

Before the  
Federal Communications Commission  
Washington, D.C. 20554

RECEIVED

AUG 31 1998

FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

In the Matter of	)	
	)	
1998 Biennial Regulatory Review --	)	CC Docket No. 98-119
Elimination of Part 41 Telegraph and	)	
Telephone Franks	)	

---

**COMMENTS  
OF THE  
UNITED STATES TELEPHONE ASSOCIATION**

The United States Telephone Association (USTA) respectfully submits its comments in the above-referenced proceeding. USTA is the principal trade association of the incumbent local exchange carrier (LEC) industry. Its members provide over 95 percent of the incumbent LEC-provided access lines in the U.S. USTA's member companies strongly support the elimination of unnecessary or burdensome regulations.

In a Notice of Proposed Rulemaking (NPRM) released July 21, 1998, the Commission proposes to eliminate Part 41 of its rules regarding the issuance of franks for telephone service by communications common carriers. USTA strongly supports the Commission's proposal.

The Telecommunications Act of 1996 requires the Commission to establish a pro-competitive, de-regulatory national telecommunications policy. As part of that policy and as required under Section 11 of the Act, the Commission must review all of its rules, in every even numbered year, and repeal or modify any regulation it determines is no longer necessary in the public interest as the result of meaningful economic competition between providers of such services. As the Commission points out, the Part 41 rules clearly qualify for repeal.

Los Angeles rec'd 0712  
FBI

USTA applauds this effort to meet the Section 11 requirement and the Commission's proposals to eliminate these rules. The Part 41 rules were promulgated in 1935 to limit the issuance of franks pursuant to Section 210 of the Communications Act of 1934. As the Commission observes, these rules are a relic of a bygone era and are long overdue for elimination. More than sixty years have passed since those rules were enacted and it appears now that franks are rarely if ever used. Thus, the original purpose of these rules, to prevent abuse of franking to achieve a competitive advantage, no longer exists. Further, the Commission is correct in its finding that there are no special problems in eliminating the franking regulations for providers of interstate access services. USTA and its member companies have been providing the Commission with information regarding the continuing increase in competition in that particular market. This market was competitive prior to the passage of the 1996 Act and continues to grow. The Commission has plenty of facts to show that the elimination of these

regulations would not impair competition in the provision of interstate access services.

USTA urges the Commission to adopt its proposal.

Respectfully submitted,

**UNITED STATES TELEPHONE ASSOCIATION**

By:  \_\_\_\_\_

Its Attorneys:

Lawrence E. Sarjeant  
Linda L. Kent  
Keith Townsend  
John W. Hunter

1401 H Street, N.W., Suite 600  
Washington, D.C. 20005  
(202) 326-7248

August 31, 1998