

#### 4. Schools and Libraries Support

Eligible schools and libraries receive telecommunications services, Internet access, and internal connections at discounts that range from 20 percent to 90 percent. The level of the discount is based on eligibility for the national school lunch program, location in a rural area, and the total amount of money requested by all schools and libraries.

These schools and libraries are eligible to receive support for services that qualify as telecommunications services, Internet access, or internal connections. Schools and libraries may not receive discounts for items such as asbestos removal, teacher training, telephone handsets, the costs of tearing down walls to install wiring, repairing carpets, repainting, personal computers, fax machines, or modems.

The Schools and Libraries Division (SLD) of USAC determines the eligibility and discount level for which schools and libraries are eligible. All eligible applicants must submit three separate forms to the Schools and Libraries Division in sequential order to participate in the program. First, eligible schools and libraries must file FCC Form 470, which describes the services an applicant intends to purchase. Except under limited circumstances, Form 470 is posted to the SLD web site<sup>1</sup> for 28 days so that providers have an opportunity to submit competing bids to perform the services. After selecting a service provider and contracting for services, applicants must file FCC Form 471, which details services for which a contract has been signed. Applicants must then submit FCC Form 486, which confirms that the applicants' technology plan has been approved, and that contracted services have begun. Service providers must then complete the FCC Form 473 (Service Provider Annual Certification Form). If the service provider built the applicant's discount into the bill that the applicant paid, then the Administrator will disburse funds to the service provider after the service provider submits the FCC Form 474 (Service Provider Invoice Form). If, however, the service provider billed the applicant for the entire amount up front, then the applicant must file FCC Form 472 (Billed Entity Applicant Reimbursement Form) before the Administrator disburses money to the service provider. The service provider must then reimburse the applicant before depositing the funds from the Administrator.

In June of 1998, the funding year for schools and libraries was changed from a calendar year cycle (January 1 - December 31) to a fiscal year cycle (July 1 - June 30).<sup>2</sup> For transition purposes, the first funding period was the 18-month period that ran from January 1, 1998 through June 30, 1999. The second funding period runs from July 1, 1999 through June 30, 2000. Subsequent funding periods will run from July 1 to June 30 of the following calendar year.

In the first funding period, the USAC was directed to collect and disburse no more than \$1.925 billion for the schools and libraries program. As of October 20, 1999, it had committed \$1.722 billions to schools and libraries, and disbursed \$1.073 billion.

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<sup>1</sup> The posted FCC Forms 470 can be viewed at <http://www.sl.universalservice.org>.

<sup>2</sup> *Fifth Reconsideration Order*, 13 FCC Rcd at 14916 and 14920, paras. 1 and 8.

In the first funding period, requests exceeded available funding. The Commission established rules governing funding commitments in this situation. The rules are designed to ensure that schools and libraries receive discounts for telecommunications services and Internet access services before internal connections, and that the neediest schools and libraries (i.e., those eligible for an 80 or 90 percent discount) receive funding priority within any discount category.

Under the Commission's rules of priority, when the filing window closes, the Administrator is to calculate the total requests for support submitted during that filing window. If total requests exceed the total support available in that funding year, SLD will:

- (1) Calculate the requests for telecommunications services and Internet access for **all** discount categories. These services shall receive first priority for the available funding;
- (2) Allocate the remaining funds to the requests for support for internal connections, beginning with the most disadvantaged schools and libraries, (i.e., schools and libraries eligible for a 90 percent discount).;
- (3) Commit remaining funds for internal connections to the applicants at each descending discount level until there are no funds remaining (i.e. 89%, 88%, etc).

If the remaining funds are not sufficient to support all of the eligible discount requests within a particular discount level, the Administrator will divide the total amount of remaining support available by the amount of support requested within that discount level to produce a pro-rata factor. That is, each of the schools and libraries within that discount level will receive the same proportion of the support they requested.

The filing window (for FCC Forms 470 and 471) for the first funding period ran from January 30, 1998 to April 15, 1998. The Administrator received more than 30,000 FCC Forms 471, requesting \$2.02 billion. As of October 25, 1999, the administrator committed \$1.722 billion for reimbursable services for about 26,000 schools and libraries in all 50 states, the District of Columbia, American Samoa, Puerto Rico, and the Virgin Islands. As the Administrator resolves the last of the appeals, the amount committed may rise slightly. As of October 20, 1999, the Administrator disbursed over \$1.073 billion to service providers.

The administrator believes that it will not disburse all of the \$1.71 billion of the first period funding commitments. The administrator states that some applicants have given no indication that the indicated services have been or will be provided, and that some applicants did not use the entire amount of their funding commitment.<sup>3</sup>

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<sup>3</sup> Universal Service Administrative Company, *Federal Universal Service Programs, Fund Size Projections and Contribution Base for the First Quarter 2000*. page 16.

