

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

In the Matter of)	
)	
Lifeline and Link-Up)	WC Docket No. 03-109
)	
)	
)	

NOTICE OF PROPOSED RULEMAKING

Adopted: May 23, 2003

Released: June 9, 2003

Comment Date: 30 days after publication in the Federal Register.

Reply Comment Date: 45 days after publication in the Federal Register.

By the Commission:

1. In this Notice of Proposed Rulemaking (Notice), we seek comment on the *Recommended Decision* of the Federal-State Joint Board on Universal Service (Joint Board) regarding modifications to the Lifeline and Link-Up programs.¹ In its *Recommended Decision*, the Joint Board recommended that the Commission expand the default federal eligibility criteria to include an income-based criterion and additional means-tested programs.² In addition, the Joint Board recommended that the Commission require states, under certain circumstances, to adopt verification procedures.³ Finally, to more effectively target low-income consumers, the Joint Board recommended that the Commission provide outreach guidelines for the Lifeline/Link-Up program.⁴ We seek comment regarding the Joint Board's recommendations.

2. We note that the Joint Board recommended that the Commission specifically seek comment on several issues. In particular, the Joint Board recommended that the Commission seek more information about the reasons for differences in low-income penetration rates over time and among states.⁵ The Joint Board recommended that the Commission adopt a voluntary

¹ *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Recommended Decision, 18 FCC Rcd 6589 (2003) (*Recommended Decision*).

² *Id.* at paras. 10, 15, 20.

³ *Id.* at paras. 10, 32.

⁴ *Id.* at paras. 10, 50.

⁵ *Id.* at para. 6. For example, between 1997 to 2001, low-income telephone penetration rates increased by 15.9% in Alaska, but decreased by 2.4% in Illinois. See Industry Analysis and Technology Division, Wireline Competition Bureau, Federal Communications Commission, *Telephone Penetration By Income By State* at 9, Table 3 (rel. Apr. 2002).

information collection from the states regarding their Lifeline/Link-Up programs, and seek comment on the survey's format and questions.⁶ The Joint Board also recommended that the Commission seek comment on whether it would be possible to modify the Link-Up program to directly address barriers posed by outstanding unpaid balances for local and long distance services.⁷ In addition, the Joint Board recommended that the Commission obtain more information about how an appeals process for the termination of Lifeline benefits could work and whether 60 days was an appropriate time period for a consumer to appeal.⁸ Finally, the Joint Board recommended that the Commission seek comment on whether states could adopt verification of continued Lifeline eligibility procedures within one year.⁹ We encourage commenters to address these issues in their comments.

3. In addition, the Commission seeks comment on several minor changes to clarify and streamline our rules. Section 52.33 (a)(1)(i)(C) states that "Lifeline Assistance Program customers shall not receive the monthly number-portability charge."¹⁰ However, this rule is not referenced in section 54.401 where Lifeline is defined.¹¹ We propose to add a subsection (e) to section 54.401 to clarify that Lifeline customers are exempt from the monthly number-portability charge, cross-referencing section 52.33(a)(1)(i)(C). Additionally, in the *1997 Universal Service Order*, the Commission adopted the Joint Board's recommendation to prohibit service deposit requirements for customers who accept toll limitation.¹² Currently, section 54.401(c) states that, "[e]ligible telecommunications carriers may not collect a service deposit in order to initiate Lifeline service, if the qualifying low-income consumer voluntarily elects *toll blocking* from the carrier, where available. If *toll blocking* is unavailable, the carrier may charge a service deposit."¹³ We propose to amend this section by replacing "toll blocking" with "toll limitation" to make this rule consistent with the *1997 Universal Service Order*. Finally, subpart G of Part 36 of our rules, Lifeline Connection Assistance Expense Allocation, states that "[t]his subpart shall be effective through December 31, 1997. On January 1, 1998, Lifeline Connection Assistance shall be provided in accordance with part 54, subpart E of this chapter."¹⁴ Because sections 36.701-36.741 contained in this subpart are no longer effective, we propose to delete this subpart from our rules.

