



# NEWS

**Federal Communications Commission**  
**445 12<sup>th</sup> Street, S.W.**  
**Washington, D. C. 20554**

**News Media Information 202 / 418-0500**  
**Internet: <http://www.fcc.gov>**  
**TTY: 1-888-835-5322**

---

This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action.  
See *MCI v. FCC*, 515 F.2d 385 (D.C. Cir. 1974).

---

**FOR IMMEDIATE RELEASE:**  
July 8, 2014

**NEWS MEDIA CONTACT:**  
Matthew Berry, 202-418-2005  
Email: [matthew.berry@fcc.gov](mailto:matthew.berry@fcc.gov)

## **STATEMENT OF COMMISSIONER AJIT PAI ON THE BREAKDOWN OF E-RATE NEGOTIATIONS**

Any good math teacher would give the FCC's E-Rate proposal an "F" because the numbers just don't add up. It promises over \$5 billion for Wi-Fi but doesn't identify where the money will come from to fund this new program. As it stands, the proposal will blow a \$2.7 billion hole in E-Rate's budget—one that the FCC has promised outside parties it'll fill with a post-election increase in Americans' phone bills.

The proposal also doesn't pass the test in other respects. Rather than giving small, rural schools and libraries a fair shake, it continues to direct the bulk of E-Rate funds to large, urban school districts.

Rather than fundamentally reforming the E-Rate bureaucracy, the plan doubles down on complexity. Schools and libraries will still have to file reams of paperwork, operate on Washington's timeline, and hire consultants—that is, if they participate in the program at all.

Rather than giving local school boards, principals, teachers, and librarians the flexibility to decide what services and technologies best meet their communities' particular needs, the plan takes a Washington-knows-best mindset.

I have been deeply engaged in this process since this item was circulated. I reached out to the Chairman's Office one week ago with a list of changes designed to address my concerns. I have repeatedly made myself and my staff available to explain the rationale for my proposals and to find a middle ground. I did all this because I wanted to support this item—because I believe, as I said almost exactly one year ago, that "E-Rate is a program worth fighting for."

I was willing to meet the Chairman's Office more than halfway, but today, they rejected almost every suggestion that I made. Unfortunately, the Chairman's Office has no interest in seriously negotiating with the Republican Commissioners and is determined to pass this item on a party-line vote.

I am disappointed that this is becoming the Commission norm on high-profile items. But I'm even more disappointed for America's teachers, librarians, parents, students, and library patrons, many of whom I've met over the past many months, who will have to wait years more for 21<sup>st</sup>-century digital opportunities—for real E-Rate reform.