In June of 1999, the Commission set the size of the second funding period of the Schools and Libraries program equal to \$2.25 billion, and directed USAC to collect and disburse no more than \$562.5 million per quarter.<sup>4</sup> The filing period for the second funding year (July 1, 1999 - June 30, 2000) ran from December 1, 1998 through April 6, 1999. About 32,000 parties submitted both FCC forms 470 and 471 during the 127-day filing window. After examining the applications, finding duplicates, and accounting for withdrawn applications, the administrator states that funding requests total \$2.35 billion. The administrator projects that when the requests are adjusted for program compliance, the \$2.25 billion funding cap will be sufficient to meet all eligible requests that were received during the filing window.<sup>5</sup> It also reports that as of October 25, 1999, 2,000 applicants, requesting \$74.7 million filed after the window closed. As of November 22, 1999, SLC had committed \$1.927 billion.

The filing period for the third funding year (July 1, 2000 – June 30, 2001) began on November 10, 1999, and closes on January 19, 2000. Successful applicants will have filed both FCC forms 470 and 471 by January 19, 2000.

The Schools and Libraries Division supplied the Commission with information regarding their funding commitments for the first two funding periods. There were four types of applicants: libraries (or library consortia), schools, school districts, and other consortia. USAC submitted the list of schools and libraries to which SLD issued funding commitment letters as of October 25, 1999. As of that date, SLD had issued funding letters committing \$1.722 billion of support. (As of November 22, 1999, \$1.927 billion had been committed, but the underlying data used to generate tables 4.1 and 4.2 were not immediately available.)<sup>6</sup> Table 4.1a summarizes the first funding period commitments (January 1, 1998 through June 30, 1999) by state and by type of applicant. Table 4.1b summarizes the second funding period commitments (July 1, 1999 through June 30, 2000) by state and by type of applicant. The complete lists of funding commitments are too lengthy to list, but are available at our web site.<sup>7</sup>

Tables 4.2a and 4.2b are based on the same data as Tables 4.1a and 4.1b, and show, on a state by state basis, funding commitments for the three types of services: Internet access,

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<sup>4</sup> 47 C.F.R. § 54.709 (a).

<sup>5</sup> Ibid, page 16

<sup>6</sup> See SLC Web site <http://www.sl.universal service.org>.

<sup>7</sup> Both spreadsheets are zipped, and can be found on the FCC-State Link web site at <http://www.fcc.gov/ccb/stats>. Both the first and second funding period commitments are in the file <commit1199.zip>.

telecommunications and dedicated access, and internal connections. Table 4.2a summarizes the first funding period commitments, and Table 4.2b summarizes the second funding period commitments.

The Schools and Libraries Division also supplied information regarding fund disbursements for both funding periods, current as of October 1999. Tables 4.3a and 4.3b summarize the fund disbursements by the nature of how USAC was billed (whether through the school/library, or by the service provider directly), and by the service providers' primary type of business. Table 4.3a summarizes the first funding period, and Table 4.3b summarizes the second funding period. Both disbursement lists are too long to publish here, but are available at the FCC's Web site.<sup>8</sup>

Table 4.4 shows each state's funding commitments, estimated contribution towards the schools and libraries program and its administrative expenses, and the net revenue the state receives. As of November 1, 1999, USAC had issued \$1,672,344,549 of funding commitments. In addition, administrative expenses for the first three quarters were \$23.6 million, which annualize to \$31.4 million for the whole year. The far right column of Table 4.4 shows each state's share of total contributions towards the schools and libraries program and towards administration expenses.<sup>9</sup> Each state's share of contributions is based on data from Table 2.3 of *State-by-State Telephone Revenue and Universal Service Data*. The amount that each state pays into the fund and towards administrative expenses is calculated by taking that state's share of contributions times the total amount of commitments and times the total amount of administrative expenses.

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<sup>8</sup> The disbursements file for both funding periods is available in one zipped spreadsheet on the FCC-State Link web site at <<http://www.fcc.gov/ccb/stats>>. The file is named <USAC\_SLC\_Disbursements\_Dec\_1999.zip>. The first tab of the spreadsheet contains information for the first funding period; the second tab contains information for the second funding period.

<sup>9</sup> Carriers make the actual payments into the fund. The size of the each carrier's payment into the fund is a function of that carrier's prior-year's end-user revenues. The carriers generally pass the amount of their contributions through to their customers. Because the Commission has good estimates of state by state revenue, the amount of contributions coming from each state can be estimated.

Table 4.1a

Schools and Libraries Funding Commitments by State and by Type of Applicant  
 Funding Period: January 1, 1998 through June 30, 1999  
 Funds Committed through October 25, 1999

