



DEPARTMENT OF INFORMATION RESOURCES

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April 5, 1996

Office of the Secretary
William F. Caton, Acting Secretary
Federal Communications Commission
1919 M Street, NW
Washington, D.C. 20554

DOCKET FILE COPY ORIGINAL

Re: CC Docket No. 96-45

Dear Mr. Caton:

Enclosed for filing is an original and four copies of the Texas Department of Information Resources' comments on the Proposed Rulemaking and Order Establishing Joint Board. We have also provided a copy of these comments on diskette as per the instructions in the notice.

Please acknowledge receipt of this document by date-stamping the duplicate copy of this letter and returning it in the enclosed self-addressed, stamped envelope.

Sincerely,

Carolyn Purcell
Executive Director

CP:ES:JJ:nr

- cc: Federal-State Joint Board Members
- International Transcription Service, Washington, D.C.
- Wayne Hall, National Association of State Telecommunications Directors
- Louise Spieler, National Association of State Information Resource Executives
- Jim Glotfelty, Director of General Government, Office of the Governor
- Pat Wood, III, Chairman, Public Utility Commission
- Jim Oliver, Acting Executive Director, Telecommunications Infrastructure Fund Board
- Robert S. Martin, Director and Librarian, Texas State Library and Archives Commission
- Tom Treadway, Executive Director, General Services Commission
- Nancy Vaughan, Associate Commissioner for Information Systems, Texas Education Agency

**BEFORE THE
FEDERAL COMMUNICATIONS COMMISSION**

IN THE MATTER OF)	
)	CC DOCKET NO. 96-45
)	
Federal-State Joint Board on)	NOTICE OF PROPOSED
Universal Service)	RULEMAKING AND ORDER
)	ESTABLISHING
_____)	JOINT BOARD

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**COMMENTS OF THE
TEXAS DEPARTMENT OF INFORMATION RESOURCES**

The Texas Department of Information Resources (DIR) submits the following comments on Universal Service and specifically the issues addressing providing access to advanced telecommunications services by schools, classrooms, libraries and rural health care providers. Comments also address the FCC's current practice for submitting comments and providing public access to comments and reply comments.

Universal Service

The principles of "Quality and Rates" and "Access to Advanced Services" should always be considered co-equal and apply to all regions of the Nation. While competition will drive service providers to implement these features in metropolitan and urban areas, the Joint Board should focus funding and metrics on implementation in rural areas. Advanced features should include data access to electronic directory services and the Internet. The Joint Board should establish time-lines for increasing the speed of data line access until broadband capabilities are achieved nationwide. This could include a timed phaseout of BETRS service with the implementation of broadband PCS.

Under principle 3, the Joint Board should consider different funding mechanisms for rural and high cost areas. As indicated in the "A Review of Current Interstate Support Mechanisms," the current implicit system has fees paid directly to the LECs, resulting in subsidized service for commercial and wealthy subscribers in resort settings. Future funding support should focus on explicit programs for both rural and high cost areas. A virtual variable voucher might solve this problem. The virtual voucher would be linked to a customer, and could be used with any service provider. The amount of the credit could be based on income, property value or some other economic measure. State, local and tribal government entities should assist in implementing the new program.

Contributions to the fund should include all telecommunications service providers and all commercial users of the frequency spectrum. The Joint Board should consider an assessment (e.g., percentage of gross revenue) for any commercial use of the frequency spectrum. This assessment would start with the Cellular (both land based and satellite),

DBS and Paging industry, that have not obtained their licenses to operate through an FCC auction. Future FCC auctions should consider including an assessment that would provide additional revenue for the fund. PCS systems deployed in rural areas could be exempt from the assessment.

Telecommunications Services for Schools, Libraries and Health Care Providers

While Congress explicitly recognized the importance of telecommunications to educational institutions, libraries and health care providers, the restrictions on these entities of not being able to share network capacity with other parties, could have a adverse impact on rural communities. The restrictions may be necessary in metropolitan and urban areas, to prevent a public entity from using a subsidized service to compete with a commercial provider. In rural areas the educational institution, library or health care provider may be the only viable entity for establishing a broadband data connection to the Internet. Providing local dial-up connections to this link should be considered a vital part of the network infrastructure to extend access to the educational, library or health care service. However, allowing parents to access their children's school assignments or progress reports could violate the restriction, if the school tries to recover any of the associated costs. In rural areas, the total community should be allowed to share the network and receive the discounted rates.