I. PROCEDURAL ISSUES

A. Ex Parte Presentations

⁶ See *Recommended Decision* at para. 10.

⁷ See *id.* at paras. 58-59.

⁸ See *id.* at paras. 29, 30.

⁹ See *id.* at para. 46.

¹⁰ 47 C.F.R. § 52.33(a)(1)(i)(C).

¹¹ See 47 C.F.R. § 54.401.

¹² *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Report and Order, 12 FCC Rcd 8776, 8951, para. 328 (*1997 Universal Service Order*).

¹³ 47 C.F.R. § 54.401(c) (emphasis added).

¹⁴ 47 C.F.R. § 36.701(c).

4. This is a permit but disclose rulemaking proceeding. Ex parte presentations are permitted, except during the Sunshine Agenda period, as long as they are disclosed as provided in the Commission's rules.¹⁵

B. Initial Paperwork Reduction Act Analysis

5. This Notice may modify an information collection. As part of a continuing effort to reduce paperwork burdens, we invite the general public and the Office of Management and Budget (OMB) to take this opportunity to comment on the information collections contained in this Notice, as required by the Paperwork Reduction Act of 1995, Public Law 104-13. Public and agency comments are due at the same time as other comments on this Notice; OMB comments are due 30 days from the date of publication of this Notice in the Federal Register. Comments should address: (a) whether the proposed collection of information is necessary for the proper performance of the functions of the Commission, including whether the information shall have practical utility; (b) the accuracy of the Commission's burden estimates; (c) ways to enhance the quality, utility, and clarity of the information collected; and (d) ways to minimize the burden of the collection of information on the respondents, including the use of automated collection techniques or other forms of information technology.

C. Initial Regulatory Flexibility Analysis

6. As required by the Regulatory Flexibility Act (RFA),¹⁶ the Commission has prepared this Initial Regulatory Flexibility Analysis (IRFA) of the possible significant economic impact on small entities by the policies and rules proposed in this Notice. Written public comments are requested on this IRFA. Comments must be identified as responses to the IRFA and must be filed by the deadlines for comments on the Notice provided below in section I.D. The Commission will send a copy of the Notice, including this IRFA, to the Chief Counsel for Advocacy of the Small Business Administration.¹⁷ In addition, the Notice and IRFA (or summaries thereof) will be published in the Federal Register.¹⁸

1. Need for and Objectives of the Proposed Rules

7. On December 21, 2000, the Commission requested the Joint Board to review the Lifeline/Link-Up program for all low-income consumers.¹⁹ The Joint Board subsequently released a public notice seeking comment on the Lifeline/Link-Up program.²⁰ On April 2, 2003,

¹⁵ See generally 47 C.F.R. §§ 1.1202, 1.1203, and 1.1206.

¹⁶ See 5 U.S.C. § 603. The RFA, see 5 U.S.C. §§ 601-12 has been amended by the Small Business Regulatory Enforcement Fairness Act of 1996 (SBREFA), Pub. L. No. 104-121, Title II, 110 Stat. 857 (1996).

¹⁷ See 5 U.S.C. § 603(a).

¹⁸ See *id.*

¹⁹ See *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, Order, 15 FCC Rcd 25257, 25258-29, paras. 3-4 (2000).

²⁰ See *Federal-State Joint Board on Universal Service Seeks Comment on Review of Lifeline and Link-Up Service for All Low-Income Consumers*, CC-Docket 96-45, Public Notice, 16 FCC Rcd 18407 (2001) (*Public Notice*).

the Joint Board released its recommendations regarding modifications to the Lifeline/Link-Up program.²¹ This Notice seeks comment on the Joint Board's recommendations.

