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March 14, 2002

***EX PARTE***

William F. Caton  
Acting Secretary  
Federal Communications Commission  
Room TW-A325  
445 Twelfth Street, S.W.  
Washington, DC 20554

Re: *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45

Dear Mr. Caton:

On March 13, 2002, A. Richard Metzger, Jr. and the undersigned, on behalf of the USF Coalition, met with Katherine Schroder, Eric Einhorn, Paul Garnett, and Jonathan Secrest of the Accounting Policy Division to discuss issues raised by the Further Notice of Proposed Rulemaking in the above-captioned docket. We discussed the need for the Commission to reform the current universal service assessment system in light of changes in the industry since 1997. We also discussed various legal and implementation issues raised by a connections-based mechanism.

Pursuant to Section 1.1206(b)(2) of the Commission's rules, 47 C.F.R. § 1.1206(b)(2), a copy of this letter is being filed electronically for inclusion in the public record of the above-captioned proceeding.

Sincerely,

/s/ A. Renée Callahan  
A. Renée Callahan

cc: Katherine Schroder  
Eric Einhorn  
Paul Garnett  
Jonathan Secrest