Discounted services for educational institutions, libraries and health care providers will help generate demand for advanced telecommunications services. SEC 706 addresses incentives that encourage the deployment of advanced telecommunications capability. The FCC should consider the auction of two-three of the N11 numbers currently available to help generate demand for advanced telecommunications services (see N11 Auction). The auction of the N11 numbers would also improve citizen access to government information and services. Proceeds from the auction should be returned to the states to help fund the initial costs for computer/video equipment, network wiring and electrical wiring, for educational institutions, libraries and health care providers. The annual assessment for commercial use of the N11 numbers should go into the universal service fund.

FCC's Current Practice for Submitting Comments and Providing Public Access to Comments and Reply Comments

The FCC should be commended for its expanded use of the Internet over the past year. However, the current proceeding is an example of a process that limits public access, increases the cost of submitting comments by requiring multiple paper copies of documents, restricts the review of filed comments and therefore the ability to reply to comments filed by other parties. The current process does not support the government initiatives for the National Information Infrastructure, Paperwork Reduction Act and the revisions to OMB Circular A- 130.

The new Joint Board should serve as an example of how to conduct business electronically. All Joint Board rules, actions and comments from interested parties, should be available electronically over the Internet. Interested parties should be able to submit comments electronically, by sending the full text or transmitting only the URL for where

the document is located.

N11 Auction

Federal and state agencies currently fund 800 numbers for the public to access voice and electronic-based information. Multiple 800 and local numbers, however do not provide consistent and useful access to information and services. 800 numbers, in fact add to the cost of making information available.

Recommend the use of standard N11 numbers for providing citizen access to government information and services. Technology is available to access both voice and data through a single telephone number. 911 access to emergency services is a success because the number is easy to remember and is being deployed nationwide. The FCC can ensure that N11 assignments for access to government information are consistent nationwide.

The auction of two-thirds of the currently unassigned N11 numbers could also help generate demand for advanced telecommunications services throughout the nation. Proceeds from the auction could help fund equipment for schools, libraries and rural health care facilities. The FCC (commission) should:

(1) The commission shall ensure the availability for auction of the numbers "211" and "311." The commission shall reserve "511" for possible future use or auction.

(2) The numbers "211" and "311" shall be auctioned to the highest bidder. The bid award will be for six years with an option to renew. One year after bid award, the operators of the "211" and "311" services will start contributing one percent of gross revenues generated by the services to the universal service fund.

(3) The bid award may be terminated or not renewed by the commission for failure to provide reliable service levels or because of complaints by the government entities being served.

(4) The numbers shall be auctioned on a county-by-county basis in each state. The number "211" may be primarily used to access voice-based information and services. The number "311" may be primarily used to access computer-based information and services. Both numbers may provide both voice-based and computer-based access to information and services. The "211" and "311" services must be operational within 90 days of the date of the bid award. County and municipal information and services must be available within 180 days of the date of the bid award. One year after bid award, and on request of a state or federal government agency, the "211" and "311" service providers must index and allow access to state and federal government information and services. State and federal agencies requesting access to voice-based systems shall provide connectivity through local numbers, circuits, or other methods that would not incur long distance charges for the "211" or "311" service providers. Access to state and federal computer-based information and services will be through the Internet connection.

- (5) The same bidder may not obtain both numbers in any one county.
- (6) The successful bidders for each number in a county shall provide free public access to government information and services. Subscriber fees may be charged for providing access to commercial information, services, and electronic commerce transactions.
- (7) The operator of the "311" number shall assist in the design and make the county and all municipal home pages available through the Internet. The operator of the 211 number, if they elect to provide access to computer-based information, shall assist in the design and make K-12 public school and library home pages available through the Internet. Home pages must comply with Internet standards and guidelines provided by the Joint Board.
- (8) The telecommunication provider serving more than one county or municipal location shall route calls to the correct "211" or "311" service provider.
- (9) If no bids are received for a "211" or "311" number, or if service is discontinued, the number(s) shall be made available to the county government. The county may delegate operation of the numbers to one or more municipal governments.
- (10) The installation and recurring monthly fees charged the operators of the "211" and "311" or "511" service may not be higher than 105 percent of the long-run incremental costs of the service.