

96-262

From: Chad Sasso <cesasso@hopper.unh.edu>
To: Commisioners <jquello@fcc.gov>
Date: 5/5/97 6:01pm
Subject: Opposition of modem line tax

SUNSHINE PERIOD

Dear sir/madam:

I recently read about the ruling of a new proposed fee for Internet/Online service modem users on the Cnet Website. As a student, I need to use the Internet on a constant basis in order to do research for my work. I would like to express my oposition to this new fee-based telephone line, as local calls from my telephone company are, and have always been, free. AT&T as well as the "baby bell" telephone companies certainly have enough money to survive during this time of digital revolution, and it would just be an added incentive to not go online. If you do decide to vote yes to the new fee, I beleive that you should do so after extensive research on the affects of this tax on the general public.

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MAY 6 1997

Sincerely yours,

Chad Sasso
Student, University of New Hampshire

96-262

From: <steve@castle.net>
To: A7.A7(RHUNDT,JQUELLO,SNESS)
Date: 5/5/97 6:51pm
Subject: New 'Modem Tax'

SUNSHINE PERIOD

I am an INternet service provider.

I writing to register my complaint about the new proposed 'modem tax' which would add \$3-\$6 to every phone line I use which no increase of service or any reflection on the realities of current Internet account prices.

Please unerstand that the current downward pressure of Internet account prices is making margens on Internet service providers VERY slim. To impose this 'tax' without putting in some sort of 'price control' or 'price support' for ISPs will cause many borderline compaines to fail. This is not a monir increase in expese when one has many hundreads of phone lines and limited budgests.

Steven Back
President Castle Network

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- > The additional cost is estimated to be from \$4 to \$6 per line
- > per month for businesses, and at least \$3.50 per line for consumers
- > who have more than one telephone line to their homes. Details of the
- > program are at <http://www.fcc.gov/learnnet/welcome.html#rates>.
- >
- > For consumers, this will be a disincentive to add lines for
- > fax or modem usage, and has been labeled by some consumer groups
- > as a "modem tax."
- >
- > The widest range of business users who have more than one
- > telephone line will benefit from other reductions in long-
- > distance charges that will offset the increases. This will not be the
- > case for Internet Service Providers and online services, which have
- > business lines used only for incoming dial-up access by their
- > subscribers. ISPs and online services will therefore bear the brunt of
- > the economic burden for this program.
- >
- > Under the proposed program, Internet Service providers would be
- > required to provide connectivity to schools, libraries and health care
- > facilities at discounts of 20% to 90% off of normal rates. This
- > discounted amount would then be reimbursed to the ISP through the
- > Universal Service program.
- >
- > The proposal has gone through a lengthy process of
- > recommendation and comment, and is in its final stage.
- > It requires only the vote of the FCC on May 8 to begin
- > implementation.
- >
- > AOP opposes the proposed plan for three reasons:
- >
- > 1) The FCC will implement a sweeping new tax before
- > studying the alternatives (e.g., Net Day, access through
- > existing state Internet networks).
- >
- > 2) The tax is structured to specifically punish Internet
- > and online services and their subscribers. If the tax
- > is necessary, it should be applied to all consumers and
- > all businesses.
- >
- > 3) There has been insufficient study of the subject.
- > There is little or no data to support the need for
- > the tax, or to indicate whether the current proposal
- > will be enough to do the job.
- >
- > AOP encourages all online services and their subscribers to
- > voice their opposition to this "modem tax" by contacting the
- > FCC immediately. Contact information is as follows:
- >
- > Chairman Reed Hundt: rhundt@fcc.gov
- > Commissioner James Quello: jquello@fcc.gov
- > Commissioner Susan Ness: sness@fcc.gov
- > Commissioner Rachelle Chong: rchong@fcc.gov
- >
- > Or by mail or fax at:
- >
- > Federal Communications Commission
- > 1919 M Street N.W.
- > Washington DC 20554
- > (202) 418-0232 FAX
- >

> *****
> Assn of Online Professionals
> 6096 Franconia Rd., Suite D
> Alexandria, VA 22310
> *****

96-262

From: "John O'Donnell" <JohnOD@tyrconnell.com>
To: "'rhundt@fcc.gov'" <rhundt@fcc.gov>
Date: 5/5/97 10:31pm
Subject: Universal Service Program

SUNSHINE PERIOD

Gentlemen;

It seems to me that your new modem tax is not at all well thought out unless your desire is to drive all the small independent ISP's out of business. What you propose simply transfers wealth from small ISP's to large telephone companies so that they can provide "low cost service" to schools and other government institutions which in most states they already must do anyway as part of their rate negotiations. In other words WE will subsidize the telco's rate concessions to state government. It appears at this end to just be a legalized transfer of wealth from small business to large corporations.

