

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
Federal-State Joint Board on)	CC Docket No. 96-45
Universal Service ; Promoting Deployment)	
And Subscribership in Unserved and)	
Underserved Areas, Including Tribal and)	
Insular Areas)	

**COMMENTS OF VERIZON¹ ON
FURTHER NOTICE OF PROPOSED RULEMAKING**

The Commission appropriately stayed the implementation of its enhanced Lifeline and Link Up support for “near reservation” individuals. It should extend that stay indefinitely, pending further study and evaluation.

The Commission’s enhancements to its support program for “on the reservation” areas are a targeted program with a specific and defined geographic scope. In contrast, broadening the additional support to “near the reservation” areas makes the scope uncertain and broadens the program beyond what is justified in the Commission’s order.

The Commission had defined “near reservation” areas consistent with the Bureau of Indian Affairs definition to include “lands adjacent or contiguous to reservations that generally have been considered tribal lands for purposes of other federal programs.” Further Notice, n. 10. But that definition expands the program beyond the “rural, insular and high-cost” areas intended to be protected. Twelfth Report and Order, ¶ 2. Indeed,

¹ The Verizon telephone companies (“Verizon”) are the local exchange carriers affiliated with Verizon Communications Inc., and are listed in an attachment.

included in these definitions are distinctly urban areas including Sacramento County in California and large portions of Phoenix in Arizona. *See* National Telephone Cooperative Association Petition for Reconsideration at 4-5 (filed Sept. 5, 2000). While there may well be low income native Americans living in these areas, they are already eligible for existing low income universal service programs. There is no showing that the Commission's new programs should be targeted to these urban areas. Indeed, there are non-native Americans in urban areas that also rely on low income universal service programs including Lifeline and Link Up. The Commission's record to date does not create a record to single out "near reservation" native American populations for enhanced protection. Nor is it clear how carriers can readily determine geographic eligibility in order to administer this program beyond the reservation.

The Commission justified its enhanced program in part on federal efforts "to encourage tribal sovereignty and self-government." Twelfth Report and Order, ¶ 5. That interest is served by the enhanced program on the reservation where tribal authorities regulate telecommunications. The near reservation areas, however, are under state sovereignty and are subject to the authority of state utility commissions. *See* Opposition of the South Dakota Independent Telephone Coalition to Western Wireless Petition for Reconsideration, CC Dkt. No. 96-45, at 3 (filed Oct. 2, 2000) ("Unlike reservations, near reservation areas are not subject to treaties, federal Indian law and tribal sovereignty").

In adopting the enhanced program, the Commission committed to "monitor the impact" of the new federal program and "adjust the measures as appropriate." Twelfth Report and Order, ¶ 5. It seems clear that before it broadens the program to a new class

of uncertain size, it should assess the effectiveness and administrative burdens on the targeted geographic areas of existing reservations.

At the same time, the Commission is evaluating the new program, it can also conduct the appropriate fact inquiry to determine if “near the reservation” areas require additional support or whether existing state and federal programs are adequate. This same inquiry should also investigate the administrative burdens and increase potential for abuse in extending the program from the insular and well defined reservation areas to areas that are more populous and have amorphous boundaries.

In the meantime, the Commission should continue the current stay, and limit the enhanced program only to on the reservation areas.

Respectfully submitted,

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THE VERIZON TELEPHONE COMPANIES

The Verizon telephone companies are the local exchange carriers affiliated with Verizon Communications Inc. These are:

Contel of Minnesota, Inc. d/b/a Verizon Minnesota
Contel of the South, Inc. d/b/a Verizon Mid-States
GTE Alaska Incorporated d/b/a Verizon Alaska
GTE Arkansas Incorporated d/b/a Verizon Arkansas
GTE Midwest Incorporated d/b/a Verizon Midwest
GTE Southwest Incorporated d/b/a Verizon Southwest
The Micronesian Telecommunications Corporation
Verizon California Inc.
Verizon Delaware Inc.
Verizon Florida Inc.
Verizon Hawaii Inc.
Verizon Maryland Inc.
Verizon New England Inc.
Verizon New Jersey Inc.
Verizon New York Inc.
Verizon North Inc.
Verizon Northwest Inc.
Verizon Pennsylvania Inc.
Verizon South Inc.
Verizon Virginia Inc.
Verizon Washington, DC Inc.
Verizon West Coast Inc.
Verizon West Virginia Inc.