State District or Territory	Library or Library Consortium	Funding Commitments	Funding School Commitments	School District	Funding Commitments	Other Consortium	Funding Commitments	Total Commitments	Total Funding Commitments	
Alabama	\$817,435	135	\$1,447,546	221	\$43,565,870	309	\$1,054,365	31	\$46,885,216	696
Alaska	100,325	34	187,496	5	11,385,115	155	1,904,869	7	13,577,806	201
American Samoa	0	0	0	0	0	0	3,557,348	3	3,557,348	3
Arizona	479,644	78	2,071,054	76	32,004,128	274	1,079,106	49	35,633,932	477
Arkansas	149,829	36	669,572	38	8,487,936	370	4,101,168	26	13,408,504	470
California	2,144,475	136	21,669,768	775	174,958,931	1,281	9,782,663	109	208,555,837	2,301
Colorado	574,137	83	439,187	50	12,921,810	360	381,671	15	14,316,805	508
Connecticut	639,915	100	1,264,156	139	14,202,221	264	8,086,646	8	24,192,938	511
Delaware	95,517	30	44,308	15	670,269	32	207,178	7	1,017,272	84
District of Columbia	511,928	3	215,750	19	3,792,966	3	345,928	6	4,866,571	31
Florida	4,212,784	178	3,486,690	175	40,070,266	351	1,907,223	22	49,676,963	726
Georgia	4,317,442	159	514,490	39	35,320,316	426	38,205,256	23	78,357,505	647
Hawaii	56,195	49	5,060,521	388	774,592	6	0	0	5,891,308	443
Idaho	136,358	59	308,182	14	4,107,371	198	69,029	13	4,620,940	284
Illinois	3,104,486	406	12,935,532	641	61,386,947	854	3,542,260	21	80,969,225	1,922
Indiana	1,117,621	177	2,172,501	154	12,953,168	454	2,364,118	90	18,607,408	875
Iowa	326,997	271	924,111	229	5,816,986	660	275,716	33	7,343,810	1,193
Kansas	370,016	140	562,600	71	9,198,491	452	288,187	13	10,419,295	676
Kentucky	1,111,183	157	135,669	37	46,822,976	367	2,285,157	3	50,354,985	564
Louisiana	2,360,002	97	883,457	304	35,075,508	320	1,834,987	19	40,153,955	740
Maine	35,790	23	938,026	65	1,946,416	139	78,589	7	2,998,821	234
Maryland	1,481,973	65	489,752	174	9,553,731	115	3,501,146	19	15,026,602	373
Massachusetts	2,450,873	106	2,149,341	299	21,257,526	425	4,405,789	23	30,263,528	853
Michigan	2,080,903	258	2,206,921	291	52,263,196	1,244	1,962,039	71	58,513,060	1,864
Minnesota	182,587	41	799,020	119	15,080,335	411	8,673,635	54	24,735,578	625
Mississippi	1,142,879	141	983,686	117	19,476,544	371	2,710,014	6	24,313,123	635
Missouri	637,427	75	684,452	171	18,062,106	435	5,530,763	14	24,914,747	695
Montana	97,841	62	521,347	95	2,918,374	263	133,522	17	3,671,085	437
Nebraska	214,649	107	319,387	132	2,731,567	304	1,661,255	88	4,926,858	631
Nevada	213,430	24	15,339	9	5,152,040	51	0	0	5,380,808	84
New Hampshire	62,059	47	242,921	47	1,204,306	123	110,560	11	1,619,847	228
New Jersey	1,123,150	138	2,180,432	294	58,846,214	609	530,626	18	62,680,422	1,059
New Mexico	291,836	37	2,702,454	73	15,422,846	197	891,762	10	19,308,898	317
New York	17,604,218	638	21,760,722	1,078	109,902,801	849	20,692,168	142	169,959,910	2,707
North Carolina	1,160,901	98	1,546,518	155	21,824,870	447	2,162,359	45	26,694,648	745
North Dakota	29,545	15	483,853	46	1,634,127	223	420,327	16	2,567,852	300
Ohio	3,969,997	108	1,697,743	246	46,484,448	823	5,984,509	70	58,136,696	1,247
Oklahoma	665,999	134	2,368,242	134	30,484,301	994	193,693	13	33,712,235	1,275
Oregon	252,166	58	601,065	51	7,675,919	326	1,014,972	38	9,544,122	473
Pennsylvania	1,901,228	341	3,353,129	527	45,111,624	827	1,844,026	126	52,210,008	1,821
Puerto Rico	0	0	1,424,174	42	0	0	46,222,681	3	47,646,855	45
Rhode Island	212,171	39	196,376	36	4,559,047	31	1,042,804	2	6,010,398	108
South Carolina	46,508	8	639,111	73	19,182,867	268	6,469,535	5	26,338,021	354
South Dakota	63,365	30	384,620	31	2,452,006	315	65,181	7	2,965,172	383
Tennessee	469,930	160	159,085	18	13,083,625	36	37,952,471	208	51,665,111	422
Texas	1,465,382	197	2,124,619	166	121,669,084	1,240	4,542,969	41	129,802,053	1,644
Utah	275,031	31	144,491	31	3,827,314	76	2,139,260	34	6,386,095	172
Vermont	63,705	39	933,832	182	617,600	48	458,193	9	2,073,329	278
Virgin Islands	0	0	178,444	5	0	0	2,002,000	3	2,180,444	8
Virginia	1,410,630	124	570,835	139	20,894,659	337	2,388,980	26	25,265,104	626
Washington	1,486,551	70	794,397	119	21,962,630	493	5,194,441	65	29,438,019	747
West Virginia	681,496	111	671,859	258	6,195,151	400	1,803,042	7	9,351,548	776
Wisconsin	2,488,254	181	775,684	162	34,242,946	682	732,639	12	38,239,524	1,037
Wyoming	39,955	13	72,698	25	1,023,401	56	85,210	3	1,221,264	97
Totals	66,928,721	5,847	110,107,164	8,800	1,290,259,489	20,294	254,874,035	1,711	1,722,169,409	36,652

Source: Universal Service Administrative Company data.

