

Federal Communications Commission

§ 54.701

shall conclude on a date to be determined by the Administrator.

(4) The Administrator may implement such additional filing periods as it deems necessary.

(d) *Annual filing requirement.* Health care providers shall file new funding requests for each funding year.

(e) *Long term contracts.* If health care providers enter into long term contracts for eligible services, the Administrator shall only commit funds to cover the portion of such a long term contract scheduled to be delivered during the funding year for which universal service support is sought.

(f) *Pro-rata reductions.* Administrator shall act in accordance with this paragraph when a filing period described in paragraph (c) of this section is in effect. When a filing period described in paragraph (c) of this section closes, Administrator shall calculate the total demand for support submitted by all applicants during the filing window. If the total demand exceeds the total support available for the funding year, Administrator shall take the following steps:

(1) Administrator shall divide the total funds available for the funding year by the total amount of support requested to produce a pro-rata factor.

(2) Administrator shall calculate the amount of support requested by each applicant that has filed during the filing window.

(3) Administrator shall multiply the pro-rata factor by the total dollar amount requested by each applicant. Administrator shall then commit funds to each applicant consistent with this calculation.

[62 FR 32948, June 17, 1997, as amended at 62 FR 56120, Oct. 29, 1997; 63 FR 2132, Jan. 13, 1998; 63 FR 3832, Jan. 27, 1998; 63 FR 43097, Aug. 12, 1998; 63 FR 70572, Dec. 21, 1998; 64 FR 2594, Jan. 15, 1999; 64 FR 30442, June 8, 1999]

§ 54.625 Support for services beyond the maximum supported distance for rural health care providers.

(a) The maximum support distance is the distance from the health care provider to the farthest point on the boundary of the nearest large city, as calculated by the Administrator.

(b) An eligible rural health care provider may purchase an eligible tele-

communications service, as defined in § 54.601(c)(1) through (c)(2), that is provided over a distance that exceeds the maximum supported distance.

(c) If an eligible rural health care provider purchases an eligible telecommunications service, as defined in § 54.601(c)(1) through (c)(2), that exceeds the maximum supported distance, the health care provider must pay the applicable rural rate for the distance that such service is carried beyond the maximum supported distance.

[63 FR 2132, Jan. 13, 1998, as amended at 63 FR 70572, Dec. 21, 1998]

Subpart H—Administration

§ 54.701 Administrator of universal service support mechanisms.

(a) The Universal Service Administrative Company is appointed the permanent Administrator of the federal universal service support mechanisms, subject to a review after one year by the Federal Communications Commission to determine that the Administrator is administering the universal service support mechanisms in an efficient, effective, and competitively neutral manner.

(b) The Schools and Libraries Corporation and the Rural Health Care Corporation shall merge into the Universal Service Administrative Company by January 1, 1999; provided, however, that the merger shall not take place until the Common Carrier Bureau, acting pursuant to delegated authority, has approved the merger documents, the amended by-laws, and the amended articles of incorporation, as set forth in paragraphs (c) and (d) of this section.

(c) By December 1, 1998, the Schools and Libraries Corporation, the Rural Health Care Corporation and the Universal Service Administrative Company shall file with the Federal Communications Commission draft copies of all documents necessary to effectuate the merger.

(d) By December 1, 1998, the Universal Service Administrative Company shall file with the Federal Communications Commission draft copies of amended by-laws and amended articles of incorporation.