
**STATEMENT OF
COMMISSIONER MICHAEL J. COPPS**

In the matter of Schools and Libraries Universal Service Support Mechanism, CC Docket No. 02-6

Here we have a program that has been absolutely front-and-center in ushering children around this country into the Internet age. But we understand that the great progress we have made with schools and libraries can fade without constant attention and care. This item sets forth a needed framework that provides guidance for the recovery of funds from applicants that have failed to comply with the statute or with our rules. It establishes a timeframe for audits and investigations. And to enhance oversight and enforcement, it provides standards for document retention by program beneficiaries. These are good and helpful steps that enhance the integrity of the program and also bring some clarity to program applicants.

This new process provides more Commission oversight. It encourages closer oversight by the five of us and the more expeditious handling of disputes over applications. The underlying goal here is speedy resolution of any problems that audits turn up. I think we have found a balanced and efficient way to handle this. In our decision, we instruct the Bureau to take the first crack at reviewing audit findings relating to the schools and libraries support mechanism. But Bureau findings are subject to Commission review, and we commit here to rendering decisions on appeals within the very tight time-frame of six months. I expect this division of resources will serve our goals of reducing waste, fraud and abuse better than tying every finding up in a cumbersome and protracted full Commission process. If it does not, however, I stand willing to revisit this aspect of today's decision.

A large part of the challenge we face here is crafting a balanced approach. Vigilant oversight and procedures adequate to forestalling abuse are, of course, essential. But it would also be possible to go overboard by multiplying the complexity of the E-Rate program and making the process so cumbersome as to discourage applicants from taking advantage of it. If needy schools and libraries lack the resources to navigate a growing minefield of rules and requirements, we could wind up deterring the very applicants this program was designed to benefit and, worse, denying thousands of children access to the communications services they need to grow into fully productive citizens. So we must always keep the beneficiaries in mind as we work to resolve problems in the program. I think we head in that direction today, and I am pleased to support the item.