

98-0320
CC DET 96-45

EX PARTE OR LATE FILED



Federal Communications Commission
Washington, D.C. 20554

RECEIVED

OCT 21 1998

NOV 9 1998

FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

Mr. D.L. Studer
100 Humingbird Lane
Lockhart, TX 78644-2466

Dear Mr. Studer:

Thank you for your letter to Chairman William E. Kennard regarding a line item that has been added by your carrier to your telephone bill to recover its contributions to the universal service support mechanisms. Chairman Kennard has asked me to respond to your inquiry.

Long distance companies have been indirectly bearing the costs of universal service for many years, but have only recently been assessing these costs through specific line items on customers' bills. I therefore urge you to look at the bottom line on your phone bills to determine the impact on your rates. Average long distance rates have continued to decrease. Thus, the appearance of a separate line item attributed to universal service does not necessarily reflect an increase in your overall cost of phone service.

On May 7, 1997, the Commission adopted an Order to implement the Federal-State Joint Board's recommendations on universal service as required by the Telecommunications Act of 1996 (1996 Act). The Commission established universal service support mechanisms that fulfill Congress's goal, as stated in Section 254 of the 1996 Act, of ensuring that affordable, quality telecommunications services are available to all American consumers, including low income consumers and those located in high cost, rural, and insular areas. Universal service support for carriers serving high cost areas and for low income consumers has been provided for decades. In the 1996 Act, Congress expanded universal service goals to ensure the nation's classrooms and libraries receive access to the vast array of educational resources that are accessible through the telecommunications network. These support systems also will link health care providers located in rural areas to urban medical centers so that patients living in rural America will have access, through the telecommunications network, to the same advanced diagnostic and other medical services that are enjoyed in urban communities.

In the 1996 Act, Congress required all telecommunications carriers that provide interstate telecommunications services to contribute on an equitable and nondiscriminatory basis to universal service. The Commission implemented this statutory provision by requiring all such telecommunications carriers to contribute to the universal service support mechanisms. Neither Congress, nor the Commission, requires such carriers to pass this contribution on to their customers. To the contrary, carriers decide how and to what extent

No. of Copies rec'd _____
List ABCDE _____

2

they recover **their** contributions. Carriers, however, may not mislead customers as to how they recover contributions and may only recover an equitable share from any particular customer.

In response to your question about the supporters of the schools, libraries, and rural health care provisions of the 1996 Act, these provisions were initially sponsored by Senators Snowe (R-Me.), Rockefeller (D-WVa.), Exon (formerly D-Ne., now retired), and Kerrey (D-Ne.), and passed the Congress on February 1, 1996 by an overwhelming majority vote of 91-5 in the Senate and 414-16 in the House of Representatives.

Your letter has been placed in the official public record of the universal service proceeding (CC Docket No. 96-45). I appreciate your interest and views on these important issues.

Sincerely,

A handwritten signature in cursive script that reads "Lisa S. Gelb".

Lisa S. Gelb
Chief
Accounting Policy Division
Common Carrier Bureau

930320

CC5

Lockhart, Tx.
July 17, 1998

Chairman
Federal Communications Commission
1919 M St. NW
Washington, DC 20554

OFFICE

JUL 21 5 15 PM '98

RECEIVED

Dear Sir or Madam,

I am retired and live on a very limited income and there are many things that are a necessity as well as provide a sense of security, a cell telephone is one of those items that help my wife and I feel more secure.

My telephone bill shows a .27 cent charge for tax to provide Schools and Libraries with the Internet. That service will never help me in any way. I pay very high School taxes and very high City taxes. The Schools and Libraries should be able to provide themselves the Internet with all the money they get from our taxes.

Please provide me with the names and titles of the elected people that are responsible for such a hair brain idea, so I can try to keep them from getting re-elected in the future. I am sure there many other Senior Citizens that are opposed to this tax.

Sincerely,



D.L. Studer
100 Hummingbird Lane
Lockhart, Tx. 78644-2466