

**Before the
Federal Communications Commission
Washington, DC 20554**

In the Matter of)	
)	
Federal-State Joint Board on)	CC Docket No. 96-45
Universal Service)	

ORDER

Adopted: December 26, 2000

Released: December 27, 2000

By the Deputy Chief, Common Carrier Bureau:

1. On November 1, 2000, the Bureau issued an Order which extended the September 30, 2000 deadline for implementation of non-recurring services by applicants for universal service support for eligible schools and libraries who were unable, through no fault of their own, to complete installation of non-recurring services by the deadline.¹ Specifically, we extended the deadline to September 30, 2001 for those applicants: (1) whose Year Two funding commitment letters were issued by the Universal Service Administrative Company (USAC or the Administrator) on or after April 4, 2000; (2) who received service provider change authorizations or service substitution authorizations from USAC on or after April 4, 2000; (3) whose service providers were unable to complete implementation for reasons beyond the service provider's control; or (4) who have had their funding disbursements delayed while USAC investigates their application for program compliance.²

2. In prior Orders extending the deadline for implementation of non-recurring services by eligible schools and libraries, the Bureau has also granted a limited waiver of the

¹ See *Federal-State Joint Board on Universal Service*, Order, CC Docket No. 96-45, DA 00-2444 (Common Carrier Bur., rel. November 1, 2000) (*November 2000 Extension Order*). The Commission's rules require schools and libraries to implement services for which discounts have been committed by the Administrator within the funding year for which the discounts were sought. *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Report and Order, 12 FCC Rcd 8776, 9062, para. 544 (1997) (*Universal Service Order*) (subsequent history omitted). See also *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Fifth Order on Reconsideration and Fourth Report and Order, 13 FCC Rcd 14915, 14921, para. 9 (1998) (*Fifth Reconsideration Order*). See also 47 C.F.R. § 54.507(d), (e). In the *Tenth Reconsideration Order*, the Commission extended the Year 1 deadline for schools and libraries to use their discounts on non-recurring services from June 30, 1999 to September 30, 1999. *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Tenth Order on Reconsideration, 14 FCC Rcd 5983 (1999) (*Tenth Reconsideration Order*). The initial Year 2 deadline was previously extended from June 30, 2000 to September 30, 2000. *Id.*, Order, CC Docket No. 96-45, DA 00-1003, 15 FCC Rcd. 8064 (Common Carrier Bur., rel. May 4, 2000) (*May 2000 Extension Order*).

² See *November 2000 Extension Order*. We also noted in that Order that there may be situations beyond those described in the Order in which an applicant through no fault of its own was unable to complete installation by September 30, 2000. *Id.* at para. 7. To the extent that USAC determines that an applicant that does not meet the exact criteria outlined in *November 2000 Extension Order* still qualifies for an extension of the deadline, the applicant may also receive the relief granted in this Order.

Commission's competitive bidding requirements for the universal service support mechanism for eligible schools and libraries, with respect to existing contracts for nonrecurring services.³ We clarify in this Order that the limited waiver of the Commission's competitive bidding rules that we granted for Year 2 applicants in the *May 2000 Extension Order* shall also be extended to applicants that meet the criteria of the *November 2000 Extension Order*, and are eligible for an extension of the Year 2 deadline to September 30, 2001. Applicants eligible for the extension, therefore, may extend their existing contracts for non-recurring services voluntarily until September 30, 2001, without having to comply with the Commission's competitive bidding process.

3. ACCORDINGLY, IT IS ORDERED that, pursuant to section 4(i) of the Communications Act of 1934, as amended, 47 U.S.C. § 154(i) and sections 0.91, 0.291, and 1.3 of the Commission's rules, 47 C.F.R. §§ 0.91, 0.291, and 1.3, this Order is ADOPTED.

FEDERAL COMMUNICATIONS COMMISSION

Carol E. Matthey
Deputy Chief, Common Carrier Bureau

³ *May 2000 Extension Order*, 15 FCC Rcd at 8068, para. 8. See also *Tenth Reconsideration Order*, 14 FCC Rcd at 5991-94, paras. 17-23; 47 C.F.R § 54.504(a).