Vegetables, curcubits, to read ''10/31/00''.

[FR Doc. 99–10625 Filed 4–27–99; 8:45 am]

BILLING CODE 6560–50–F

ENVIRONMENTAL PROTECTION AGENCY

40 CFR Part 180

[OPP–300849; FRL–6076–1]

RIN 2070–AB78

Sulfosate; Pesticide Tolerance

AGENCY: Environmental Protection Agency (EPA).

ACTION: Final rule.

SUMMARY: This regulation establishes a tolerances for residues of sulfosate in or on wheat and pome fruit and increases tolerances in milk. In addition, for cattle, goat, hog, sheep, and horse commodities, this regulation establishes tolerances in liver and meat-by products except liver and increases the tolerance in meat. Zeneca Ag Products requested this tolerance under the Federal Food, Drug, and Cosmetic Act, as amended by the Food Quality Protection Act of 1996.

DATES: This regulation is effective April 28, 1999. Objections and requests for hearings must be received by EPA on or before June 28, 1999.

ADDRESSES: Written objections and hearing requests, identified by the docket control number, [OPP–300849], must be submitted to: Hearing Clerk (1900), Environmental Protection Agency, Rm. M3708, 401 M St., SW., Washington, DC 20460. Fees accompanying objections and hearing requests shall be labeled ''Tolerance Petition Fees'' and forwarded to: EPA Headquarters Accounting Operations Branch, OPP (Tolerance Fees), P.O. Box 360277M, Pittsburgh, PA 15251. A copy of any objections and hearing requests filed with the Hearing Clerk identified by the docket control number, [OPP–300849], must also be submitted to: Public Information and Records Integrity Branch, Information Resources and Services Division (7502C), Office of Pesticide Programs, Environmental Protection Agency, 401 M St., SW., Washington, DC 20460. In person, bring a copy of objections and hearing requests to Rm. 119, Crystal Mall #2, 1921 Jefferson Davis Hwy., Arlington, VA.

A copy of objections and hearing requests filed with the Hearing Clerk may be submitted electronically by sending electronic mail (e-mail) to: opp-docket@epa.gov. Copies of objections and hearing requests must be submitted as an ASCII file avoiding the use of special characters and any form of encryption. Copies of objections and hearing requests will also be accepted on disks in WordPerfect 5.1/6.1 file format or ASCII file format. All copies of objections and hearing requests in electronic form must be identified by the docket control number [OPP–300849]. No Confidential Business Information (CBI) should be submitted through e-mail. Electronic copies of objections and hearing requests on this rule may be filed online at many Federal Depository Libraries.

FOR FURTHER INFORMATION CONTACT: By mail: Jim Tompkins, Registration Division (7505C), Office of Pesticide Programs, Environmental Protection Agency, 401 M St., SW., Washington, DC 20460. Office location, telephone number, and e-mail address: Rm. 239, Crystal Mall #2, 1921 Jefferson Davis Hwy., Arlington, VA, 703–305–5697, tompkins.jim@epa.gov.

SUPPLEMENTARY INFORMATION: In the **Federal Register** of January 20, 1999 (64 FR 3099) (FRL–6053–5), EPA issued a notice pursuant to section 408 of the Federal Food, Drug, and Cosmetic Act (FFDCA), 21 U.S.C. 346a as amended by the Food Quality Protection Act of 1996 (FQPA) (Pub. L. 104–170 announcing the filing of a pesticide petition (PP 5F4554) for tolerance by Zeneca Ag. Products, 1800 Concord Pike, P. O. Box 15458, Wilmington, DE 19850–5458. This notice included a summary of the petition prepared by Zeneca Ag Products, the registrant. There were no comments received in response to the notice of filing.

