizing the needs of the nation's rural and poorest school districts
- Maximize the cost-effectiveness of E-rate spending through greater pricing transparency, encouraging consortia and bulk purchasing, and better enforcement of existing rules
- Streamline and simplify the E-rate application process and overall program administration

The Order maintains E-rate's current budget of \$2.4 billion (adjusted by inflation) and makes available an additional \$2 billion to support Wi-Fi over the next two years through improved financial management practices that free up excess reserves. For the following three years, the program will target \$1 billion annually to Wi-Fi – while continuing to ensure funding is available for broadband connectivity to schools and libraries – by phasing out support for non-broadband services, such as pagers and phones, and through increased efficiencies.

In total, the program improvements will target an additional \$5 billion for Wi-Fi over the next five years, which is sufficient to expand Wi-Fi networks in all schools and libraries. The effort will potentially provide a 75 percent increase in Wi-Fi funding for rural schools over the next five years and a 60 percent increase for urban schools, delivering Wi-Fi to an additional 10 million students in 2015 alone.

Today's action represents the next step in an ongoing E-rate modernization process. Issues that the Commission previously sought comment on remain open, and the Further Notice accompanying today's order seeks comment on a series of additional issues, including the appropriate long-term funding necessary to meet the goals established in the Order.

Action by the Commission, July 11, 2014, by Report and Order and Further Notice of Proposed Rulemaking (FCC 14-99). Chairman Wheeler, Commissioner Clyburn, with Commissioner Rosenworcel concurring in part, and Commissioners Pai and O'Rielly dissenting. Separate statements issued by Chairman Wheeler, Commissioners Clyburn, Rosenworcel, Pai and O'Rielly.

Docket No. 13-184

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