



PUBLIC NOTICE

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WIRELINE COMPETITION BUREAU ANNOUNCES CARRYOVER OF UNUSED SCHOOLS AND LIBRARIES UNIVERSAL SERVICE FUNDS FOR FUNDING YEAR 2010

CC Docket No. 02-6

Pursuant to section 54.709(a)(3) of the Commission's rules,¹ on April 30, 2010, the Universal Service Administrative Company (USAC) submitted projections of demand and administrative expenses for the federal Universal Service Fund for the third quarter of 2010.² According to USAC's projections, \$900 million in unused funds from funding years 2002 and 2005 through 2008 is available to carry forward to increase disbursements to schools and libraries via the schools and libraries universal service program.³ Section 54.507(a)(2) of the Commission's rules states, in 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 \$900 million in unused funds will be carried forward from funding years 2002, 2005, 2006, 2007 and 2008 to increase disbursements to schools and libraries in funding year 2010 in excess of the annual cap.⁵

For further information, please contact James Bachtell, Wireline Competition Bureau at (202) 418-7400 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 Third Quarter 2010, available at <http://www.usac.org/about/governance/fcc-filings/2010/Q3/3Q2010%20Quarterly%20Demand%20Filing.pdf>.

³ See *id.* at 38, 42, 44-47. The projected \$900 million includes \$100 million of unused funds reserved in funding year 2009 for use in E-rate funding year 2010. See *Schools and Libraries Universal Service Support Mechanism*, CC Docket No. 02-6, Order, 24 FCC Rcd 10164, 10165, para. 5 (Wireline Comp. Bur. 2009).

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 2010 funding year for purposes of the schools and libraries cap is July 1, 2010 to June 30, 2011. See 47 C.F.R. § 54.507(b).