The petition requested that 40 CFR 180.489 be amended by establishing a tolerance for residues of the herbicide sulfosate, in or on wheat bran at 2.5 parts per million (ppm) (of which no more than 0.75 ppm is trimethylsulfonium (TMS)), wheat grain at 0.75 ppm (of which no more than 0.25 ppm is TMS), wheat forage at 35 ppm (of which no more than 30 ppm is TMS), wheat hay at 85 ppm (of which no more than 80 ppm is TMS), wheat shorts at 1.5 ppm (of which no more than 0.5 ppm is TMS), wheat straw at 1.0 ppm (of which no more than 0.5 ppm is TMS), the pome fruit group at 0.05 ppm; in cattle, goat, hog, sheep, and horse liver at 0.5 ppm, in cattle, goat, hog, sheep, and horse meat by-products, except liver at 2.5 ppm; to increase the tolerance in cattle, goat, hog, sheep, and horse meat from 0.2 to 0.4 ppm and in milk from 0.2 to 0.5 ppm.

In the **Federal Register** of September 11, 1998 (63 FR 48597) (FRL–6026–6), EPA issued a final rule for establishment of tolerances for sulfosate on corn, soybean eggs, milk, cattle, goat, hog, sheep, and horse commodities. Sulfosate residues, at the above levels, resulting from consumption of wheat, pome fruit, meat, milk, poultry, and eggs were included in the dietary and risk assessments conducted to establish these tolerances.

I. Background and Statutory Findings

Section 408(b)(2)(A)(i) of the FFDCA allows EPA to establish a tolerance (the legal limit for a pesticide chemical residue in or on a food) only if EPA determines that the tolerance is ''safe.'' Section 408(b)(2)(A)(ii) defines ''safe'' to mean that ''there is a reasonable certainty that no harm will result from aggregate exposure to the pesticide chemical residue, including all anticipated dietary exposures and all other exposures for which there is reliable information.'' This includes exposure through drinking water and in residential settings, but does not include occupational exposure. Section 408(b)(2)(C) requires EPA to give special consideration to exposure of infants and children to the pesticide chemical residue in establishing a tolerance and to ''ensure that there is a reasonable certainty that no harm will result to infants and children from aggregate exposure to the pesticide chemical residue....''

EPA performs a number of analyses to determine the risks from aggregate exposure to pesticide residues. For further discussion of the regulatory requirements of section 408 and a complete description of the risk assessment process, see the final rule on Bifenthrin Pesticide Tolerances (62 FR 62961, November 26, 1997) (FRL–5754–7).

II. Aggregate Risk Assessment and Determination of Safety

Consistent with section 408(b)(2)(D), EPA has reviewed the available scientific data and other relevant information in support of this action. EPA has sufficient data to assess the hazards of sulfosate and to make a determination on aggregate exposure, consistent with section 408(b)(2), for a tolerance for residues of sulfosate on wheat bran at 2.5 parts per million (ppm) (of which no more than 0.75 ppm is trimethylsulfonium (TMS)), wheat grain at 0.75 ppm (of which no more than 0.25 ppm is TMS), wheat forage at 35 ppm (of which no more than 30 ppm is TMS), wheat hay at 85 ppm (of which no more than 80 ppm is TMS), wheat shorts at 1.5 ppm (of which no more than 0.5 ppm is TMS), wheat straw at

1.0 ppm (of which no more than 0.5 ppm is TMS), the pome fruit group at 0.05 ppm; in cattle, goat, hog, sheep, and horse liver at 0.5 ppm, in cattle, goat, hog, sheep, and horse meat by-products, except liver at 2.5 ppm; to increase the tolerance in cattle, goat, hog, sheep, and horse meat from 0.2 to 0.4 ppm and in milk from 0.2 to 0.5 ppm. EPA's assessment of the dietary exposures and risks associated with establishing the tolerance follows.

A. Toxicological Profile

EPA has evaluated the available toxicity data and considered its validity, completeness, and reliability as well as the relationship of the results of the studies to human risk. EPA has also considered available information concerning the variability of the sensitivities of major identifiable subgroups of consumers, including infants and children. The nature of the toxic effects caused by sulfosate are discussed in Unit II. A. of the **Federal Register** notice of September 11, 1998 (63 FR 48597). Please note that this unit included a typographical error. In the discussion of the feeding carcinogenicity study in mice, ''79'' should have been ''7.9'' in the following phrase: ''In addition, there was increased incidence of white matter degeneration in the lumbar region of the spinal cord (males only) (2, 3, 4, 4, 79% response, controls to high dose)...''

