PUBLIC NOTICE

Federal Communications Commission
445 12th St., S.W.
Washington, D.C. 20554

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WIRELINE COMPETITION BUREAU ANNOUNCES E-RATE INFLATION-BASED CAP FOR FUNDING YEAR 2011

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 2011 is $2,290,682,250.[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 0.9% inflation-adjusted increase from funding year 2010's $2,270,250,000 cap.[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) (2011).

[2] The 2011 funding year runs from July 1, 2011 to June 30, 2012. 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) (*Sixth Report and Order*).

[4] *Id.* at 18781, 18783, paras. 36, 40; National Income and Product Accounts Table, Bureau of Economic Analysis, May 2011, Table 1.1.4, available at http://www.bea.gov/National/nipaweb/TableView.asp?SelectedTable=4&Freq=Qtr&FirstYear=2007&LastYear=2010 (last visited Aug. 4, 2011) (calculating the percentage difference of the gross domestic product of 109.618 in 2009 and 110.668 in 2010 and producing an increase of 0.9%).

[5] *Sixth Report and Order*, 25 FCC Rcd at 18781, para. 36.