



June 23, 2005

Representative Barbara Cubin
1114 Longworth House Office Building
Washington, DC 20515

Representative Charles Gonzalez
327 Cannon House Office Building
Washington, DC 20515

Dear Representative Cubin and Representative Gonzalez:

The Education and Libraries Networks Coalition (EdLiNC) strongly supports H.R. 2533 (Senate companion, S. 241), legislation to ensure that E-Rate funds continue to flow uninterrupted to schools and libraries, and appreciates your sponsoring it. EdLiNC is an organization that was formed by the leading public and private education organizations and the American Library Association to support the passage and implementation of the E-Rate program as part of the Telecommunications Act of 1996.

H.R. 2533 solves a technical accounting rule problem that threatens the very survival of the E-Rate program. Last year, the program was suspended for three months, during which time thousands of applications from schools and libraries languished in the offices of the E-Rate's administrator. This de facto shutdown of the program occurred because the FCC determined that a particular Anti-Deficiency Act (ADA) provision, which bars federal agencies from obligating funds without adequate cash on-hand to cover those obligations, applied to the E-Rate and the program's administrator realized that it had insufficient cash in its accounts to cover E-Rate funding commitment decision letters. At the same time, concerns were expressed that the universal service high cost fund's projections system might also fall within the ambit of the ADA, potentially causing a shutdown of that program. Fortunately, the 108th Congress passed and the President signed legislation to exempt for twelve months all of universal service from that ADA provision, thereby allowing E-Rate discounts to flow again.

Without prompt Congressional passage of H.R. 2533, we fear the FCC would have to temporarily suspend all universal service programs when the current temporary exemption to the ADA expires in December, or raise the universal service collection rates dramatically, thereby imposing major telephone rate hikes on consumers.

Since it commenced operation in 1996, the E-Rate, which provides deep discounts to public and private schools and public libraries for telecommunications services, Internet access and internal connections, has played a leading role in connecting schools and libraries to the Internet. In

1996, only 14% of public school instructional classrooms were connected to the Internet; as of 2003, classroom Internet access stands at 93%. Nearly all public library outlets are now able to offer Internet access to their patrons. Private schools have benefited substantially, as well, with 88.4% of Catholic schools providing student Internet access. The E-Rate's continuing importance to schools and libraries is easily observable by the fact that, in each funding year, requests for E-Rate discounts vastly exceed the \$2.25 billion available annually. These funds are essential if schools and libraries are to remain connected to the Internet, the information super highway.

We strongly support your legislation and thank you for your work on this critical issue. We look forward to working with you to ensure that H.R. 2533 passes the Congress by the end of this year.

Sincerely,

American Association of School Administrators
American Federation of Teachers
Association of Educational Service Agencies
American Library Association
Consortium for School Networking
Council of Chief State School Officers
Education Legislative Services
International Society for Technology in Education
National Association of Elementary School Principals
National Association of Independent Schools
National Association of Secondary School Principals
National Association of State Boards of Education
National Catholic Educational Association
National Education Association
National Education Knowledge Industry Association
National PTA
National Rural Education Association
National School Boards Association
Organizations Concerned About Rural Education
Rural School and Community Trust
United States Conference of Catholic Bishops