8. Since its inception, the Lifeline/Link-Up program has provided support for telephone service to millions of low-income consumers.²² Despite this success, we believe that the program can be further improved. For example, expanding the current federal default eligibility criteria to add an income-based criterion of 135% of the Federal Poverty Guidelines (FPG)²³ and additional means-tested programs²⁴ would allow the Lifeline/Link-Up program to adapt to the changes resulting from "The Personal Responsibility and Work Opportunity Reconciliation Act" (PROWRA)²⁵ and would otherwise address issues associated with receiving public assistance.²⁶ Permitting eligibility based solely on income responds to concerns that PROWRA has caused decreased enrollment in welfare assistance programs. Participants in means-tested programs must meet income-based eligibility criteria that vary by program. Requiring participation in such programs or utilizing income-based criteria ensures that only low-income consumers are eligible for Lifeline/Link-Up support.

9. Adding certification for income-based eligibility and verification requirements for program and income-based eligibility would ensure that only eligible low-income individuals receive benefits, thereby preventing fraud and abuse.²⁷ Adopting outreach guidelines would facilitate the marketing of the Lifeline/Link-Up program to eligible individuals and increase telephone subscribership among low-income households.²⁸ Finally, issuing a survey form would enable the Commission to gather data and information from states regarding the administration of Lifeline/Link-Up programs.²⁹ The Commission believes that these proposed modifications to the Lifeline/Link-Up program may increase Lifeline/Link-Up subscription rates and make phone service affordable to more low-income individuals and families.

2. Legal Basis

10. The legal basis as proposed for this Notice is contained in sections 4(i), 4(j), 201-205, 214, 254, and 403 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 4(i), 4(j), 201-205, 214, 254, 403.

²¹ See generally *Recommended Decision*.

²² See *Trends in Telephone Service, Industry Analysis and Technology Division, Wireline Competition Bureau, Federal Communications Commission*, Table 7.2, 7.4 (rel. May 22, 2002) (*Trends Report*) (estimating that 6.2 million people paid reduced rates under the Lifeline program in 2001 and 12.1 million people paid reduced charges under Link-Up since 1987).

²³ See 2003 Poverty Guidelines for the 48 Contiguous States and the District of Columbia, 68 Fed. Reg. 6456-58 (2003). See also *Recommended Decision* at Appendix D.

²⁴ See *Recommended Decision* at paras. 20-24.

²⁵ Pub.L.No. 104-193, 110 Stat. 2105 (Aug. 22, 1996).

²⁶ See *Recommended Decision* at para. 16.

²⁷ See *Recommended Decision* at paras. 31-46.

²⁸ See *Recommended Decision* at paras. 47-56, Appendix E.

²⁹ See *Recommended Decision* at paras. 10, 63, Appendix C.

3. Description and Estimate of the Number of Small Entities to Which the Proposed Rules Will Apply

11. The RFA directs agencies to provide a description of, and where feasible, an estimate of the number of small entities that may be affected by the proposed rules, if adopted.³⁰ The RFA generally defines the term “small entity” as having the same meaning as the terms “small business,” “small organization,” and “small governmental jurisdiction.”³¹ In addition, the term “small business” has the same meaning as the term “small business concern” under the Small Business Act.³² A “small business concern” is one which: (1) is independently owned and operated; (2) is not dominant in its field of operation; and (3) satisfies any additional criteria established by the Small Business Administration (SBA).³³

12. The Commission’s decision to adopt certification and verification requirements, and its use of a voluntary survey, would apply to service providers that provide services to qualifying low-income consumers who receive Lifeline/Link-Up support. According to the Universal Service Administrative Company’s (USAC) 2002 Annual Report, only local exchange carriers, cellular/personal communications services (PCS) providers, and competitive access providers would be subject to these requirements.³⁴ Because many of these service providers could include small entities, we expect that the proposal in this proceeding could have a significant economic impact on local exchange carriers, small incumbent local exchange carriers, cellular/PCS providers, and competitive access providers that are small entities.³⁵

13. *Small Incumbent Local Exchange Carriers.* We have included small incumbent local exchange carriers in this present RFA analysis. As noted above, a “small business” under the RFA is one that, *inter alia*, meets the pertinent small business size standard (*e.g.*, a telephone communications business having 1,500 or fewer employees), and “is not dominant in its field of operation.”³⁶ The SBA’s Office of Advocacy contends that, for RFA purposes, small incumbent local exchange carriers are not dominant in their field of operation because any such dominance is not “national” in scope.³⁷ We have therefore included small incumbent local exchange carriers

³⁰ 5 U.S.C. § 603(b)(3).

