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# Alexicon *insider*

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## SPECIAL BULLETIN

### **USF Budget Control** *July 2017—June 2018, Updated*

USAC recently released the availability of the USF budget control mechanism results applicable to RoR carriers to reflect the results of the quarterly HCLS updates. The adjustments announced will apply to support payments starting in October 2017.

The calculations in total, and for each study area and each mechanism, are available at USAC's [website](#) and the Excel file is attached to this Special Bulletin. Overall, the mechanism calls for a reduction in 4th quarter HCLS of just over under fifteen percent. However, the budget control mechanism calls for a per-line and a pro-rata revision; for example, projected HCLS for each study area will be reduced by \$4.54 per line and the total less the per-line adjustment will be adjusted downward by an additional 10.54%.

Each company receiving HCLS (as well as SNA and SVS) should review the "SAC by SAC Totals" tab to ascertain how much the reduction will be starting in October 2017.

Note that this update to the budget control mechanism only affects HCLS, SNA, and SVS. The reductions to CAF BLS as reported in the May 4, 2017 Special *Bulletin* are still in effect.

Please let us know if you have any questions.



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Questions? Comments?

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