Table 4.1b

Schools and Libraries Funding Commitments by State and by Type of Applicant  
 Funding Period: July 1, 1999 through June 30, 2000  
 Funds Committed through November 1, 1999

State District or Territory	Library or Library Consortium	Funding Commitments	School	Funding Commitments	School District	Funding Commitments	Other Consortium	Funding Commitments	Total Commitments	Total Funding Commitments
Alabama	\$510,526	131	\$1,155,835	220	\$22,219,417	273	\$10,151	3	\$23,895,929	627
Alaska	87,189	43	68,275	4	6,736,829	123	21,028	3	6,913,320	173
American Samoa	0	0	0	0	0	0	2,703,821	3	2,703,821	3
Arizona	244,733	67	2,012,688	88	27,482,979	269	405,903	16	30,146,304	440
Arkansas	49,169	43	265,269	37	6,155,195	385	2,683,609	13	9,153,242	478
California	2,759,134	139	17,604,899	718	165,087,316	1,475	2,459,725	67	187,911,073	2,399
Colorado	555,009	101	469,571	53	8,108,610	299	336,779	27	9,469,968	480
Connecticut	221,302	41	6,068,260	155	7,915,820	174	13,964,643	42	28,170,026	412
Delaware	81,929	27	131,749	32	604,603	24	523,034	7	1,341,316	90
District of Columbia	0	0	283,737	26	0	0	162,075	15	445,812	41
Florida	3,068,487	167	4,521,704	233	53,191,318	385	3,957,121	28	64,738,630	813
Georgia	6,658,343	121	840,035	40	27,312,470	410	22,140,741	12	56,951,589	583
Hawaii	90,980	90	4,180,041	453	858,178	9	0	0	5,129,199	552
Idaho	126,495	61	63,700	14	3,932,271	191	66,411	6	4,188,878	272
Illinois	1,394,424	308	44,382,068	730	102,937,907	745	637,515	11	149,351,915	1,794
Indiana	806,753	167	575,446	111	9,392,151	491	220,453	29	10,994,803	798
Iowa	339,318	276	974,069	194	4,857,216	639	141,051	9	6,311,653	1,118
Kansas	202,798	135	271,473	93	5,830,018	459	183,638	11	6,487,927	698
Kentucky	640,497	136	407,450	116	38,850,670	333	2,091,175	3	41,989,793	588
Louisiana	1,410,628	66	1,000,207	405	30,742,202	318	0	0	33,153,037	789
Maine	118,218	40	767,074	116	2,434,399	229	184,387	7	3,504,079	392
Maryland	1,001,150	71	1,882,353	117	13,989,946	109	2,823,667	6	19,697,116	303
Massachusetts	2,531,367	106	1,286,803	296	13,690,360	390	14,422,051	22	31,930,581	814
Michigan	1,462,012	225	2,703,434	358	67,546,112	1,253	2,932,835	69	74,644,392	1,905
Minnesota	388,968	24	657,449	120	17,728,633	411	5,575,944	42	24,350,994	597
Mississippi	1,075,664	140	964,655	81	21,663,451	483	5,375,157	6	29,078,927	710
Missouri	279,110	49	766,458	168	12,059,609	490	9,133,905	12	22,239,083	719
Montana	121,070	119	243,718	85	3,289,954	352	29,917	9	3,684,660	565
Nebraska	141,064	100	291,327	138	4,090,436	394	1,072,496	44	5,595,323	676
Nevada	101,323	19	606	1	1,689,352	37	0	0	1,791,281	57
New Hampshire	65,725	60	179,121	65	760,285	86	14,014	5	1,019,145	216
New Jersey	1,225,510	122	2,467,782	311	27,552,737	567	20,059	3	31,266,087	1,003
New Mexico	41,339	23	1,149,374	50	9,619,470	153	143,885	3	10,954,068	229
New York	4,802,211	542	14,690,656	1007	172,238,053	764	20,294,780	161	212,025,700	2,474
North Carolina	1,493,971	96	1,912,728	97	25,921,618	402	4,839,014	33	34,167,331	628
North Dakota	16,093	13	217,563	55	1,324,396	176	138,632	13	1,696,682	257
Northern Marianas Is.	14,308	2	0	0	81,093	1	0	0	95,401	3
Ohio	2,750,233	73	862,528	209	32,456,100	780	4,260,422	76	40,329,282	1,138
Oklahoma	328,546	143	1,327,094	127	24,743,978	846	684	1	26,400,303	1,117
Oregon	557,203	78	340,129	48	7,580,808	382	790,663	23	9,268,803	531
Pennsylvania	1,230,950	370	2,639,076	492	41,732,277	814	1,560,485	118	47,162,787	1,794
Puerto Rico	0	0	0	0	0	0	57,361,491	3	57,361,491	3
Rhode Island	136,268	45	327,847	63	4,412,942	51	2,412,428	6	7,289,484	165
South Carolina	54,335	8	1,263,445	103	16,996,157	288	11,021,884	6	29,335,821	405
South Dakota	19,729	22	305,718	46	1,481,760	226	6,531	2	1,813,739	296
Tennessee	427,341	197	146,702	24	42,410,503	333	16,598,074	20	59,582,621	574
Texas	1,181,964	188	3,403,343	194	107,572,703	1,358	3,387,282	35	115,545,292	1,775
Utah	45,244	26	48,248	20	2,389,228	62	2,622,326	39	5,105,046	147
Vermont	63,764	50	664,601	163	465,255	67	128,441	21	1,322,061	301
Virginia	1,400,733	125	494,169	103	20,710,677	333	596,125	13	23,201,704	574
Washington	1,317,418	73	1,638,775	99	25,313,491	601	914,882	10	29,184,567	783
West Virginia	227,218	100	478,541	232	6,138,300	425	2,779,575	11	9,623,633	768
Wisconsin	851,047	138	1,159,784	175	12,593,998	671	4,410,965	35	19,015,793	1,019
Wyoming	131,654	24	140,761	24	1,482,203	63	1,858,418	67	3,613,036	178
Totals	44,850,465	5,530	130,698,340	8909	1,266,375,453	20,599	230,420,291	1,226	1,672,344,549	36,264