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MAY 6 1997

FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, D.C. 20541

Large telco's already enjoy an enormous competitive advantage over small providers because they do not have to install large numbers of remote facilities to handle multiple exchanges, they simply call forward the calls to a central modem pool location. They can also locate inbound facilities at central offices and reduce the total network traffic that modem calls generate. If there is a problem with financing the increase in infrastructure that is required for this new technology, I'd suggest that it would be better if they were left to go and borrow the money to build it, or leave the market to those who are willing to take the risk.

Those of us that built this new technology with our vision for a new society, more efficient, more open and more free are ONCE AGAIN being overwhelmed by those with the political influence to change the rules mid-game. It's tiresome.

When the telco's have driven us all out of business, what will happen to internet connection rates? What will happen to customer service? Think about how your deregulation of cable TV affected rates. Did it accomplish the promised objective, or consolidate the industry? Perhaps there is something in your process that precludes small intelligent entrepreneurs from participating? Should we tell our employees that we can't send them to training because we need the \$2,500.00 to have a lawyer read the current FCC documents? If I had made a foolish choice like that, would it have affected the outcome? Think about all this. Thousands of REAL PEOPLE with REAL JOBS in small companies depend on your wisdom here. Maybe you want a society run by large companies with no loyalties to their employees. If you don't think that's a great idea, then maybe you'll consider telling the telephone companies to raise their capital in New York, instead of Washington, DC.

John O'Donnell
President - Tyrconnell Computer Services

PS Please try to find a copy of JFK's Profiles in Courage this week before you vote and reread it.

<http://www.bbsnet.com/>

CC: "'sness@fcc.gov'" <sness@fcc.gov>

96-262

From: Greg Largent <stargazer@rockford.com>
To: A7.A7(SNESS)
Date: 5/6/97 12:36am
Subject: Universal Service Tax Vote

SUNSHINE PERIOD

Miss
Ness:

I am strongly opposed to the proposal your Commission will be considering shortly regarding the Universal Service Tax, or as it should be called, the MODEM TAX. This tax will be unduly placed upon the millions of Internet users that have dedicated phone lines for computer and internet service. ISP providers will be taxed for lines that they provide for customer

usage. I believe that more study is needed on this matter as the effectiveness of the tax has not yet been studied, as to whether the tax is even needed and if it is needed, id the tax is a fair one or is it being levied on those that are the most visible, internet subscribers and ISP servers.

- I urge you to vote against this

Tax.

Thank-you for your consideration on this matter.

- Gregory D. Largent
2 Johns Woods

Drive Rockford,
Illinois
61103

"He who asks a question is a fool for 5 minutes....
He who does not ask a question remains a fool forever"
(Ben Holden)

Stargazer@Rockford.com

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MAY 6 1997

Public Information Office
Rockford, Illinois

96-262

From: Robert Chapin <robert.chapin@robotbbs.com>
To: A7.A7(SNESS)
Date: 5/5/97 7:51pm
Subject: AOP Alert 97:06 FCC To Vote On "Modem Tax"

SUNSHINE PERIOD

This message was originally addressed to rhundt@fcc.gov and a carbon copy was sent to you.

I feel that I must bring to your attention a few points that I find very disturbing about the proposed "Universal Service" program.

The first on my mind is the fact that under this proposal small ISPs will be absorbing most of the \$3 billion cost of this program. That may only work out to \$4 - \$6 per line per ISP, but that is a substantial cost to any small business. The fact is that the increased overhead is going to come out of the end-customer's pockets, which will ultimately hurt the ISPs through potential loss of business. Therefore, by instituting this program, you are going to be putting a great financial burden on the ISPs that you want to have providing discounted service to schools, etc. I understand that you will try to offset this with reductions in long-distance charges, but that will only remedy the problems inflicted upon the ISPs which are servicing the schools. The other, much larger, group of ISPs will be devastated by this program.

Secondly, why will the additional costs only affect those consumers and businesses which have more than one phone line? Is there any reason the additional costs shouldn't be shared by everyone? I simply fail to see which demographic you are targeting by this. In this day and age doesn't the average family have 2 or 3 phone lines in their house?

I strongly urge you not to implement this program. If this is put into effect, I will be effected both as a small ISP with 2 phone lines, and as a resident with 2 phone lines. An additional cost of \$15 per line on my phone bills is both unreasonable and unnecessary.

Robert Chapin
2000 N. Court St. 8-K
Fairfield, IA 52556

CC: jquello@fcc.gov
sness@fcc.gov
rchong@fcc.gov

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MAY 6 1997

96-282

From: Robert Chapin <robert.chapin@robotbbs.com>
To: A7.A7(SNESS)
Date: 5/5/97 7:51pm
Subject: AOP Alert 97:06 FCC To Vote On "Modem Tax"

SUNSHINE PERIOD

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Robert Chapin
2000 N. Court St. 8-K
Fairfield, IA 52556

CC: jquello@fcc.gov
sness@fcc.gov
rchong@fcc.gov

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MAY 6 1997



THE UNIVERSITY OF NORTH CAROLINA
AT
CHAPEL HILL

SUNSHINE PERIOD

Academic Technology and Networks
Telecommunications Office

May 5, 1997

Campus Box 1830, Giles F. Horney Bldg.
The University of North Carolina at Chapel Hill
Chapel Hill, NC 27599-1830

Reed E. Hundt, Chairman
Federal Communications Commission
1919 M Street, NW
Washington, DC 20544

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MAY 6 1997

Re. Ex Parte Communication in CC Docket No. 96-262

Dear Chairman Hundt:

The purpose of this correspondence is to inform you of the significant impact on the University of North Carolina at Chapel Hill (UNC) of several issues pending before the Federal Communications Commission.

