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FEDERAL COMMUNICATIONS COMMISSION  
OFFICE OF THE SECRETARY

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

In the Matter of )  
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Definition of Universal Service )  
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CC Docket No. 96-45

**COMMENTS**

**OF AARP**

December 4, 2001

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AARP welcomes the opportunity to contribute to the Federal-State Joint Board on Universal Service's (Joint Board) review of the definition of universal service. AARP has a keen interest in this issue because of the impact it has on older consumers -- many of whom are on fixed incomes, some in failing health -- who rely on telecommunications services to maintain their independence. While the items included in the current definition of universal service were adequate for consumers initially, since that time the manner in which Americans communicate has shifted significantly. A more technologically savvy population has increased its reliance on advanced telecommunications services in the ensuing years, calling for changes in the existing list of services provided under the universal service program. Today we are asking the FCC to redefine voice quality and to add expanded calling areas to the list of "core" services currently available under universal service.

Universal access to basic telecommunications services has been one of the cornerstones of AARP's advocacy efforts over the years in both the federal and state policy arenas. Additionally, we have worked with public officials and outside agencies to assist consumers in accessing the existing components of universal service through programs such as Lifeline and Linkup. The Federal Communications Commission (FCC) designated these specific services in 1997 based upon a recommendation from the Joint Board. The current list of "core" services includes: single party service; voice grade access to the public switched telephone networks; Dual Tone Multifrequency signaling (better known as touch tone dialing); access to emergency services; access to operator services; access to interexchange service; access to directory assistance; and

toll limitation services for qualifying low-income consumers. We believe that by maintaining the existing services and adding a few new ones, the Commission will be able to adapt universal service to enhance the ability of all Americans to communicate effectively.

In our filing today, AARP will respond to questions raised by the Commission in this proceeding. We will offer suggestions as to what the Commission might do to expand upon the definition of “core” services, with attention to the criteria that the Joint Board and the Commission must consider before instituting changes. According to these criteria, services should be: 1) essential to the education, public health or public safety of the population; 2) subscribed to by a substantial majority of residential customers; 3) deployed in public telecommunications networks by telecommunications carriers; and 4) consistent with the public interest, convenience and necessity. The Commission is also given latitude to adopt a service if it doesn’t meet the first three criteria, but is deemed to be “in the public interest.”<sup>1</sup> We hope that our comments will assist the Commission in devising the most complete universal service telecommunications package that is practicable.

### **Defining Voice Grade Access**

“Voice grade” is a term used to describe the components of a service that can be made suitable for the transmission of speech, digital data or facsimile. In its 1997 Order, the Commission decided to employ a bandwidth standard for voice grade that would allow consumers to place

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<sup>1</sup> Telecommunications Act of 1996, section 254 (c )(1)

phone calls and nothing more. At the time, the Commission declined to adopt a higher bandwidth, expressing its belief that voice grade access, not Internet access, was the goal of universal service policy.

However, in the current Notice, the Commission is seeking comment on whether the universal service fund should now support a network transmission component of Internet access beyond the current definition. AARP supports upgrading the voice grade access parameters to encompass the ability to transmit data.

Clearly, one of the leading factors in the Commission's decision not to include Internet access capability in the parameters of voice grade was the assumption that the Internet was an *informational* service as opposed to a *telecommunications* service. Recent court decisions, including one handed down from the United States Court of Appeals for the Ninth Circuit<sup>2</sup>, make it clear that the ability to access data is a telecommunications service and clearly within the jurisdiction of the FCC. This judicial clarification should provide the impetus for the Commission to make this change to the universal service program.

