



PUBLIC NOTICE

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CARRYOVER OF UNUSED FEDERAL UNIVERSAL SERVICE FUNDS FOR FUNDING YEAR 2008

CC Docket No. 02-6

Pursuant to section 54.709(a)(3) of the Commission's rules,¹ on May 2, 2008, the Universal Service Administrative Company (USAC) submitted projections of demand and administrative expenses for the federal universal service fund for the third quarter of 2008.² According to USAC's projections, \$600 million in unused funds from Funding Years 2002 through 2004 is available to carry forward to increase disbursements to schools and libraries via the schools and libraries universal service mechanism.³ 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."⁴

Consistent with the Commission's rules, the Wireline Competition Bureau announces that \$600 million in unused funds will be carried forward from Funding Years 2002, 2003 and 2004 to increase disbursements to schools and libraries in Funding Year 2008 in excess of the annual cap.⁵

For further information, please contact Alex Minard, Wireline Competition Bureau at (202) 418-1500 or TTY (202) 418-0484.

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¹ 47 C.F.R. § 54.709(a)(3).

² See Federal Universal Service Support Mechanisms Fund Size Projections for the Third Quarter 2008, available at <http://www.usac.org/about/governance/fcc-filings/2008/Q3/3Q2008%20Quarterly%20Demand%20Filing.pdf>.

³ See *id.* at 34-35.

⁴ 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).

⁵ The 2008 funding year for purposes of the schools and libraries cap is July 1, 2008 to June 30, 2009. See 47 C.F.R. § 54.507(b).