

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of)
)
Schools and Libraries Universal Service) CC Docket No. 02-6
Support Mechanism)

**REPLY COMMENTS OF
SPRINT CORP. AND BELL SOUTH CORP.**

Sprint Corporation and BellSouth Corporation hereby respectfully submit their reply to comments filed in the above-captioned proceeding, regarding their joint Petition for Reconsideration filed on October 13, 2004. In the Joint Petition, Sprint and BellSouth requested reconsideration of two aspects of the Commission's *Fifth Report and Order*¹: (1) that disbursed E-rate funds not be subject to automatic recovery if the beneficiary has not paid its non-discounted share of charges for eligible E-rate services within 90 days after delivery of service; and (2) that certain certifications relating to competitive bidding not be included on the Service Provider Annual Certification Form, FCC Form 473. The sole party that filed comments on the Joint Petition, Verizon, vigorously endorsed the Petition. Because the changes requested by Sprint and BellSouth are reasonable and in the public interest, and because no party opposes these changes, the Commission should grant the instant petition for reconsideration on an expedited basis.

As demonstrated in the Joint Petition (pp. 2-6), the requirement that applicants be required to return any disbursed E-rate funds if they did not pay their non-discounted

¹ *Schools and Libraries Universal Service Support Mechanism, Fifth Report and Order and Order* released August 13, 2004 (FCC 04-190).

share within 90 days of delivery of service was adopted without adequate notice; is arbitrary and capricious; fails to reflect common billing and payment practices in the E-rate market; and has excessively harsh consequences without necessarily preventing waste, fraud and abuse. Verizon echoes these statements, explaining (p. 3) the several steps that are taken between delivery of service, bill generation, and bill payment, which can easily consume 90 days; and emphasizing that failure to remit payment within the 90-day window does not mean that payment will never be received.

Verizon also supports Sprint and BellSouth's request that competitive bidding certifications not be included on the Form 473. As all three parties note, the individual who certifies to the invoicing information currently included on the Form 473 generally does not have direct knowledge of or control over the preparation and submission of responses to a RFP (see Joint Petition, pp. 6-8; Verizon comments, pp. 4-5). Thus, it makes no sense to combine both certifications (to the extent that both certifications are even necessary) on a single form.

For the reasons cited above, Sprint and BellSouth urge the Commission to grant their joint petition for reconsideration expeditiously.

Respectfully submitted,

SPRINT CORPORATION

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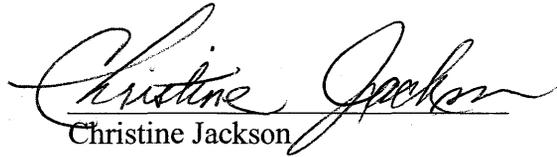
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December 20, 2004

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing **REPLY COMMENTS OF SPRINT CORP. AND BELL SOUTH CORP.** was filed by electronic mail and copy sent by U. S. first-class mail, postage prepaid, on this the 20th day of December 2004 to the below-listed party.


Christine Jackson

December 20, 2004

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