Source: Universal Service Administrative Company data.

Table 4.2a

Schools and Libraries Fund Commitments by State and by Type of Service  
 Funding Period: January 1, 1998 through June 30, 1999  
 Funds Committed through October 25, 1999

State, District or Territory	Internet Access	Funding Commitments	Telecomm. & Dedicated	Funding Commitments	Internal Connections	Funding Commitments	Total	Total Funding Commitments
Alabama	\$2,065,558	114	\$8,867,042	415	\$35,952,617	167	\$46,885,216	696
Alaska	1,691,739	39	9,165,734	115	2,720,333	47	13,577,806	201
American Somoa	725,610	1	348,716	1	2,483,023	1	3,557,348	3
Arizona	5,154,195	81	8,204,853	229	22,274,884	167	35,633,932	477
Arkansas	3,562,785	23	4,400,434	278	5,445,285	169	13,408,504	470
California	4,545,358	260	54,410,528	1,076	149,599,951	965	208,555,837	2,301
Colorado	607,531	100	8,763,384	316	4,945,890	92	14,316,805	508
Connecticut	1,236,565	114	9,287,891	365	13,668,482	32	24,192,938	511
Delaware	41,977	3	961,489	78	13,806	3	1,017,272	84
District of Columbia	116,200	5	3,255,597	17	1,494,775	9	4,866,571	31
Florida	4,123,244	98	26,156,408	338	19,397,311	290	49,676,963	726
Georgia	7,610,904	74	17,629,625	337	53,116,976	236	78,357,505	647
Hawaii	673,587	6	947,311	310	4,270,409	127	5,891,308	443
Idaho	303,948	67	2,291,035	144	2,025,957	73	4,620,940	284
Illinois	3,678,678	383	30,443,728	1,259	46,846,818	280	80,969,225	1,922
Indiana	3,032,571	113	10,031,897	652	5,542,940	110	18,607,408	875
Iowa	1,080,658	357	4,419,692	719	1,843,460	117	7,343,810	1,193
Kansas	1,288,832	189	7,312,725	395	1,817,738	92	10,419,295	676
Kentucky	1,357,485	61	15,025,030	300	33,972,470	203	50,354,985	564
Louisiana	3,242,779	138	9,090,694	391	27,820,481	211	40,153,955	740
Maine	128,069	16	1,688,593	161	1,182,159	57	2,998,821	234
Maryland	897,313	53	11,320,671	275	2,808,617	45	15,026,602	373
Massachusetts	2,268,533	216	12,903,209	558	15,091,786	79	30,263,528	853
Michigan	3,159,828	352	27,594,850	1,158	27,758,383	354	58,513,060	1,864
Minnesota	1,037,860	96	15,093,070	433	8,604,648	96	24,735,578	625
Mississippi	2,672,532	139	9,684,304	298	11,956,287	198	24,313,123	635
Missouri	5,090,548	63	13,087,920	485	6,736,279	147	24,914,747	695
Montana	459,989	148	2,148,838	231	1,062,258	58	3,671,085	437
Nebraska	443,566	137	4,226,892	457	256,400	37	4,926,858	631
Nevada	44,740	11	3,810,920	60	1,525,148	13	5,380,808	84
New Hampshire	135,616	34	1,183,095	174	301,136	20	1,619,847	228
New Jersey	1,861,580	234	18,138,494	700	42,680,348	125	62,680,422	1,059
New Mexico	1,167,432	76	6,070,542	121	12,070,923	120	19,308,898	317
New York	13,500,400	471	80,872,427	1,908	75,587,083	328	169,959,910	2,707
North Carolina	2,278,292	108	13,845,234	444	10,571,123	193	26,694,648	745
North Dakota	162,153	51	1,486,809	182	918,891	67	2,567,852	300
Ohio	5,927,384	150	19,755,712	920	32,453,600	177	58,136,696	1,247
Oklahoma	3,776,386	289	8,952,231	579	20,983,619	407	33,712,235	1,275
Oregon	558,209	77	6,658,646	278	2,327,267	118	9,544,122	473
Pennsylvania	2,065,416	300	20,685,748	1,333	29,458,843	188	52,210,008	1,821
Puerto Rico	191,778	2	35,277,911	22	12,177,166	21	47,646,855	45
Rhode Island	432,647	15	1,611,588	73	3,966,163	20	6,010,398	108
South Carolina	492,119	17	12,479,201	163	13,366,701	174	26,338,021	354
South Dakota	476,469	122	1,450,641	181	1,038,062	80	2,965,172	383
Tennessee	24,328,240	27	15,743,711	320	11,593,160	75	51,665,111	422
Texas	3,793,656	322	41,550,792	870	84,457,606	452	129,802,053	1,644
Utah	1,491,637	48	4,288,842	118	605,617	6	6,386,095	172
Vermont	161,172	36	1,525,260	187	386,897	55	2,073,329	278
Virgin Islands	80,960	1	802,810	4	1,296,674	3	2,180,444	8
Virginia	2,034,669	135	16,320,113	391	6,910,321	100	25,265,104	626
Washington	1,222,158	120	15,578,240	454	12,637,622	173	29,438,019	747
West Virginia	2,208,315	185	3,453,888	473	3,689,346	118	9,351,548	776
Wisconsin	1,428,106	307	13,260,245	656	23,551,174	74	38,239,524	1,037
Wyoming	56,788	9	721,314	75	443,162	13	1,221,264	97
Totals	132,174,765	6,593	674,286,573	22,477	915,708,071	7,582	1,722,169,409	36,652

