



NEWS

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See MCI v. FCC, 515 F 2d 385 (D.C. Circ 1974).

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**COMMISSIONER ABERNATHY ANNOUNCES PUBLIC FORUM
ON IMPROVING ADMINISTRATION OF E-RATE PROGRAM**
Forum Set for Thursday, May 8, 2003, at the FCC

Washington, DC — Commissioner Kathleen Q. Abernathy announced today that she is organizing a public forum on potential rule changes to strengthen compliance and oversight over the schools and libraries component of the federal universal service support mechanisms, often called the “e-rate” program. Commissioner Abernathy chairs the Federal-State Joint Board on Universal Service. The hearing will be held on Thursday, May 8, 2003, at 1:00 p.m., at the Federal Communications Commission. All Commissioners have been invited to participate.

“Recent meetings with school administrators and the Universal Service Administrative Company have convinced me that the FCC needs to take a hard look at whether our rules provide an adequate framework to avoid wasteful expenditures and prevent gaming of the system,” Abernathy said. “While our established procedures have successfully uncovered instances of program abuse, we need to consider changes to lessen the potential for waste, fraud, and abuse,” she added.

The FCC has a pending rulemaking on proposals to improve the effectiveness of the e-rate program, including means of curbing waste, fraud, and abuse. “I look forward to convening a group of school administrators, service providers, equipment vendors, and other key parties to explore new means of ensuring that funds are disbursed in a fair, efficient, and cost-effective manner,” the Commissioner stated. Commissioner Abernathy intends to place a transcript of the public forum in the record of the rulemaking proceeding.

“The Joint Board held a public forum last year on the universal service contribution methodology, and I found that to be an invaluable means of gathering relevant information,” Abernathy stated. “I expect that bringing the key parties together in this context will help the Commission develop a better sense of how to strengthen the e-rate program, so that deserving school children and library patrons continue to have access to critical services,” she added. Participants including school administrators and representatives of vendors will be announced at a later date.