

Dear FCC,

Comments:

FCC 02-8, Docket No. 02-6

Para III.A.4.29, (page 13). Americans With Disabilities Act certification by schools and libraries should not be an additional requirement. Small schools and libraries already find the application process burdensome and the returns minimal. We are against increasing requirements for applicant eligibility.

Para III.B.1.34, (page 16). Choice of payment method. As a service provider, the cost of administering monthly discounts is much preferable to the processing of BEAR forms. Small providers cannot front the cash flow deficit that occurs when customers do not pay bill in full, knowing they will submit a BEAR form at the end of the funding year.

Para III.B.1.35, (page 16). BEAR 10-day rule. Increase time to 20 days for service provider remittance of BEAR receipts to Billed Entities. Processing the USAC payment and paying the billed entity within 10 days is sometimes difficult.

Para III.B.2.37, (page 17) Equipment transferability. Limit transferability of equipment obtained with universal service discounts to 2 or 3 years. The transfer of equipment yearly to ineligible users seems to counter the goals of the program.

Para III.B.3.41, (page 18) Use of Excess Services in Remote Areas. Yes, allow rural remote communities use of excess capacity in certain limited conditions. Doing so should not hurt the overall program or diminish use of program-funded capacity to eligible users.

Para III.C.1.49, (page 21) Appeals Procedure. Please increase the time limit for filing appeals to 60 days, using the post-marked date instead of the date of receipt. In our experience, busy school officials are not aware of the need to scrutinize the paperwork they receive. Errors in applications frequently go unnoticed until time to apply discounts. A 60-day time limit will increase the chances of rectifying errors.

Para III.C.2.53, (page 23) Funding of Successful Appeals. Successful Priority 1 appeals need to be funded on the same basis as all Priority 1 FRN's. To upholding the program's goals, these should be funded before Priority 2 funding is allocated. Perhaps lowering the Priority 2 percentile below 90% should not occur until Priority 1 appeals are complete. We do not favor pro-rating Priority 1 appeals.

Para III.D.1.59, (page 25) Independent Audits. The Iowa Communications Network does not desire to bear the cost of independent audits. Assuming the increased expense of required audits will discourage schools, libraries, and telecommunications providers from participating in the E-Rate program. Telecommunications providers must bear the expense of administering discounts and completing BEAR procedures. Providers are not compensated for this expense. Adding additional expense to a struggling industry would discourage participation.

Para III.E.3.70, (page 28) Treatment of Unused Funds. The Iowa Communications Network does not favor reducing the contribution factor for future years because of unused funds in a prior year. Consumers will see little benefit from the reduction because there are no limits on the amount carriers can charge to recover Universal Service Fund payments. Currently, the recovery rate is at the carrier's discretion. We have seen recovery rates well over 10% of the usage amount billed. The Iowa Communications Network favors the second option: require the distribution of unused funds

in subsequent years, furthering the goals of the program.
An alternative plan: we see numerous billed entities who have underestimated their funding needs for telecomm and Internet services each year. We would like to see a mechanism in place to add supplemental funds to the current FRN, so that service can continue throughout the school year. This does not include any type of equipment or upgrade in service, but is merely to continue services already being delivered when the funding expired. SLD records, as well as ours, show which FRNs are currently out of funds, and the types of services involved. Such an addition is well within the goals of the program.

Para VI.A.82, (page 33) Paperwork Reduction Act: continue to increase the use of automated collection techniques, i.e. all submissions could be made on-line.

Para VI.B.1.84.1. Voice mail should be a Priority 1 supported service, since content material is not a factor.

Para VI.B.1.86. (page 34) Unused Program Funds. Applicants with unused funds have little incentive to fill out more paperwork, i.e. Form 500.

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