³¹ 5 U.S.C. § 601(6).

³² 5 U.S.C. § 601(3) (incorporating by reference the definition of “small-business concern” in the Small Business Act, 15 U.S.C. § 632). Pursuant to 5 U.S.C. § 601(3), the statutory definition of a small business applies “unless an agency, after consultation with the Office of Advocacy of the Small Business Administration and after opportunity for public comment, establishes one or more definitions of such term which are appropriate to the activities of the agency and publishes such definition(s) in the Federal Register.” 5 U.S.C. § 601(3).

³³ 15 U.S.C. § 632.

³⁴ See *USAC Annual Report 2002*, Appendix B (2002).

³⁵ The most reliable source of information regarding the total numbers of common carrier and related providers nationwide, including the numbers of commercial wireless entities, appears to be data the Commission publishes annually in its *Trends in Telephone Service* report. See *Trends Report* at Table 16.3.

³⁶ 15 U.S.C. § 632.

³⁷ Letter from Jere W. Glover, Chief Counsel for Advocacy, SBA, to William E. Kennard, Chairman, FCC (May 27, 1999). The Small Business Act contains a definition of “small-business concern,” which the RFA incorporates into
(continued....)

in this RFA analysis, although we emphasize that this RFA action has no effect on Commission analyses and determinations in other, non-RFA contexts.

14. *Local Exchange Carriers, Small Incumbent Local Exchange Carriers, Competitive Access Providers.* Neither the Commission nor the SBA has developed a size standard specifically for small providers of local exchange services. The closest applicable size standard under the SBA rules is for wired telecommunications carriers.³⁸ This provides that a wired telecommunications carrier is a small entity if it employs no more than 1,500 employees.³⁹ According to the most recent Commission data there are 1,619 local services providers with 1,500 or fewer employees.⁴⁰ Because it seems certain that some of these carriers are not independently owned and operated, we are unable at this time to estimate with greater precision the number of these carriers that would qualify as small business concerns under SBA's size standard. Of the 1,619 local service providers, 1,024 are incumbent local exchange carriers, 411 are Competitive Access Providers (CAPs) and Competitive Local Exchange Carriers (CLECs), 131 are resellers and 53 are other local exchange carriers.⁴¹ Consequently, we estimate that no more than 1,619 providers of local exchange service are small entities may be affected.

15. *Cellular and Other Wireless Telecommunications.* The SBA has developed a small business size standard for Cellular and Other Wireless Telecommunications, which consists of all such firms having 1,500 or fewer employees.⁴² According to data for 1997, a total of 977 such firms operated for the entire year.⁴³ Of those, 965 firms employed 999 or fewer persons for the year, and 12 firms employed of 1,000 or more. Therefore, nearly all such firms were small businesses. In addition, we note that there are 1,807 cellular licenses; however, a cellular licensee may own several licenses.⁴⁴ According to Commission data, 858 carriers reported that they were engaged in the provision of cellular service, Personal Communications Service (PCS),

(...continued from previous page)

its own definition of "small business." See 15 U.S.C. § 632(a) (Small Business Act); 5 U.S.C. § 601(3) (RFA). SBA regulations interpret "small business concern" to include the concept of dominance on a national basis. 13 C.F.R. § 121.102(b).

³⁸ 13 C.F.R. § 121.201, NAICS Code 517110.

³⁹ *Id.*

⁴⁰ Estimates are based upon FCC Form 499-A worksheets, filed April 1, 2001, combined with public employment data from FCC ARMIS filings and Securities and Exchange Commission filings. See *TrendsReport* at Table 5.3 n.1, page 5-5. These estimates do not reflect affiliates that do not provide telecommunications service or that operate solely outside the United States. See *id.*

⁴¹ *Id.*

⁴² 13 C.F.R. § 121.201, NAICS code 517212.

