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COMMENT SOUGHT ON DRAFT ELIGIBLE SERVICES LIST FOR SCHOOLS AND LIBRARIES UNIVERSAL SERVICE MECHANISM

CC Docket No. 02-6

Comment Date: August 10, 2007

Reply Comment Date: August 17, 2007

On December 23, 2003, the Commission adopted a rule that formalizes the process for updating the eligible services list for the schools and libraries universal service support mechanism.¹ Under this rule, the Universal Service Administrative Company (USAC) is required to submit annually a draft eligible services list for the following funding year. The rule also requires that the Commission issue a Public Notice seeking comment on USAC's proposed eligible services list. At least 60 days prior to the opening of the window for the following funding year, the rule requires the Commission to issue a public notice attaching the final eligible services list for the upcoming funding year.

We hereby seek comment on USAC's attached proposed eligible services list. The changes that are being proposed for the Funding Year 2008 ESL are highlighted below:

• The draft proposes to treat Centrex service as basic telephone service for purposes of the schools and libraries program with the intention of eliminating the requirement that applicants file a technology plan for Centrex service.²

¹ See 47 C.F.R. § 54.522; 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, 26929, para. 40 (2003).

² According to USAC, the need to file a technology plan for Centrex has been confusing for program participants and misunderstandings related to this requirement have resulted in funding request denials and invoice rejections. Because Centrex service is hosted at the service provider's central office, applicants have viewed the service as basic local or long distance service and, as a result, have assumed that they do not need a technology plan. In a 2003 order, although the Commission declined to find Centrex should be considered a basic telephone service at the time, the Commission noted that "[t]here may be a reasonable argument that Centrex should be treated as a basic telephone service in future funding years, to streamline application processing." *See Request for Review by United Talmudical Academy*, File No. SLD-105791, CC Docket No. 02-6, Order, 18 FCC Rcd 22785, 22790, para. 15 (2003). Additionally, the Commission recently waived the requirement to file a technology plan for an applicant that sought funding for Centrex service but did not have a technology plan in place. *See Request for Review by Brownsville Independent School District, et al.*, File No. SLD-482620, CC Docket No. 02-6, FCC 07-37, Order, para. 7 (rel. Mar. 28, 2007).

- The draft clarifies that the basic conduit access to the Internet for the purpose of
 accessing distance learning and video conferencing is eligible for funding in the Internet
 access category but distance learning and video conferencing tools are not eligible for
 funding.
- The draft clarifies that program participants are not required to provide cost allocation for calendaring functions ancillary to E-mail service.
- The draft clarifies the eligible components of a web hosting service.
- The draft adds "failover" products or services to the list of miscellaneous ineligible components.

We emphasize that USAC's description of eligible services is being proposed for the sole purpose of informing potential schools and libraries program beneficiaries of the specific products and services that may be eligible to receive discounts under the Schools and Libraries Support Mechanism pursuant to section 254. We also emphasize to commenters that this proceeding is limited to determining what services are eligible under the Commission's current rules; it is not intended to be a vehicle for changing any eligibility rules.

Pursuant to sections 1.415 and 1.419 of the Commission's rules, 47 CFR §§ 1.415, 1.419, interested parties may file comments and reply comments on or before the dates indicated above. Comments may be filed using: (1) the Commission's Electronic Comment Filing System (ECFS), (2) the Federal Government's eRulemaking Portal, or (3) by filing paper copies. *See Electronic Filing of Documents in Rulemaking Proceedings*, 63 FR 24121 (1998).

- Electronic Filers: Comments may be filed electronically using the Internet by accessing the ECFS: http://www.fcc.gov/cgb/ecfs/ or the Federal eRulemaking Portal: http://www.regulations.gov. Filers should follow the instructions provided on the website for submitting comments.
 - For ECFS filers, if multiple docket or rulemaking numbers appear in the caption of this proceeding, filers must transmit one electronic copy of the comments for each docket or rulemaking number referenced in the caption. In completing the transmittal screen, filers should include their full name, U.S. Postal Service mailing address, and the applicable docket or rulemaking number. Parties may also submit an electronic comment by Internet e-mail. To get filing instructions, filers should send an e-mail to ecfs@fcc.gov, and include the following words in the body of the message, "get form." A sample form and directions will be sent in response.
 - Paper Filers: Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, filers must submit two additional copies for each additional docket or rulemaking number.

Filings can be sent by hand or messenger delivery, by commercial overnight courier, or by first-class or overnight U.S. Postal Service mail (although we continue to experience delays in receiving U.S. Postal Service mail). All filings must be addressed to the Commission's Secretary, Office of the Secretary, Federal Communications Commission.

■ The Commission's contractor will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at 236 Massachusetts Avenue, NE., Suite 110, Washington, DC 20002. The filing hours at this location are 8:00 a.m. to 7:00 p.m. All

hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building.

- Commercial overnight mail (other than U.S. Postal Service Express Mail and Priority Mail) must be sent to 9300 East Hampton Drive, Capitol Heights, MD 20743.
- U.S. Postal Service first-class, Express, and Priority mail should be addressed to 445 12th Street, SW, Washington DC 20554.

Documents in the proceeding are available for public inspection and copying during business hours at the FCC Reference Information Center, Portals II, 445 12th St. SW, Room CY A257, Washington, DC 20554. The documents may also be purchased from BCPI, telephone (202) 488-5300, facsimile (202) 488-5563, TTY (202) 488-5562, e-mail fcc@bcpiweb.com.

People with Disabilities: To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at 202-418-0530 (voice), 202-418-0432 (tty).

Parties who choose to file by paper also must send three paper copies of their filing to Adrian Wright, Telecommunications Access Policy Division, Wireline Competition Bureau, Federal Communications Commission, 445 12th Street, S.W., Room 5-B540, Washington, D.C. 20554. In addition, commenters must send diskette copies to the Commission's copy contractor, Best Copy and Printing, Inc. (BCPI), Portals II 445 12th Street, Suite CY-B402, Washington, DC 20554.

Pursuant to section 1.1206 of the Commission's rules, 47 C.F.R. § 1.1206, this proceeding will be conducted as a permit-but-disclose proceeding in which ex parte communications are permitted subject to disclosure. For further information, contact Gina Spade, Cara Voth or James Bachtell, Telecommunications Access Policy Division, Wireline Competition Bureau at (202) 418-7400, TTY (202) 418-0484.

Action taken by the Commission on July 27, 2007: Chairman Kevin J. Martin, and Commissioners Michael J. Copps, Jonathan S. Adelstein, Deborah Taylor Tate and Robert M. McDowell.