

AARP

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May 10, 1999

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Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

**RE: Third Party Administrator Proposal
Docket # 94-129**

Dear Ms. Roman Salas:

It is my understanding that the attached April 28 comments from AARP regarding the Third Party Administrator proposal may not have reached you due to the lack of an identifying docket number. Therefore, I am resending them with the proper docket number in the hope that they will become part of the record.

If you have any questions, please feel free to contact me at 202/434-3800.

Sincerely,



Jeffrey A. Kramer
Legislative Representative

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April 28, 1999

Ms. Magalie Roman Salas
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

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RE: Third Party Administrator Proposal

Dear Ms. Roman Salas:

AARP appreciates the opportunity to offer comment to the Federal Communications Commission (FCC) on the proposal to establish a third party administrator for execution of preferred carrier changes and preferred carrier freezes. The interexchange carriers proposal to establish a third party entity to implement the goals and objectives of the Commission's Slamming Order is significant and merits separate comment.

In our March 18, 1999 comments to the Commission on the Further Notice of Proposed Rulemaking regarding issues ancillary to the Slamming Order, AARP cited two areas of concern on the issue of a third party administrator. Since that time, AARP staff have met with Commission staff as well as with representatives of both local and long distance service providers. As a result of those discussions, we can now say that some of AARP's reservations regarding the need for this proposed new entity have been satisfactorily addressed.

In March, AARP observed that the current arrangement, which has the local exchange carriers administering the changes and freezes, seemed adequate. We were not persuaded that the current system was so unwieldy and cumbersome as to make the Order unworkable. While we still believe that the Order as adopted will work, we recognize that the establishment of a third party administrator can make implementation of the Order easier and, more importantly, can make the entire process of instituting PIC freezes and settling slamming complaints easier for consumers.

However, AARP remains concerned about how the costs of establishing this new entity will be recovered. Consumers are increasingly displeased with the many fees and charges that already appear on monthly billing statements. The prospect of adding another one for a structure designed primarily to ease the administrative burden on service providers is distressing. Despite assurances to the contrary, we are not convinced that the cost of operating the third party administrator entity will fall exclusively on the shoulders of the service providers. Therefore, if this proposal is adopted, we strongly recommend that the Commission oversee the development of a funding mechanism to ensure that consumers are not burdened with additional charges.

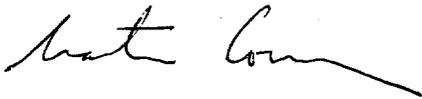
601 E Street, NW Washington, DC 20049 (202) 434-2277 www.aarp.org
Joseph S. Perkins *President* Horace B. Deets *Executive Director*



The Federal Communications Commission is to be commended for issuing its Anti-Slamming Order. We believe the Order will go a long way towards freeing consumers from this onerous practice. We believe that the establishment of a third party administrator can strengthen the Order and may better serve consumers -- by facilitating carrier changes and PIC freezes, and by effectively dealing with slamming complaints. We are confident that the Commission will ensure that the cost of this entity will be spread fairly among service providers. Finally, we urge you to take the necessary steps to protect consumers from having to pay for the entity either through a line-item charge or in the form of rate increases.

If you have any questions, please feel free to contact Jeff Kramer of the Federal Affairs staff, at 202/434-3800.

Sincerely,

A handwritten signature in cursive script, appearing to read "Martin A. Corry".

Martin A. Corry
Director
Federal Affairs