⁴³ U.S. Census Bureau, 1997 Economic Census, Subject Series; Information, Table 5, "Employment Size of Firms Subject to Federal Income Tax: 1997," NAICS code 513322 (October 2000).

⁴⁴ See Federal Communications Commission, Universal Licensing System, <<http://wireless.fcc.gov/uls/>>.

or Specialized Mobile Radio telephony service, which are placed together in the data.⁴⁵ We have estimated that 291 of these are small under the SBA small business size standard.⁴⁶

16. *Broadband Personal Communications Service (PCS)*. The broadband PCS spectrum is divided into six frequencies designated A through F, and the Commission has held auctions for each block. The Commission defined “small entity” for Blocks C and F as an entity that has average gross revenues of less than \$40 million in the three previous calendar years.⁴⁷ For Block F, an additional classification for “very small business” was added and is defined as an entity that, together with their affiliates, has average gross revenues of not more than \$15 million for the preceding three calendar years.⁴⁸ These regulations defining “small entity” in the context of broadband PCS auctions have been approved by the SBA.⁴⁹ No small businesses within the SBA-approved definition bid successfully for licenses in Blocks A and B. There were 90 winning bidders that qualified as small entities in the Block C auctions. A total of 93 small and very small business bidders won approximately 40% of the 1,479 licenses for Blocks D, E, and F.⁵⁰ On March 23, 1999, the Commission re-auctioned 347 C, D, E, and F Block licenses; there were 48 small business winning bidders. Based on this information, we conclude that the number of small broadband PCS licensees will include the 90 winning C Block bidders and the 93 qualifying bidders in the D, E, and F blocks, plus the 48 winning bidders in the re-auction, for a total of 231 small entity PCS providers as defined by the SBA and the Commission's auction rules. On January 26, 2001, the Commission completed the auction of 422 C and F Broadband PCS licenses in Auction No. 35. Of the 35 winning bidders in this auction, 29 qualified as small or very small businesses.

4. Description of Projected Reporting, Recordkeeping, and Other Compliance Requirements

17. Currently, carriers that receive Lifeline/Link-Up support are required to submit FCC Form 497 on a quarterly basis for each month.⁵¹ Regardless of any rule changes, carriers will continue to be required to submit this form to USAC. Should the Commission decide to adopt the Joint Board's recommendation to require states to implement and carriers to perform certification and verification procedures, the associated rule changes could require carriers to retain additional records to document compliance with performing certification and verification

⁴⁵ See *TrendsReport*, Table 5.3 - Number of Telecommunications Service Providers that are Small Businesses.

⁴⁶ *Id.* See also note 33, *supra*.

⁴⁷ See *Amendment of Parts 20 and 24 of the Commission's Rules – Broadband PCS Competitive Bidding and the Commercial Mobile Radio Service Spectrum Cap*, Report and Order, FCC 96-278, WT Docket No. 96-59, Sections 57-60 (released June 24, 1996), 61 FR 33859 (July 1, 1996) (*Broadband PCS Order*); see also 47 C.F.R. § 24.720(b).

⁴⁸ See *Broadband PCS Order* at Section 60.

⁴⁹ See, e.g., *Implementation of Section 309(j) of the Communications Act – Competitive Bidding*, PP Docket No. 93-253, *Fifth Report and Order*, 9 FCC Rcd 5532, 5581-84 (1994).

⁵⁰ FCC News, *Broadband PCS, D, E and F Block Auction Closes*, No. 71744 (released January 14, 1997).

⁵¹ See FCC Form 497.

of a consumer's eligibility.⁵² Without more certainty about which options we will or will not adopt as rules, we cannot accurately estimate the cost of compliance by small carriers, including whether FCC Form 497 will require carriers to provide more information in response to new rule changes. In this Notice, we therefore seek comment on the types of burdens carriers will face in retaining records documenting certification and verification compliance, and in submitting reports to USAC. We also seek comment on whether the costs of such recordkeeping and reporting are outweighed by the potential benefits of the possible reforms. Entities, especially small businesses, are encouraged to quantify, if possible, the costs and benefits of the reporting and recordkeeping requirement proposals, if possible.

