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## WIRELINE COMPETITION BUREAU ANNOUNCES CARRYOVER OF UNUSED FUNDS FOR FUNDING YEAR 2007

## CC Docket No. 02-6

Pursuant to section 54.709(a)(3) of the Commission's rules,<sup>1</sup> on May 2, 2007, the Universal Service Administrative Company (USAC) submitted projections of demand and administrative expenses for the Federal Universal Service Fund for the Third Quarter of 2007.<sup>2</sup> According to USAC's projections, \$650 million in unused funds from Funding Years 2001 through 2004 is available to carry forward to increase disbursements to schools and libraries via the schools and libraries universal service mechanism.<sup>3</sup> Section 54.507(a)(2) of the Commission's rules states, in pertinent part, that "all funds that are collected and that are unused from prior years shall be available for use in the next full funding year of the schools and libraries mechanism in accordance with the public interest and notwithstanding the annual cap."<sup>4</sup>

Consistent with the Commission's rules, the Wireline Competition Bureau announces that \$650 million in unused funds will be carried forward from Funding Years 2001, 2002, 2003 and 2004 to increase disbursements to schools and libraries in Funding Year 2007 in excess of the annual cap.<sup>5</sup>

For further information, please contact Randy Clarke, Wireline Competition Bureau at 202-418-7400 or TTY (202) 418-0484.

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<sup>&</sup>lt;sup>1</sup> 47 C.F.R. § 54.709(a)(3).

<sup>&</sup>lt;sup>2</sup> See Federal Universal Service Support Mechanisms Fund Size Projections for the Third Quarter 2007, available at <a href="http://www.universalservice.org/overview/filings">http://www.universalservice.org/overview/filings</a> (filed May 2, 2007).

<sup>&</sup>lt;sup>3</sup> See id. at 30-33.

<sup>&</sup>lt;sup>4</sup> 47 C.F.R. § 54.507(a)(2). *See also Schools and Libraries Universal Service Support Mechanism*, CC Docket No. 02-6, Third Report and Order and Second Further Notice of Proposed Rulemaking, 18 FCC Rcd 26912, 26933-35, paras. 52-57 (2003) (amending section 54.507(a) of the Commission's rules).

<sup>&</sup>lt;sup>5</sup> The 2007 funding year for purposes of the schools and libraries cap is July 1, 2007 to June 30, 2008. *See* 47 C.F.R. § 54.507(b).