STATEMENT OF
COMMISSIONER MICHAEL O'RIELLY

Re: *Modernizing the E-Rate Program for Schools and Libraries*, WC Docket No. 13-184,
        Report and Order

While I would have been open to a much more fundamental review of our E-Rate budgetary framework and disfavor the decision to casually endorse expenditure formulae that were fundamentally flawed when created, I will nonetheless support this item's efforts to provide applicants with stability and predictability in seeking funds for internal connections. At the same time, I would reiterate the need to weigh ratepayers' interests just as carefully whenever we increase or make changes to our USF spending. Unlike the E-Rate community, consumers don't have powerful lobbyists advocating on their behalf before the Commission to control costs, even though they're ultimately the ones who foot the bill for our subsidy programs. Those who constantly seek to increase spending, including certain individuals in regard to this item, seem to forget that funding isn't unlimited and comes out of the pockets of hardworking consumers.

Further, I acknowledge that some commenters in this proceeding supported the inclusion of network security features and products within the Eligible Services List. While that request won't be fulfilled in the current item, I am open to discussing the possibility of including such services in the future. My willingness to consider such inclusion, however, does not mean I favor vast new laundry lists of permissible expenditures. Instead, it reflects the simple recognition that without proper diligence, these systems could be extremely vulnerable to mischief, causing extensive harm to users and others while wasting our investments in the process.