5. Steps Taken to Minimize Significant Economic Impact on Small Entities, and Significant Alternatives Considered

18. The RFA requires an agency to describe any significant alternatives that it has considered in reaching its proposed approach, which may include the following four alternatives (among others): (1) the establishment of differing compliance or reporting requirements or timetables that take into account the resources available to small entities; (2) the clarification, consolidation, or simplification of compliance or reporting requirements under the rule for small entities; (3) the use of performance, rather than design, standards; and (4) an exemption from coverage of the rule, or any part thereof, for small entities.⁵³

19. The Notice seeks comment on how to reduce the administrative burden and cost of compliance for small telecommunications service providers. The Commission has accepted the statutory requirement that an alternative be considered when necessary to protect the interests of small entities.⁵⁴ We particularly seek comment from contributors that are "small business concerns" under the Small Business Act on the following proposals contained in the *Recommended Decision*.

20. We seek comment, for example, on the Joint Board's recommendation that the Commission require carriers to notify consumers of their impending termination of Lifeline benefits when the carrier initiates termination of a consumer's Lifeline benefits. The consumer could have up to 60 days to appeal to their carrier before Lifeline support is discontinued. We seek further comment on how such an appeals process would work, balancing the needs of Lifeline recipients with the administrative burden that an appeals process may impose on carriers.⁵⁵ Without such an appeals process, consumers may have difficulty maintaining telephone service if the consumer's financial situation temporarily fluctuates.⁵⁶ Telephone

⁵² See *Recommended Decision* at paras. 34, 41.

⁵³ 5 U.S.C. § 603(c).

⁵⁴ 5 U.S.C. § 603(c).

⁵⁵ See *Recommended Decision* at para. 29.

⁵⁶ See *Recommended Decision* at para. 29.

service is necessary for finding and keeping a job, thus assisting the consumer in his/her climb out of poverty into the working world.⁵⁷

21. To reduce the administrative burden on states to adopt certification and verification procedures, the Joint Board compiled an appendix of state certification and verification procedures to provide guidance to other states seeking to adapt those procedures to their state Lifeline/Link-Up programs.⁵⁸ Although these requirements may impose an additional burden on carriers required to perform the certification and verification, the Joint Board believes that these requirements prevent fraud and abuse, maintain the integrity of the Lifeline universal service support mechanism, and are necessary to help control costs.⁵⁹

6. Federal Rules that May Duplicate, Overlap, or Conflict with the Proposed Rules

22. None.

D. Comment Filing Procedures

23. We invite comment on the issues and questions set forth in the Notice of Proposed Rulemaking and Initial Regulatory Flexibility Analysis contained herein. Pursuant to applicable procedures set forth in sections 1.415 and 1.419 of the Commission's rules,⁶⁰ interested parties may file comments on or before 30 days after publication in the Federal Register of this NPRM, and reply comments on or before 45 days after publication in the Federal Register of this NPRM. All filings should refer to CC Docket No. 96-45. Comments may be filed using the Commission's Electronic Comment Filing System (ECFS) or by filing paper copies.⁶¹

24. Comments filed through ECFS can be sent as an electronic file via the Internet to <<http://www.fcc.gov/e-file/ecfs.html>>. Generally, only one copy of an electronic submission must be filed. In completing the transmittal screen, commenters should include their full name, Postal Service mailing address, and the applicable docket number, which in this instance is CC Docket No. 96-45. Parties may also submit an electronic comment by Internet e-mail. To receive filing instructions for e-mail comments, commenters should send an e-mail to ecfs@fcc.gov, and should include the following words in the body of the message: get form <your e-mail address>. A sample form and directions will be sent in reply.

25. Parties who choose to file by paper must file an original and four copies of each filing. If more than one docket or rulemaking number appears in the caption of this proceeding, commenters must submit two additional copies for each additional docket or rulemaking number.

⁵⁷ See *Recommended Decision* at para. 29.