B. Toxicological Endpoints

The toxicological endpoints for sulfosate are discussed in Unit II. B. of the **Federal Register** notice of September 11, 1998 (63 FR 48597).

C. Exposures and Risks

The exposures and risks due to consumption of sulfosate, including residues in wheat and pome fruit, are discussed in Unit II. C. of the **Federal Register** notice of September 11, 1998 (63 FR 48597).

D. Aggregate Risks and Determination of Safety for U.S. Population

The aggregate risks and determination of safety for the U.S. population resulting from use of sulfosate are discussed in Unit II. D. of the **Federal Register** notice of September 11, 1998 (63 FR 48597).

E. Aggregate Risks and Determination of Safety for Infants and Children

The aggregate risks and determination of safety for infants and children resulting from use of sulfosate are discussed in Unit II. E. of the **Federal Register** notice of September 11, 1998 (63 FR 48597).

III. Other Considerations

A. Metabolism In Plants and Animals

The nature of the residues in plants and animals is understood. EPA has determined that the tolerance expression for sulfosate must include both of the parent ions.

B. Analytical Enforcement Methodology

Analytical enforcement methodology for sulfosate is discussed in Unit III. B. of the **Federal Register** notice of September 11, 1998 (63 FR 48597).

C. Magnitude of Residues

The crop field trial data are adequate to support these tolerances.

D. International Residue Limits

There are no Codex, Canadian or Mexican tolerances or maximum residue limits for residues of sulfosate in the subject crops. Therefore, a compatibility issue is not relevant to the proposed tolerances.

E. Rotational Crop Restrictions

EPA has previously reviewed two confined rotational crop studies for sulfosate and concluded that rotational crop restrictions were not required.

IV. Conclusion

Therefore, the tolerances are established for residues of sulfosate on wheat bran at 2.5 parts per million (ppm) (of which no more than 0.75 ppm is trimethylsulfonium (TMS)), wheat grain at 0.75 ppm (of which no more than 0.25 ppm is TMS), wheat forage at 35 ppm (of which no more than 30 ppm is TMS), wheat hay at 85 ppm (of which no more than 80 ppm is TMS), wheat shorts at 1.5 ppm (of which no more than 0.5 ppm is TMS), wheat straw at 1.0 ppm (of which no more than 0.5 ppm is TMS), the pome fruit group at 0.05 ppm; in cattle, goat, hog, sheep, and horse liver at 0.5 ppm, in cattle, goat, hog, sheep, and horse meat by-products, except liver at 2.5 ppm. Further, the tolerances are increased tolerance in cattle, goat, hog, sheep, and horse meat from 0.2 to 0.4 ppm and in milk from 0.2 to 0.5 ppm.

V. Objections and Hearing Requests

The new FFDCA section 408(g) provides essentially the same process for persons to ''object'' to a tolerance regulation as was provided in the old section 408 and in section 409. However, the period for filing objections is 60 days, rather than 30 days. EPA currently has procedural regulations which govern the submission of objections and hearing requests. These regulations will require some modification to reflect the new law. However, until those modifications can be made, EPA will continue to use those procedural regulations with appropriate adjustments to reflect the new law.

Any person may, by June 28, 1999, file written objections to any aspect of this regulation and may also request a hearing on those objections. Objections and hearing requests must be filed with the Hearing Clerk, at the address given under the ''ADDRESSES'' section (40 CFR 178.20). A copy of the objections and/or hearing requests filed with the Hearing Clerk should be submitted to the OPP docket for this regulation. The objections submitted must specify the provisions of the regulation deemed objectionable and the grounds for the objections (40 CFR 178.25). Each objection must be accompanied by the fee prescribed by 40 CFR 180.33(i). EPA is authorized to waive any fee requirement ''when in the judgement of the Administrator such a waiver or refund is equitable and not contrary to the purpose of this subsection.'' For additional information regarding tolerance objection fee waivers, contact James Tompkins, Registration Division (7505C), Office of Pesticide Programs, Environmental Protection Agency, 401 M St., SW., Washington, DC 20460. Office location, telephone number, and e-mail address: Rm. 239, Crystal Mall #2, 1921 Jefferson Davis Hwy., Arlington, VA, (703) 305–5697, tompkins.jim@epa.gov. Requests for waiver of tolerance objection fees should be sent to James Hollins, Information Resources and Services Division (7502C), Office of Pesticide Programs, Environmental Protection Agency, 401 M St., SW., Washington, DC 20460.