AARP's strong support for this addition is not based on the expectation that consumers who rely on universal service will subscribe to broadband services, or for that matter even to an Internet Service Provider (ISP). Rather, we believe that the ability to transmit e-mail is critically

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<sup>2</sup> Opinion, AT&T, et. al. v. City of Portland, et. al. No. 99-35609. U.S. Court of Appeals for the Ninth Circuit, § II (5).

important in today's society. Certainly, in 1996 when the Commission was considering the "core" services, e-mail was not nearly as prevalent or "universal" as it is today. Over the last five years, e-mail has grown exponentially to the point where half of all Americans use e-mail for an average of 30 minutes a day, and that number is expected to continue its dramatic rise over the next five years.<sup>3</sup> With respect to residential use, approximately 88% of adults who used the Internet at home in 2000 used it to send and receive e-mails.<sup>4</sup>

As the numbers above indicate, the use of e-mail has become an integral part of Americans' daily lives, both socially and professionally. Therefore, it is important for the Commission to make this service widely available, enabling consumers who do not currently have access to e-mail to be a part of the mainstream. With many companies in the marketplace offering low monthly rates for Internet access and others providing free e-mail service, this addition to the "core" services could have a tremendous positive impact on consumers.

We believe that such an addition fulfills the four criteria and the public interest test set out in section 254(c)(1) of the 1996 Telecommunications Act. Internet service today offers subscribers access to e-mail communications, and a vast range of health, safety and educational information as well. Americans are relying on e-mail for essential communications, including correspondence between seniors and their family members and patients and their health care providers. Clearly, this service has become essential to the education, public health and public

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<sup>3</sup> U.S. Department of Commerce, Economics and Statistics Administration, U.S. Census Bureau, *Home Computers and Internet Use in the U.S.*: August 2000, p.8.

<sup>4</sup> *Ibid.* p. 8.

safety of the population, thereby fulfilling the first criterion.

The second criterion, dealing with widespread use, has already been addressed. The third criterion asks if telecommunications carriers are deploying the service in public telecommunications networks. Non-digital subscriber line (DSL), analog, dial-up service is being offered across existing phone lines at 56 kilo bytes per second (kbps) by virtually all carriers. The Commission should approve a voice grade upgrade with the ability to carry data at 56 kbps because the existing bandwidth requirement cannot adequately support dial-up connections at the speeds at which many carriers offer Internet service and with which most residential subscribers connect to the Internet.

Finally, improving voice grade access in support of Internet connections at 56 kbps is in the public interest because it would advance the goal of Congress to connect all Americans to the Internet so that the entire consumer population can participate in the telecommunications marketplace.

### **Expanded Area Service**

Expanded Area Service (EAS) is an option that many local exchange carriers currently provide. The purpose of the service is to enable consumers to expand their local calling area so that they are able to make more local toll-free calls. As more and more areas have moved to ten-digit dialing, the lines between what is a local call and what is a toll call have become blurred.

In general, consumers have a different concept of what a local call is than the carriers do.

Consumers are used to paying a flat fee per month to make unlimited local calls. They do not pay attention to the demarcations of when a local call ends and when a toll call begins, believing that if they make calls in the same city, county or metropolitan area, those calls are considered local in nature. However, the carrier may define some of these calls as local toll calls, and the consumer is then charged a per-minute fee on the call. EAS is a service that the carriers already provide to address these very issues and satisfy consumers.

AARP recommends including EAS as one of the “core” services provided by universal service. EAS is consistent with the requirements of the Telecommunications Act of 1996 because it would provide consumers with affordable access to a greater number of health, emergency care and public safety professionals. While it is not subscribed to by a substantial majority of residential customers, it is very popular and widely subscribed to in the areas where EAS is most important, such as large metropolitan areas with sprawling suburbs.

Expanded Area Service is currently being deployed, at a minimal cost, by all of the major carriers. It is provided to consumers for a monthly fee of between \$1 and \$3. Using the Universal Service Fund (USF) to absorb the cost of this fee will have a small impact on the fund and is a much less costly option than if the Commission were to adopt toll calling support, as proposed in the Notice. Finally, support for EAS is in the public interest because it would provide a greater number of eligible subscribers with the ability to make local calls within neighboring communities without incurring per-minute long distance charges.

## Conclusion

AARP appreciates having the opportunity to contribute to the Federal-State Joint Board's review of the definition of universal service. Improvements in the way in which Americans communicate have been dramatic in the five short years since the adoption of the Universal Service Fund's original nine "core services." We hope that the comments and suggestions we offer to update and expand these services will result in further action by the Joint-Board and the Commission, and we stand ready to assist you in the process.

Sincerely,

A handwritten signature in black ink, appearing to read "Martin Corry". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Martin Corry  
Director  
Federal Affairs