

KAY IVEY
GOVERNOR



STATE CAPITOL
MONTGOMERY, ALABAMA 36130

STATE OF ALABAMA

June 1, 2018

The Honorable Ajit Pai, Chairman
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20544

Dear Chairman Pai:

The E-rate program administrator, Universal Service Administrative Company (USAC), is currently withholding \$32.4 million in E-rate discounts from the State of Alabama. Payments have been held for fifteen months, no new funding commitments are being issued, and nearly six months have passed since USAC requested information from Alabama. Moreover, USAC has not provided any rationale or justification for withholding the E-rate payments to Alabama.

Alabama's applications for the following funding years are below:

FY2016	\$ 6,705,647	approved amount, not paid
FY2016	\$ 700,043	application amount, pending
FY2017	\$ 13,021,097	application amount, pending
FY2018	\$ 11,977,821	application amount, pending
Total:	\$ 32,404,608	

We are concerned with the significant payment delays. Over 400 days have passed since the last E-rate payment, and Alabama has 1,376 school and library sites as well as 692,515 Alabama students who rely on E-rate. I am requesting a response from your office with information explaining how to resolve this matter at your earliest convenience.

If you have additional questions concerning our applications, please contact Nick Moore, my Education Policy Advisor, at nick.moore@governor.alabama.gov or 334-301-0647.

Sincerely,

Handwritten signature of Kay Ivey in black ink.

Kay Ivey
Governor

- c: Radha Sekar, CEO, USAC
- Catriona Ayer, Acting Vice President of SLD, USAC
- Kris Monteith, Bureau Chief, Wireline Competition Bureau, FCC
- Mark Stephens, Managing Director, Office of Managing Director, FCC