

**SEPARATE STATEMENT OF
COMMISSIONER MICHAEL J. COPPS,
APPROVING IN PART, DISSENTING IN PART**

Re: Schools and Libraries Universal Service Support Mechanism, Notice of Proposed Rulemaking and Order (CC Docket No. 02-6).

I wholeheartedly support seeking comment on ways to improve the schools and libraries program. We are now in the fourth year of what can only be described as a tremendously successful program. By helping connect our schools and libraries to the Internet, the E-Rate plays a critical role in providing our children and our communities with the Information Age tools and skills necessary to prosper in the 21st century.

I must, however, dissent from one part of this Notice of Proposed Rulemaking that creates ambiguity where none need exist. This issue concerns whether unspent funds in one year of the program may be provided to schools and libraries in subsequent years.

In 1997, when the Commission put in place an annual cap of \$2.25 billion for this program, the Commission made clear that “all funding authority for a given year that is unused shall be carried forward into subsequent years for use in accordance with demand.”¹ In each year, the Administrator of the E-Rate program collects funds up to the cap to meet demand. Yet, although initial estimates were that demand would not exceed the cap for nearly a decade,² the program has been so successful that since the first year, requests from our nation’s schools and libraries have exceeded the available funding. All funds, however, are not disbursed for a variety of administrative reasons or because individual schools and libraries do not fully use the money committed to them. Our rules were designed to ensure that funds would be used for their intended purpose or returned so that other deserving schools could benefit. Today, we have hundreds of millions of dollars in unspent funds that could and should be used to bring Internet access to our communities.

Yet, the Notice the Commission adopts today states that our rules are ambiguous as to whether unused funds in one year are available to support our schools and libraries in subsequent years. I find no ambiguity.

Last year, in the fourth year of the E-Rate program, schools and libraries requested more than double the available funds to help bring the Internet to the heart of our communities. Now is not the time to shortchange our children’s future. I hope that, in the Order, my colleagues will vote with me to affirm full funding for this program. We need to make sure that the end result of this proceeding is to improve the program for our communities and our schools. They deserve no less.

¹ 47 C.F.R. § 54.507(a).

² Congressional Budget Office, *Federal Subsidies of Advanced Telecommunications for Schools, Libraries, and Health Care Providers*, January 1998.