If a hearing is requested, the objections must include a statement of the factual issues on which a hearing is requested, the requestor's contentions on such issues, and a summary of any evidence relied upon by the requestor (40 CFR 178.27). A request for a hearing will be granted if the Administrator determines that the material submitted shows the following: There is genuine and substantial issue of fact; there is a reasonable possibility that available evidence identified by the requestor would, if established, resolve one or more of such issues in favor of the requestor, taking into account uncontested claims or facts to the contrary; and resolution of the factual issues in the manner sought by the requestor would be adequate to justify the action requested (40 CFR 178.32). Information submitted in connection with an objection or hearing request may be claimed confidential by marking

any part or all of that information as CBI. Information so marked will not be disclosed except in accordance with procedures set forth in 40 CFR part 2. A copy of the information that does not contain CBI must be submitted for inclusion in the public record. Information not marked confidential may be disclosed publicly by EPA without prior notice.

VI. Public Record and Electronic Submissions

EPA has established a record for this regulation under docket control number [OPP–300849] (including any comments and data submitted electronically). A public version of this record, including printed, paper versions of electronic comments, which does not include any information claimed as CBI, is available for inspection from 8:30 a.m. to 4 p.m., Monday through Friday, excluding legal holidays. The public record is located in Room 119 of the Public Information and Records Integrity Branch, Information Resources and Services Division (7502C), Office of Pesticide Programs, Environmental Protection Agency, Crystal Mall #2, 1921 Jefferson Davis Hwy., Arlington, VA.

Objections and hearing requests may be sent by e-mail directly to EPA at:

opp-docket@epa.gov.

E-mailed objections and hearing requests must be submitted as an ASCII file avoiding the use of special characters and any form of encryption.

The official record for this regulation, as well as the public version, as described in this unit will be kept in paper form. Accordingly, EPA will transfer any copies of objections and hearing requests received electronically into printed, paper form as they are received and will place the paper copies in the official record which will also include all comments submitted directly in writing. The official record is the paper record maintained at the Virginia address in ''ADDRESSES'' at the beginning of this document.

VII. Regulatory Assessment Requirements

A. Certain Acts and Executive Orders

This final rule establishes a tolerance under section 408(d) of the FFDCA in response to a petition submitted to the Agency. The Office of Management and Budget (OMB) has exempted these types of actions from review under Executive Order 12866, entitled *Regulatory Planning and Review* (58 FR 51735, October 4, 1993). This final rule does not contain any information collections subject to OMB approval under the Paperwork Reduction Act (PRA), 44 U.S.C. 3501 *et seq.*, or impose any enforceable duty or contain any unfunded mandate as described under Title II of the Unfunded Mandates Reform Act of 1995 (UMRA) (Pub. L. 104–4). Nor does it require any prior consultation as specficed by Executive Order 12875, entitled *Enhancing the Intergovernmental Partnership* (58 FR 58093, October 28, 1993), or special considerations as required by Executive Order 12898, entitled *Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations* (59 FR 7629, February 16, 1994), or require OMB review in accordance with Executive Order 13045, entitled *Protection of Children from Environmental Health Risks and Safety Risks* (62 FR 19885, April 23, 1997).

