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Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
1919 M Street, NW
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Washington, DC 20554

FILED
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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

RE: Notice of Ex Parte Presentation
CC Docket No. 95-20;
CC Docket No. 96-115;
CC Docket No. 96-263;
and ACTA Petition for Rulemaking, No. 8775

Dear Ms. Salas:

On January 22, 1998, the following individuals met separately with Commissioner Furchtgott-Roth (and his Senior Legal Adviser, Paul Misener), Commissioner Powell (and his Legal Adviser, Kyle Dixon), and Commissioner Tristani (and her Senior Legal Adviser, Rick Chessen) on behalf of the Information Technology Association of America.

Sheldon Bentley
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At each meeting, the following proceedings were discussed:

- In the Matter of Computer III Remand Proceedings: Bell Operating Company Safeguards and Tier 1 Local Exchange Company Safeguards, Computer III Further Remand Proceedings: Bell Operating Company Provision of Enhanced Services, CC Docket No. 95-20
- In the Matter of Carriers' Use of Customer Proprietary Network Information and Other Customer Information, CC Docket No. 96-115
- In the Matter of Usage of the Public Switched Network by Information Service and Internet Access Providers, CC Docket No. 96-263
- ACTA Petition for Rulemaking, No. 8775

The views expressed by ITAA are contained in a written presentation that was sent to each of the Commissioners following the meeting. In accordance with Section 1.1206(a) of the Commission's rules, two copies of that presentation are being submitted for inclusion in the public record for each of the dockets listed above. We were unable to file this letter before today due to an electrical fire in the building in which our office is located.

Please let me know if you have any questions.

Sincerely,



Jonathan Jacob Nadler

Enclosures (8)

cc: Commissioner Furchtgott-Roth
Commissioner Powell
Commissioner Tristani

PRESENTATION OF THE INFORMATION TECHNOLOGY ASSOCIATION OF AMERICA

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- **The Information Technology Association of America**
 - ITAA is the principal trade association of the nation's information technology sector.
 - ITAA represents more than 11,000 U.S. companies, including numerous information services providers ("ISPs").
 - Since 1969, ITAA -- and its predecessor, the Association of Data Processing Service Organizations ("ADAPSO") -- has participated actively in every major FCC proceeding regarding the information technology industry.

- **The Information Technology Industry**
 - Information technology is one of the fastest-growing, most competitive, and innovative sectors of the U.S. economy. However, most ISPs remain completely dependent on the incumbent telephone companies to provide the transmission links necessary to deliver services to their subscribers.
 - The FCC has contributed to the success of this critical sector through consistent, pro-competitive policies.
 - Continued growth of the industry will require the FCC to adopt policies that:
 - + Preserve the non-regulated status of the information services industry.
 - + Promote the competitive deployment of new telecommunications facilities and services that can meet the needs of data users.
 - + Continue to effectively regulate incumbent telecommunications carriers that retain market power.

- **The Commission Should Not Disturb the Well-Established Dichotomy Between Regulated Telecommunications and Non-Regulated Information Services**

- The distinction between regulated basic telecommunications and non-regulated information services (formerly known as enhanced services), which was adopted by the Commission in 1980, has proven to be easy-to-apply, pro-competitive, and deregulatory.
- Neither the adoption of the Telecommunications Act, nor technical and marketplace developments, requires the Commission to shift the boundary between regulated and non-regulated offerings.
- The Commission should remove uncertainty by: (1) denying the ACTA petition, which seeks imposition of common carrier regulation on the Internet and (2) making clear, in the upcoming Computer III Second Remand Proceeding, that the agency will not alter the established regulatory framework.
- In its upcoming report to Congress, the Commission should not retreat from its conclusion, adopted in the Universal Service Order, that information services are not "telecommunications."

- **The Commission Should Adopt Policies That Will Promote the Competitive Deployment of Facilities and Services That Can Accommodate the Growth of Data Traffic**

- The current circuit-switched network, which was designed for voice telephony, is not well-suited to accommodate the growth of data-oriented information services
- The Commission should continue to allow ISPs to use LECs' circuit-switched services in the same manner as other business users, while using the upcoming Internet Inquiry to develop policies that will foster competitive deployment of new data-oriented facilities and services.
- Neither the imposition carrier access charges on ISPs, nor the elimination of pro-competitive rules applicable to dominant carriers, will promote the deployment of new data-oriented facilities and services.

- **The Commission Should Continue to Adopt Policies That Prevent the BOCs From Adversely Affecting Competition in the Information Services Market**
 - The Commissions should use the upcoming Computer III Second Remand Proceeding to extend the Telecommunications Act's structural separation requirements and non-structural safeguards governing BOC participation in the inter-LATA the information services market to BOC participation in the intra-LATA information services market.
 - As required by Congress, the FCC should strengthen its rules to prevent carriers from using customer proprietary network information ("CPNI"), without prior customer authorization, to develop and market information services and customer premises equipment ("CPE").
 - The Commission should continue to require carriers to separate the provision of regulated telecommunications from the provision of non-regulated information services.