Source: Universal Service Administrative Company data.

Table 4.2b

Schools and Libraries Fund Commitments by State and by Type of Service  
 Funding Period: July 1, 1999 through June 30, 2000  
 Funds Committed through November 1, 1999

State, District or Territory	Internet Access	Funding Commitments	Telecomm. & Dedicated	Funding Commitments	Internal Connections	Funding Commitments	Total	Total Funding Commitments
Alabama	\$2,541,079	123	\$5,697,553	347	\$15,657,297	157	\$23,895,929	627
Alaska	325,355	39	4,898,400	91	1,689,565	43	6,913,320	173
American Samoa	1,046,886	1	477,318	1	1,179,617	1	2,703,821	3
Arizona	975,290	91	4,096,809	186	25,074,205	163	30,146,304	440
Arkansas	2,552,994	24	3,757,776	308	2,842,472	146	9,153,242	478
California	5,100,376	319	39,257,888	992	143,552,809	1,088	187,911,073	2,399
Colorado	548,456	116	5,620,452	253	3,301,061	111	9,469,968	480
Connecticut	1,215,465	92	4,275,307	191	22,679,254	129	28,170,026	412
Delaware	39,655	7	1,269,009	76	32,652	7	1,341,316	90
District of Columbia	4,627	3	219,318	27	221,866	11	445,812	41
Florida	5,183,713	96	24,908,847	335	34,646,070	382	64,738,630	813
Georgia	3,658,673	92	13,919,275	244	39,373,641	247	56,951,589	583
Hawaii	202,926	7	1,498,309	350	3,427,964	195	5,129,199	552
Idaho	319,360	70	1,686,401	134	2,183,117	68	4,188,878	272
Illinois	2,113,419	332	20,638,361	937	126,600,135	525	149,351,915	1,794
Indiana	849,738	82	6,253,330	534	3,891,735	182	10,994,803	798
Iowa	863,895	300	3,204,767	624	2,242,992	194	6,311,653	1,118
Kansas	1,137,056	225	3,041,507	345	2,309,365	128	6,487,927	698
Kentucky	1,308,896	90	9,841,175	297	30,839,721	201	41,989,793	588
Louisiana	4,783,361	161	8,587,433	385	19,782,244	243	33,153,037	789
Maine	245,914	20	1,929,335	241	1,328,830	131	3,504,079	392
Maryland	611,440	53	10,230,079	172	8,855,598	78	19,697,116	303
Massachusetts	1,338,910	212	11,588,806	458	19,002,865	144	31,930,581	814
Michigan	5,062,422	332	21,415,108	964	48,166,862	609	74,644,392	1,905
Minnesota	1,034,738	104	10,659,308	344	12,656,948	149	24,350,994	597
Mississippi	1,890,010	124	11,457,089	336	15,731,828	250	29,078,927	710
Missouri	9,070,217	84	6,437,165	420	6,731,701	215	22,239,083	719
Montana	548,660	189	1,772,153	271	1,363,847	105	3,684,660	565
Nebraska	428,247	144	4,381,909	474	785,167	58	5,595,323	676
Nevada	87,282	12	1,581,188	41	122,812	4	1,791,281	57
New Hampshire	182,064	58	743,477	144	93,605	14	1,019,145	216
New Jersey	1,503,459	253	13,163,450	573	16,599,178	177	31,266,087	1,003
New Mexico	618,955	59	2,303,632	87	8,031,481	83	10,954,068	229
New York	21,020,130	463	72,573,989	1,495	118,431,582	516	212,025,700	2,474
North Carolina	3,602,303	149	13,649,337	286	16,915,691	193	34,167,331	628
North Dakota	163,457	53	966,081	142	567,145	62	1,696,682	257
Northern Marianas Is.	9,757	1	85,643	2	0	0	95,401	3
Ohio	4,623,627	119	15,864,570	788	19,841,085	231	40,329,282	1,138
Oklahoma	2,466,654	274	6,600,626	478	17,333,022	365	26,400,303	1,117
Oregon	588,700	74	5,725,457	295	2,954,646	162	9,268,803	531
Pennsylvania	2,883,992	391	16,960,643	1,164	27,318,152	239	47,162,787	1,794
Puerto Rico	3,973,265	1	14,566,208	1	38,822,018	1	57,361,491	3
Rhode Island	387,045	30	3,378,823	101	3,523,617	34	7,289,484	165
South Carolina	187,023	9	11,464,999	160	17,683,799	236	29,335,821	405
South Dakota	454,385	101	867,175	137	492,179	58	1,813,739	296
Tennessee	19,246,314	150	10,078,304	298	30,258,003	126	59,582,621	574
Texas	4,449,833	424	34,655,021	842	76,440,437	509	115,545,292	1,775
Utah	1,956,462	41	2,675,238	94	473,346	12	5,105,046	147
Vermont	231,902	67	917,629	187	172,530	47	1,322,061	301
Virginia	1,546,635	110	12,442,817	316	9,212,252	148	23,201,704	574
Washington	623,123	84	9,948,106	373	18,613,338	326	29,184,567	783
West Virginia	2,297,803	173	2,570,387	456	4,755,444	139	9,623,633	768
Wisconsin	2,944,830	312	8,410,242	532	7,660,721	175	19,015,793	1,019
Wyoming	178,913	31	1,846,714	106	1,587,409	41	3,613,036	178
Totals	131,229,689	6,971	507,059,945	19,435	1,034,054,915	9,858	1,672,344,549	36,264