In addition, since tolerances and exemptions that are established on the basis of a petition under FFDCA section 408(d), such as the [tolerance/exemption] in this final rule, do not require the issuance of a proposed rule, the requirements of the Regulatory Flexibility Act (RFA) (5 U.S.C. 601 *et seq.*) do not apply. Nevertheless, the Agency previously assessed whether establishing tolerances, exemptions from tolerances, raising tolerance levels or expanding exemptions might adversely impact small entities and concluded, as a generic matter, that there is no adverse economic impact. The factual basis for the Agency's generic certification for tolerance actions published on May 4, 1981 (46 FR 24950), and was provided to the Chief Counsel for Advocacy of the Small Business Administration.

B. Executive Order 12875

Under Executive Order 12875, entitled *Enhancing the Intergovernmental Partnership* (58 FR 58093, October 28, 1993), EPA may not issue a regulation that is not required by statute and that creates a mandate upon a State, local or tribal government, unless the Federal government provides the funds necessary to pay the direct compliance costs incurred by those governments. If the mandate is unfunded, EPA must provide to OMB a description of the extent of EPA's prior consultation with representatives of affected State, local, and tribal governments, the nature of their concerns, copies of any written communications from the governments, and a statement supporting the need to issue the regulation. In addition, Executive Order 12875 requires EPA to develop an effective process permitting elected officials and other representatives of State, local, and tribal governments ''to provide meaningful and timely input in the development of regulatory proposals containing significant unfunded mandates.''

Today's rule does not create an unfunded Federal mandate on State, local, or tribal governments. The rule does not impose any enforceable duties on these entities. Accordingly, the requirements of section 1(a) of Executive Order 12875 do not apply to this rule.

C. Executive Order 13084

Under Executive Order 13084, entitled *Consultation and Coordination with Indian Tribal Governments* (63 FR 27655, May 19, 1998), EPA may not issue a regulation that is not required by statute, that significantly or uniquely affects the communities of Indian tribal governments, and that imposes substantial direct compliance costs on those communities, unless the Federal government provides the funds necessary to pay the direct compliance costs incurred by the tribal governments. If the mandate is unfunded, EPA must provide OMB, in a separately identified section of the preamble to the rule, a description of the extent of EPA's prior consultation with representatives of affected tribal governments, a summary of the nature of their concerns, and a statement supporting the need to issue the regulation. In addition, Executive Order 13084 requires EPA to develop an effective process permitting elected officials and other representatives of Indian tribal governments ''to provide meaningful and timely input in the development of regulatory policies on matters that significantly or uniquely affect their communities.''

Today's rule does not significantly or uniquely affect the communities of Indian tribal governments. This action does not involve or impose any requirements that affect Indian tribes. Accordingly, the requirements of section 3(b) of Executive Order 13084 do not apply to this rule.

VIII. Submission to Congress and the Comptroller General

The Congressional Review Act, 5 U.S.C. 801 *et seq.*, as added by the Small Business Regulatory Enforcement Fairness Act of 1996, generally provides that before a rule may take effect, the Agency promulgating the rule must submit a rule report, which includes a copy of the rule, to each House of the Congress and the Comptroller General of the United States. EPA will submit a report containing this rule and other required information to the U.S. Senate, the U.S. House of Representatives and

the Comptroller General of the United States prior to publication of the rule in the **Federal Register**. This rule is not a ''major rule'' as defined by 5 U.S.C. 804(2).

List of Subjects in 40 CFR Part 180

Environmental protection, Administrative practice and procedure, Agricultural commodities, Pesticides and pests, Reporting and recordkeeping requirements.

Dated: April 14, 1999.

James Jones,

Director, Registration Division, Office of Pesticide Programs.

Therefore, 40 CFR chapter I is amended as follows:

PART 180–[AMENDED]

1. The authority citation for part 180 continues to read as follows:

Authority: 21 U.S.C. 321q, 346a, and 371.

2. Section 180.489 is revised to read as follows:

§ 180.489 Sulfosate (Sulfonium, trimethyl-salt with *N*- (phosphonomethyl)glycine (1:1)); tolerances for residues.

