Good morning and thank you. I apologize I can’t be with you physically to continue what has been our very good dialogue with the ALA about one of the most important issues before the FCC today – modernizing the E-rate program.

Just over a week ago I circulated a draft order to begin the process of focusing E-rate on high-speed broadband, including many ideas that originated from ALA recommendations and the input of state librarians across the country. In fact, the draft order cites the ALA over 40 times which is not surprising given the dozens of meetings and helpful filings ALA has submitted since we began this push to update E-rate last summer. Speaking of last summer, I should take this opportunity to remind you that it was under the leadership of then Chairwoman Mignon Clyburn that the FCC released the E-rate Modernization Notice of Proposed Rulemaking last July. No one pushes harder on behalf of libraries inside the Commission than Commissioner Clyburn. I am proud to follow in her footsteps and follow through on what she began.

Libraries are where large numbers of Americans go to get online. And it’s not just to research information. Libraries are where Americans go to apply for their VA benefits, or apply for their healthcare benefits, or apply for jobs. I was in a Redlands California library a short while ago; its books and archives are an important asset, but is their online center where things were buzzing. And while we talk a lot about the connected school, we cannot overemphasize the crucial role the connected library plays for students. In community after community the library is the only place where students can go after school for free Internet access to complete their assignments. And for many of those students, it is the only link to the Net outside of school.

Put another way, as I have learned, libraries complete Education, jumpstart Employment and Entrepreneurship, Empower people of all ages and backgrounds and foster community Engagement—“The 5 E’s of Libraries.”

You know the statistics, but they deserve repeating. Every year more than 32 million people use library technology resources to help them achieve their educational goals. Everyday 300,000 Americans get job-seeking help at their public library. Roughly 13,000 U.S. public libraries offer career assistance. 97 percent of public libraries help people apply for E-government services and 92 percent provide assistance in accessing and navigating government websites. It’s really quite remarkable what libraries do and these statistics bear that out.

So, recognizing that reality, it should come as no surprise that I, along with the dedicated staff of the FCC, feel strongly that we must do more to help libraries succeed in the digital era. That means we must modernize the E-rate program which simply is not doing enough for libraries in
its current form. According to an IMLS analysis of over 11 years’ worth of data, well over 15,000 individual libraries have benefitted from E-rate with an annual participation rate ranging from 67 to 73 percent of all the libraries in the U.S. So, the good news is that a lot of libraries are aware of, and have taken advantage of, the program. The bad news is that the majority of the nation’s libraries have Internet connections of less than 10 megabits per second today. This means trying to meet 21st century needs with 20th century capabilities. FCC staff estimates suggest that only 20% of libraries currently have access to fiber, something that must change if we are going to adequately serve the needs of our communities.

Here is another statistic we need to fix. Last year, the Commission was unable to provide any funding for library Wi-Fi networks. Zero. Zip. Nada. And in recent years when we did provide support for Wi-Fi, less than 1 percent of the nation’s eligible libraries (and a small percentage of eligible schools) received any funding at all. The current E-rate program rules are simply not set up to meet the Wi-Fi gap for libraries and schools. While it is certainly true that the Commission can do more to ensure that all libraries and schools have high-capacity broadband connections to the building, it has become clear that the biggest near-term challenge we must address through rule changes is how we provide support for Wi-Fi throughout the building. In addition to providing support for connections to libraries, every library and school should know that funding for Wi-Fi will be available to them over a multi-year period so they can effectively plan for the future.

The draft Order I circulated to my fellow Commissioners last week is the next step in what will be an ongoing process to modernize the E-rate program. Among other things the draft order does the following:

- It adopts robust broadband goals based on ALA recommendations
- It would substantially expand access to Wi-Fi funding so it is available to all libraries and schools on an annual basis, starting with a $1 billion down payment next year, followed by another $1 billion in 2016 with predictable support continuing in future years. Recognizing that rules that work for schools don’t always apply to libraries, the draft order includes a specific approach for allocating Wi-Fi support for libraries.
- It would significantly streamline and reduce application burdens including a fast, simple process for multi-year applications and a simplification of the discount calculation that should simplify the application process for libraries
- To make it easier for smaller and rural libraries to get access to 100 megabit per second and higher services that may meet their bandwidth needs, the draft order would exempt low-dollar purchases of commercially available business-class Internet access from competitive bidding rules that often deter libraries from participating in E-rate
- It would simplify and speed consortia applications to make it easier for libraries to band with schools, and
- And it would increase pricing transparency to give libraries greater visibility into the pricing other libraries and schools are receiving for similar services.

We have taken very seriously the call to action from the library community that we need to make this program work for libraries. This is just a first step, but it’s an important first step. Action this summer would allow new rules to be in place for the 2015 Funding Year. But time is of the essence. If we don’t move forward with an order this summer we won’t have new rules in place in time for 2015. We need your help to get this done. While the most significant rule changes in a summer order will be focused on closing the Wi-Fi gap using funds already available but unspent, I am committed to an ongoing E-rate modernization process to address other important connectivity issues faced by libraries, including addressing the library fiber gap.

Some have suggested that action now without an increase in the E-rate cap is not worth doing. I think that argument misses the mark. Over the next two years, using an additional $2 billion in funds already collected, but which were not previously available to be spent, on top of the current $2.4 billion annual spending cap, we can move forward with these important program improvements. And, as I have stated many times before, I am also committed to determining long-term funding needs of the program and taking whatever action is necessary, based on sound data. So my request to ALA is simple – let’s work together to get this process in motion starting now. Let’s make some meaningful improvements to the program for libraries starting now. And let’s keep working together over the coming months to address those issues we don’t tackle in this order as part of an ongoing process to make the E-rate program work as well as it possibly can for libraries.

I am told that the theme of your conference this year is “transforming our libraries, ourselves.” It is a great theme. In the midst of technological change that is driving social and economic change we must all ask ourselves how we, too, will evolve. At the FCC, we too find ourselves in a period of transformation in nearly everything before us - changing technologies, changing needs of communities, and changes in the way we do business as an institution. We both share the same transformative imperative. And nowhere is that transformation more important than when it comes to the information and education needs of our citizens. Thank you for what you do, and thank you for the great help ALA has been at the FCC as we transform what we do. Thank you.