Source: Universal Service Administrative Company data.



Table 4.3a

Schools and Libraries Disbursements by Service Provider Type  
 Funding Period: January 1, 1998 through June 30, 1999  
 Funds Disbursed through October 20, 1999

Service Provider	Billed to USAC Directly by the Service Provider	Billed to USAC through Schools and Libraries	Total
Cellular Companies	\$174,096	\$4,239,596	\$4,413,691
Competitive Access Providers	1,259,860	4,551,040	5,810,900
Interexchange Carriers	8,588,281	30,269,470	38,857,750
Internet Service Providers	25,804,183	25,533,468	51,337,652
Local Exchange Carriers	18,326,359	377,457,363	395,783,722
Local Resellers	4,039,259	1,996,864	6,036,123
Mobile Telecommunications	0	524	524
Non-telecommunications providers	353,790,052	151,851,908	505,641,960
Operator Service Providers	0	22,211	22,211
Other	225,401	453,744	679,145
Other Local Providers	12,999,240	9,552,109	22,551,349
Other Mobile	10,996	0	10,996
Other Toll	360,538	178,717	539,255
Paging Companies	22,524	453,303	475,828
Payphone	0	11,911	11,911
Private Line Carriers	3,687,768	6,712,039	10,399,807
Resellers	0	18,255	18,255
Satellite Service Providers	5,229	928,124	933,353
Shared Tenant Providers	7,594	166,352	173,945
Specialized Mobile Radio Carriers	194,442	72,618	267,060
Toll Resellers	252,986	1,791,485	2,044,471
Wireless Data Communications Services	449,100	1,196,834	1,645,934
Not Specified	15,399,501	10,011,443	25,410,944
Totals	445,597,410	627,469,376	1,073,066,787

Source: Universal Service Administrative Company data.

Table 4.3b

Schools and Libraries Disbursements by Service Provider Type  
 Funding Period: July 1, 1999 through June 30, 2000  
 Funds Disbursed through October 20, 1999

<u>Type of Provider</u>	<u>Billed to USAC Directly by the Service Provider</u>	<u>Billed to USAC through Schools and Libraries</u>	<u>Total</u>
Cellular Companies	\$32,482	\$22,568	\$55,050
Competitive Access Providers	104,710	7,213	111,923
Interexchange Carriers	16,079	147,117	163,197
Internet Service Providers	697,462	158,145	855,607
Local Exchange Carriers	187,533	2,485,066	2,672,598
Local Resellers	15,762	1,041	16,803
Non-telecommunications providers	7,591,166	257,540	7,848,706
Operator Service Providers	0	7,327	7,327
Other Local Providers	57,791	0	57,791
Paging Companies	4,231	0	4,231
Private Line Carriers	172,676	21,796	194,473
Satellite Service Providers	0	10,200	10,200
Toll Resellers	0	10,044	10,044
Wireless Data Communications Services	0	2,246	2,246
Not Specified	<u>861,166</u>	<u>155,325</u>	<u>1,016,491</u>
Totals	9,741,059	3,285,627	13,026,686

Source: Universal Service Administrative Company data.