(a) *General*. Tolerances are established for residues of the herbicide sulfosate (sulfonium, trimethyl-salt with *N*-(phosphonomethyl)glycine (1:1)) in or on the following raw and processed agricultural commodities:

Commodity	Parts per million
Almond, hulls (of which no more than 0.30 ppm is trimethylsulfonium (TMS)).	1.00
Aspirated grain fractions (of which no more than 60 ppm is TMS).	210.00
Bananas (imported only) [1]	0.05
Cattle, fat	0.10
Cattle, liver	0.5
Cattle, mbyp except liver	2.5
Cattle, meat	0.4
Citrus fruit group	0.05
Corn, field, forage	0.10
Corn, field and pop, grain (of which no more than 0.10 ppm is TMS).	0.20
Corn, field and pop, stover (of which no more than 0.20 ppm is TMS).	0.30
Eggs	0.02
Goats, fat	0.10
Goats, liver	0.5
Goats, mbyp, except liver	2.5
Goats, meat	0.4
Grape	0.10
Hogs, fat	0.10
Hogs, liver	0.5
Hogs, mbyp except liver	2.5
Hogs, meat	0.4
Horses, fat	0.10
Horses, liver	0.5
Horses, mbyp except liver	2.5
Horses, meat	0.4
Milk	0.5
Pome fruit group	0.05
Poultry, fat	0.05
Poultry, liver	0.05
Poultry, mbyp (except liver)	0.10
Poultry, meat	0.05
Prune (of which no more than 0.05 ppm is TMS).	0.20
Raisin (of which no more than 0.05 ppm is TMS).	0.20
Sheep, fat	0.10
Sheep, liver	0.5
Sheep, mbyp except liver	2.5
Sheep, meat	0.5
Soybean, forage (of which no more than 1 ppm is TMS).	2.0
Soybean, hay (of which no more than 2 ppm is TMS).	5.0
Soybean, hulls (of which no more than 2 ppm is TMS).	7.0
Soybean, seed (of which no more than 1 ppm is TMS).	3.0
Stone fruit group	0.05
Tree nut group	0.05
Wheat bran (of which no more than 0.75 ppm is TMS	2.5
Wheat grain (of which no more than 0.25 ppm is TMS)	0.75
Wheat forage (of which no more than 30 ppm is TMS	35
Wheat hay (of which no more than 80 ppm is TMS	85
Wheat shorts (of which no more than 0.5 ppm is TMS)	1.5
Wheat straw (of which no more than 0.5 ppm is TMS)	1.0

[1] There are no U.S. registrations as of the date of publication of the tolerance in the FEDERAL REGISTER

(b) *Section 18 emergency exemptions.* [Reserved]

(c) *Tolerances with regional registrations.* [Reserved]

(d) *Indirect or inadvertent residues.* [Reserved]

[FR Doc. 99–10520 Filed 4–27–99; 8:45 am]

BILLING CODE 6560–50–F

FEDERAL COMMUNICATIONS COMMISSION

47 CFR Part 54

[CC Docket No. 96–45; FCC 99–46]

Federal-State Joint Board on Universal Service

AGENCY: Federal Communications Commission.

ACTION: Final rule.

SUMMARY: In this document, we take steps designed to ensure that eligible schools, libraries, and rural health care providers gain access to, and receive, discounted services throughout the first funding cycle. Specifically, we amend our rules to allow schools, libraries, and rural health care providers with existing contracts that expired prior to December 31, 1998 to extend or renew voluntarily these existing contracts without engaging in competitive bidding through June 30, 1999. As a result, we will permit schools and libraries to be eligible for additional discounts on recurring services covered by such contracts for the period from January 1, 1999 through June 30, 1999. We also amend our rules to allow schools and libraries to use nonrecurring services for which the Administrator has approved a request for a discount for this funding year, 1998–1999, through September 30, 1999. This specific action will not result in increased funding amounts from the schools and libraries universal service support mechanism because this change in our rules will merely allow schools and libraries a longer period of time in which to complete receipt of non-recurring services.

DATES: Effective April 28, 1999.

FOR FURTHER INFORMATION CONTACT: Sharon Webber, Attorney, Common Carrier Bureau, Accounting Policy Division, (202) 418–7400.

