

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
)	
PETITION FOR RULEMAKING TO)	RM-11526
REVISE UNIVERSAL SERVICE)	
SUPPORT AVAILABLE TO ELIGIBLE)	
TELECOMMUNICATIONS CARRIERS)	
)	
Federal-State Joint Board on Universal Service)	CC Docket No. 96-45
)	

COMMENTS OF YOURTEL AMERICA, INC.

YourTel America, Inc. ("YourTel") hereby submits comments on the petition of TracFone Wireless, Inc., referenced above.¹ YourTel is a small, privately owned telecommunications carrier headquartered in Kansas City, Missouri that provides local and long distance services to low-income customers in Kansas, Missouri and Oklahoma. YourTel has been designated as an Eligible Telecommunications Carrier ("ETC") by the public utility commissions in Kansas, Missouri and Oklahoma and has been an active participant in the USF Low Income Lifeline and Link-Up program since 2003. The vast majority of YourTel's customers are Lifeline eligible and 95% of them did not have telephone service prior to purchasing YourTel's services.

YourTel endorses TracFone's call for a Petition for Rulemaking. YourTel has already pointed out in previous filings that 'disconnecting' the SLC from the ILEC's tariffed SLC rate makes sense from both a cost and competitively neutral standpoint.² YourTel concurs that continuing this outdated practice is not longer appropriate, especially in an era of increasing costs and declining affordability, and in no way serves consumer benefit and choice.

¹ Public Notice, Report No. 2885, RM-11526 (rel. March 30, 2009).

² *Comments of YourTel America, Inc. In Response to Further Notice of Proposed Rulemaking*, CC Docket No. 03-109, Nov. 26, 2008, Section I; p. 3. and *Reply Comments of YourTel America, Inc.*, CC Docket No. 03-109, Dec. 22, 2008, Section II, p. 3.

YourTel continues to hold that the reasoning and calculations the Commission used for approximating CETC costs are no longer valid in today's wireline environment where niche carriers have higher costs. Basing their reimbursement on the costs of a much larger entity undermines the clear intention of providing affordable phone service to low-income consumers regardless of which carrier best fits their needs.

YourTel does, however, disagree with TracFone's additional idea of requiring the company contribution of exactly \$3.50. This idea is merely a self-servicing complexity that would force other carriers to follow TracFone's model. Creativity and competition at both the wholesale and retail level should be the goal to best serve low-income consumers. Furthermore, TracFone confuses how some of the other tiers operate. FCC Regulation 47 CFR § 54.4030(a)(2) reads:

Tier Three. Additional federal Lifeline support in an amount equal to one-half the amount of any state-mandated Lifeline support or Lifeline support otherwise provided by the carrier, up to a maximum of \$1.75 per month in federal support, will be made available to the carrier providing Lifeline service to a qualifying low-income consumer if the carrier certifies to the Administrator that it will pass through the full amount of Tier-Three support to its qualifying low-income consumers and that it has received any non-federal federal regulatory approvals necessary to implement the required rate reduction.

Many states currently contribute through a state fund, which triggers the Tier 3 matching at a rate of 50%. Some states contribute the full \$3.50 which allows for Tier 3 support of \$1.75 from the Federal fund. Does TracFone intend to pocket those monies where available? Or forgo them? Hence, to avoid any confusion, Tier 3 should continue to operate as it has in the past. This would allow all carriers to bring their own creativity to the market and TracFone could still contribute additional monies as it sees fit.

Finally, YourTel respectfully points out that the Commission has here the opportunity to bring rate reductions to consumers quickly. Action by the Commission via this rulemaking can be performed easily and swiftly without any need to delay resolution.

Respectfully submitted,



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