

STATE OF NORTH CAROLINA  
UTILITIES COMMISSION  
RALEIGH

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UTILITIES COMMISSION APPROVES INTRASTATE  
SCHOOLS AND LIBRARIES DISCOUNT PROGRAM

The North Carolina Utilities Commission recently issued an order (Docket No. P-100, Sub 133a) approving discounts for the state's schools and libraries of from 20 to 90 percent on telecommunications services. Such services include Internet access and installation and maintenance of internal connections.

After studying federal guidelines and the actions of other states, the Commission adopted the Federal Communications Commission's (FCC's) discount schedule for determining the amount of the discount schools and libraries can receive. The discount schedule is based upon the number of students eligible for the national school lunch program and upon whether the school or library is located in an urban or rural area.

The Commission's action follows the issuance of an FCC order which established rules for implementing the universal service requirements of the Telecommunications Act of 1996. One of the key provisions of the Act is a discount program for schools and libraries. The discounts will be funded by a national universal service fund which is capped at \$2.25 billion per year. The federal universal service fund will pay for discounts of both interstate and intrastate telecommunications services, but the Commission had to set the intrastate discount rates before schools and libraries were eligible for the discounts. Funding for this program is available beginning in January 1, 1998.

"This is a great day for education in North Carolina," said Commission Chairman Jo Anne Sanford. "Our order will help make sure that all North Carolina children and library patrons have access to the tremendously exciting educational potential of modern communications technology regardless of income or where they happen to live in our state. All our commissioners are committed to ensuring that all North Carolina schools and libraries can take advantage of this potential."