Current proposals to subsidize telecommunications services for grades K-12, libraries, and rural health care facilities (possibly including wiring costs) from the universal service fund will have a significant financial impact on the University of North Carolina at Chapel Hill as well as other public and private universities. *I estimate that proposals to increase the subscriber line charge (SLC) from \$6.00 to \$9.50 per line and to implement a pre-subscribed line surcharge (PSL) of \$4.50 per line per month will cost UNC approximately \$1, 700,000 per year.* As a publicly funded institution, UNC currently has no allocated source of funds to pay for such an increase in telecommunications expenses. Implementation of these proposals would not only preclude the accomplishment of similar technology initiatives at UNC, but would also make basic telephone services unaffordable for many of our departments, faculty, and staff.

I encourage you to find alternative solutions of funding these important measures without jeopardizing the level of technology support at UNC and at our nation's universities. Among the alternative solutions you may consider, I would urge you to exempt institutions of higher education from the proposed surcharges.

Sincerely,

Steve Harward

Steve Harward, Associate Director
Networking and Communications

cc: Commissioner James E. Quello
Commissioner Rachelle B. Chong
Commissioner Susan Ness
Mr. Bryan Moir



STONEHILL
COLLEGE

SUNSHINE PERIOD

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May 2, 1997

MAY 6 1997

Susan Ness, Commissioner
Federal Communications Commission
1919 M Street, NW
Washington, DC 20554

Ex Parte Communications in CC Docket No. 96-262

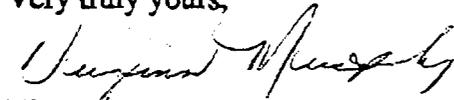
Dear Ms. Ness:

I am writing in regards to the proposed increase to the monthly Subscriber Line Charge and the new Pre-subscribed Line Charge. I would like to voice my opposition to this proposal.

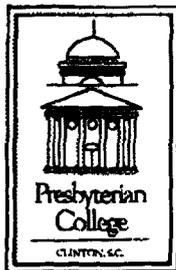
The College is attempting to keep tuition fees reasonable, and each year more and more of our annual budget is set aside for financial aid. These increases will impact our budget and our ability to give as much financial aid as possible. At a time when more and more students are having trouble affording higher education, anything that takes away from the College's ability to give financial aid is a major concern.

I hope you will reconsider the proposed changes due to their potential impact on students seeking higher education.

Very truly yours,


Virginia Murphy
Telecommunications Coordinator

cc: Brian Moir, Esq.
Jeri Semer, Executive Director, ACUTA



SUNSHINE PERIOD

MAY 1 5 48 11 '97

OFFICE OF
COMMISSIONER
SUSAN NESS

RECEIVED

May 1, 1997

MAY 6 1997

Commissioner Susan Ness
 Federal Communications Commission
 1919 M Street, NW
 Washington, DC 20554

via FAX 202-418-2821

RE: Ex Parte Communication in CC Docket No. 96-262

Dear Commissioner Ness:

Presbyterian College is greatly concerned by reports of possible increases in the cap on business multi-line Subscriber Line Charges (SLC) and pre-subscribed lines (PSL) surcharges. One report indicated the possibility of an increase of \$8.00 per month charge for each business line including each Centrex line. Such a charge, depending on how implemented, could cost Presbyterian College more than \$8,000.00 per month: the equivalent of more than five full scholarships including tuition, fees, room, and board. Or, looking at it another way, this would represent an increase of almost 33% in our local telephone service bill.

We certainly hope that the commission rejects any such ideas.

The provision of discounted telecommunications services for K-12 schools, libraries, and rural health facilities may be a worthwhile public policy goal but if so it should be funded directly by Congress, not in this manner.

Presbyterian College is certainly not alone among institutions of higher education using Centrex services. Any proposal that increases fees for businesses also affects colleges, universities, and other non profits which must purchase business telephone services.

Thank you for considering our position on this matter. Once again we hope that discounted telecommunication services for K-12 schools, libraries, and rural health facilities would not be subsidized through increases in business telephone fees that feed the Universal Service Fund.

Sincerely,

A handwritten signature in black ink, appearing to read "Morris M. Galloway Jr.", written in a cursive style.

Morris M. Galloway Jr.
 Dean of Administrative Services