



# 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**

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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. Circ 1974).

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**NEWS MEDIA CONTACT:**  
Susan Fisenne, 202-418-2301  
E-mail: [Susan.Fisenne@fcc.gov](mailto:Susan.Fisenne@fcc.gov)

## **Statement of FCC Commissioner O’Rielly: FCC’s E-Rate Spending Spree is Flawed**

Washington, D.C. – Commissioner Mike O’Rielly issued the following statement today:

“I am disheartened to hear that the FCC intends to increase the E-rate program by 62 percent, bringing the total USF budget to approximately \$10 billion. How will the FCC pay for this spending spree? Initially, the FCC will raise telecommunications bills by at least 16 percent. And, ultimately, I predict the FCC will disastrously impose new fees on broadband service – a move that even some consumer groups have opposed.

Sadly, this action comes at a time when many families are still struggling and businesses are trying to regain their footing in the economy. Even worse, this new spending does not appear to be paired with any meaningful reforms to the E-rate program to target funding where it is truly needed. In fact, it could duplicate other universal service spending.

This summer, I called upon the Commission to comprehensively modernize the program and to commit to find savings within the universal service fund so that reform would not come at a cost to consumers. There was so much room for common ground. Unfortunately, the FCC ignored my input and consumers will pay the price.”

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