Table 4.4

Net Revenue from Schools and Libraries Mechanism, by State  
 Funding Period: July 1, 1999 through June 30, 2000  
 Funds Committed through November 1, 1999

State	Funding Commitments (Payments to State)	Contributions towards Funding Commitments (Payments from State)	Contributions towards Administrative Expenses (Payments from State)	Commitments Less Total Contributions	State's Share of Contributions <sup>(2)</sup>
Alabama	\$23,895,929	\$23,007,876	\$433,156	\$454,897	1.4%
Alaska	6,913,320	4,123,063	77,623	2,712,634	0.2%
American Samoa	2,703,821	0	0	2,703,821	0.0%
Arizona	30,146,304	29,681,939	558,805	-94,441	1.8%
Arkansas	9,153,242	13,623,197	256,476	-4,726,431	0.8%
California	187,911,073	181,101,528	3,409,494	3,400,051	10.8%
Colorado	9,469,968	30,848,172	580,761	-21,958,964	1.8%
Connecticut	28,170,026	23,624,120	444,758	4,101,148	1.4%
Delaware	1,341,316	5,586,957	105,182	-4,350,823	0.3%
District of Columbia	445,812	8,035,965	151,288	-7,741,442	0.5%
Florida	64,738,630	105,268,998	1,981,839	-42,512,206	6.3%
Georgia	56,951,589	52,085,898	980,591	3,885,100	3.1%
Guam	0	701,063	13,199	-714,262	0.0%
Hawaii	5,129,199	6,692,974	126,005	-1,689,780	0.4%
Idaho	4,188,878	7,360,891	138,579	-3,310,592	0.4%
Illinois	149,351,915	74,798,415	1,408,187	73,145,313	4.5%
Indiana	10,994,803	31,497,356	592,983	-21,095,537	1.9%
Iowa	6,311,653	15,422,417	290,349	-9,401,113	0.9%
Kansas	6,487,927	15,970,636	300,670	-9,783,378	1.0%
Kentucky	41,989,793	20,556,394	387,003	21,046,396	1.2%
Louisiana	33,153,037	23,329,567	439,212	9,384,259	1.4%
Maine	3,504,079	7,554,737	142,229	-4,192,887	0.5%
Maryland	19,697,116	35,128,360	661,341	-16,092,585	2.1%
Massachusetts	31,930,581	44,815,146	843,709	-13,728,274	2.7%
Michigan	74,644,392	53,584,352	1,008,802	20,051,239	3.2%
Minnesota	24,350,994	28,083,457	528,711	-4,261,174	1.7%
Mississippi	29,078,927	13,923,251	262,125	14,893,550	0.8%
Missouri	22,239,083	30,855,347	580,896	-9,197,160	1.8%
Montana	3,684,660	5,569,532	104,854	-1,989,726	0.3%
Nebraska	5,595,323	10,503,411	197,742	-5,105,829	0.6%
Nevada	1,791,281	12,701,771	239,129	-11,149,619	0.8%
New Hampshire	1,019,145	9,479,834	178,471	-8,639,160	0.6%
New Jersey	31,266,087	66,686,642	1,255,471	-36,676,026	4.0%
New Mexico	10,954,068	10,228,867	192,573	532,628	0.6%
New York	212,025,700	122,412,578	2,304,591	87,308,531	7.3%
North Carolina	34,167,331	48,686,257	916,588	-15,435,514	2.9%
North Dakota	1,696,682	4,166,858	78,447	-2,548,622	0.2%
Northern Marianas Is.	95,401	209,085	3,936	-117,621	0.0%
Ohio	40,329,282	60,676,486	1,142,321	-21,489,525	3.6%
Oklahoma	26,400,303	18,009,598	339,056	8,051,648	1.1%
Oregon	9,268,803	20,406,539	384,182	-11,521,919	1.2%
Pennsylvania	47,162,787	69,967,638	1,317,240	-24,122,091	4.2%
Puerto Rico	57,361,491	8,769,942	165,107	48,426,443	0.5%
Rhode Island	7,289,484	6,478,626	121,969	688,889	0.4%
South Carolina	29,335,821	23,375,005	440,068	5,520,748	1.4%
South Dakota	1,813,739	4,546,816	85,600	-2,818,677	0.3%
Tennessee	59,582,621	31,913,695	600,821	27,068,105	1.9%
Texas	115,545,292	111,235,503	2,094,167	2,215,622	6.7%
Utah	5,105,046	11,490,937	216,333	-6,602,224	0.7%
Vermont	1,322,061	4,327,494	81,471	-3,086,904	0.3%
Virgin Islands	0	824,311	15,519	-839,830	0.0%
Virginia	23,201,704	46,556,854	876,499	-24,231,649	2.8%
Washington	29,184,567	35,070,831	660,258	-6,546,523	2.1%
West Virginia	9,623,633	9,408,209	177,123	38,301	0.6%
Wisconsin	19,015,793	27,951,007	526,217	-9,461,431	1.7%
Wyoming	3,613,036	3,428,149	64,540	120,348	0.2%
Totals	1,672,344,549	1,672,344,549	31,484,267	-31,484,267 <sup>(1)</sup>	100.0%

Notes:

<sup>(1)</sup> This column sums to a negative number because of administration costs.

<sup>(2)</sup> Carriers make the actual payments into the fund. The size of the each carrier's payment into the fund is a function of that carrier's prior-year's end-user revenues. The carriers generally pass the amount of their contributions through to their customers. Because the Commission has good estimates of state by state revenue, the amount of contributions coming from each state can be estimated. State's share of contributions is based on data from Table 2.3 of *State-by-State Telephone Revenue and Universal Service Data*. The method of determining carrier contributions into Universal Service was changed by the FCC. These figures account for the fact that starting in November 1999, carrier contributions are based on interstate revenues, instead of interstate and intrastate revenues. See Public Notice CC Docket No 96-45, Released October 8, 1999.