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WIRELINE COMPETITION BUREAU ANNOUNCES E-RATE INFLATION-BASED CAP FOR FUNDING YEAR 2013

CC Docket No. 02-6

Pursuant to section 54.507(a) of the Commission's rules,¹ the Wireline Competition Bureau announces that the E-rate program funding cap for funding year 2013 is \$2,380,314,485.² Section 54.507(a)(1) of the Commission's rules requires an adjustment of the E-rate program's annual cap based on the gross domestic product chain-type price index (GPD-CPI) measure of inflation.³ The new cap represents a 1.8% inflation-adjusted increase from funding year 2012's cap of \$2,338,786,577.⁴ The Commission began indexing the annual funding cap to inflation in 2010 to allow the E-rate program to keep pace with the changing telecommunications needs of schools and libraries.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. § 54.507(a).

² The 2012 funding year runs from July 1, 2012 to June 30, 2013. The E-rate program is more formally known as the schools and libraries universal service support program.

³ Schools And Libraries Universal Service Support Mechanism: A National Broadband Plan For Our Future, CC Docket No. 02-6, GN Docket No. 09-51, Order, 25 FCC Rcd 18762, 18782, para. 39 (2010) (*E-rate Sixth Report and Order*).

⁴ *Id.* at 18781, 18783, paras. 36, 40; National Income and Product Accounts Table, Bureau of Economic Analysis, revised February 28, 2013, Table 1.1.4, *at*

http://www.bea.gov/iTable/iTable.cfm?ReqID=9&step=1#reqid=9&step=3&isuri=1&903=4 (last visited Mar. 11, 2013) (GPD-CPI table; based on gross domestic product of 113.369 in 2011 and 115.382 in 2012, we calculate an increase of 1.8%).

⁵ E-rate Sixth Report and Order, 25 FCC Rcd at 18781, para. 36.