SUPPLEMENTARY INFORMATION: This is a summary of the Commission's document released on April 2, 1999. The full text of this document is available for public inspection during regular business hour in the FCC Reference Center, 445 12th Street, S.W., Washington, D.C. 20554.

Summary of Tenth Order on Reconsideration in CC Docket No. 96–45.

1. By this Order, we take steps designed to ensure that eligible schools, libraries, and rural health care providers gain access to, and receive, discounted services throughout the first funding cycle. We note that our actions address concerns raised by various schools and libraries in light of the Commission's extension of the 1998–99 funding year.

I. Limited Exemption From Competitive Bidding

2. On our own motion, we find that it is in the public interest to reconsider the portion of the *Fifth Reconsideration Order and the Ninth Reconsideration Order*, 63 FR 43088 (August 12, 1998), 64 FR 0259 (January 15, 1999), relating to the limited exemption from competitive bidding. After further reflection, informed by the Council of Chief State School Officers (CCSSO's) letter, we conclude that it is necessary to modify sections 54.511 and 54.604 of our rules, so that eligible applicants that filed during the initial filing window and were approved for discounts, are exempt from our competitive bidding rules for voluntary extensions or renewals of existing contracts to a date no later than June 30, 1999. This modification is necessary in light of the Commission's decision in the *Fifth Reconsideration Order* to change the funding year from a calendar year to a fiscal year that begins July 1st and ends June 30th of each year. The modification applies only to the 1998 funding year.

3. When the Commission changed the funding cycle for schools and libraries on June 22, 1998, and for rural health care providers on December 31, 1998, the initial filing windows had already closed, and some schools, libraries, and rural health care providers had existing contracts that were set to end before December 31, 1998. We decided in the *Fifth Reconsideration Order and the Ninth Reconsideration Order* to allow exemption from our competitive bidding requirements for voluntary extensions of existing contracts expiring between December 31, 1998 and June 30, 1999, because it would be ''administratively and financially unworkable'' for them to participate in competitive bidding for only a six month service period. The Commission did not foresee, however, that some applicants that were approved to receive universal service discounts had existing contracts that would expire before December 31, 1998, and would consequently be unable, without engaging in competitive bidding for only a six month period, to receive discounts for the following six months from January 1, 1999 through June 30, 1999. For example, applicants that filed during the filing window and had existing contracts expiring between the 1998 filing window closing date and December 31, 1998 may have been willing, under the old calendar year funding cycle, to forego a month or two of discounts in anticipation of discounts for the following year (starting in January). Under the new fiscal year funding cycle (starting in July) implemented in our orders, however, these applicants would be required to engage in competitive bidding for only a six-month period or be left without discounts for a period of greater than six months. An unintended consequence of the two orders, therefore, was that applicants with contracts expiring before December 31, 1998 were treated less favorably than applicants with contracts expiring between December 31, 1998 and June 30, 1999.

4. We further note that the policy interest we articulated in the *Fifth Reconsideration Order and the Ninth Reconsideration Order* (*i.e.*, eliminating the administrative burden of bidding for only a six-month period) exists equally for applicants with existing contracts expiring between the closing dates of their filing windows and December 31, 1998, and those with existing contracts expiring between December 31, 1998 and June 30, 1999. In light of these considerations, and those raised by the CCSSO and various schools, we reconsider our holding in the *Fifth Reconsideration Order and the Ninth Reconsideration Order* and find herein that all schools, libraries, and rural health care providers that have applied and been approved for discounts for eligible services subject to existing contracts that expire between the respective closing dates of their 1998 filing window and June 30, 1999, are exempt from our competitive bidding requirements for voluntary extensions or renewals of these contracts to a date no later than June 30, 1999. As we noted previously in the *Fifth Reconsideration Order* it would be administratively and financially unworkable for schools, libraries, and rural health care providers to participate in competitive bidding for only a six-month service period.

5. In extending this exemption from our competitive bidding requirements, we make clear that additional discounts for these contracts will only be available for recurring services for the period January 1, 1999 through June 30, 1999. With respect to the limited time period, we recognize that parties to these contracts were unintentionally treated