⁵⁸ See *Recommended Decision* at paras. 32, 34, 41, Appendix E. The Joint Board recommended that states be given the flexibility to determine the certification and verification procedures and that carriers should be required to perform the certification and verification. See *Recommended Decision* at paras. 34, 41.

⁵⁹ See *Recommended Decision* at paras. 34, 41.

⁶⁰ 47 C.F.R. §§ 1.415, 1.419.

⁶¹ See *Electronic Filing of Documents in Rulemaking Proceedings*, 63 Fed. Reg. 24121 (1998).

Parties who choose to file by paper are hereby notified that effective December 18, 2001, the Commission's contractor, Vistrionix, Inc., will receive hand-delivered or messenger-delivered paper filings for the Commission's Secretary at a new location in downtown Washington, DC. The address is 236 Massachusetts Avenue, NE, Suite 110, Washington, DC, 20002. The filing hours at this location will be 8:00 a.m. to 7:00 p.m. All hand deliveries must be held together with rubber bands or fasteners. Any envelopes must be disposed of before entering the building. This facility is the only location where hand-delivered or messenger-delivered paper filings for the Commission's Secretary will be accepted. Accordingly, the Commission will no longer accept these filings at 9300 East Hampton Drive, Capitol Heights, MD, 20743. Other messenger-delivered documents, including documents sent by overnight mail (other than United States Postal Service (USPS) Express Mail and Priority Mail), must be addressed to 9300 East Hampton Drive, Capitol Heights, MD, 20743. This location will be open 8:00 a.m. to 5:30 p.m. The USPS first-class mail, Express Mail, and Priority Mail should continue to be addressed to the Commission's headquarters at 445 12th Street, SW, Washington, DC, 20554. The USPS mail addressed to the Commission's headquarters actually goes to our Capitol Heights facility for screening prior to delivery at the Commission.

If you are sending this type of document or using this delivery method...	It should be addressed for delivery to...
Hand-delivered or messenger-delivered paper filings for the Commission's Secretary	236 Massachusetts Avenue, NE, Suite 110, Washington, DC 20002 (8:00 a.m. to 7:00 p.m.)
Other messenger-delivered documents, including documents sent by overnight mail (other than United States Postal Service Express Mail and Priority Mail)	9300 East Hampton Drive, Capitol Heights, MD 20743 (8:00 a.m. to 5:30 p.m.)
United States Postal Service first-class mail, Express Mail, and Priority Mail	445 12th Street, SW Washington, DC 20554

All filings must be sent to the Commission's Secretary: Marlene H. Dortch, Office of the Secretary, Federal Communications Commission, 445 12th Street, SW, Suite TW-A325, Washington, DC, 20554.

26. Parties who choose to file by paper should also submit their comments on diskette to Sheryl Todd, Telecommunications Access Policy Division, Wireline Competition Bureau, Federal Communications Commission, 445 12th Street, SW, Room 5-B540, Washington, DC, 20554. Such a submission should be on a 3.5 inch diskette formatted in an IBM compatible format using Microsoft Word or compatible software. The diskette should be accompanied by a cover letter and should be submitted in "read only" mode. The diskette should be clearly labeled with the commenter's name, proceeding (including the docket number, in this case, CC Docket No. 96-45), type of pleading (comment or reply comment), date of submission, and the name of

the electronic file on the diskette. The label should also include the following phrase “Disk Copy - Not an Original.” Each diskette should contain only one party’s pleading, preferably in a single electronic file. In addition, commenters must send diskette copies to the Commission’s copy contractor, Qualex International, Portals II, 445 12th Street, SW, Room CY-B402, Washington, DC, 20554.

27. Regardless of whether parties choose to file electronically or by paper, parties should also file one copy of any documents filed in this docket with the Commission’s copy contractor, Qualex International, Inc., Portals II, 445 12th Street, SW, Room CY-B402, Washington, DC, 20554. Comments and reply comments will be available for public inspection during regular business hours in the FCC Reference Center, Room CY-A257, 445 12th Street, SW, Washington, DC, 20554. In addition, the full text of this document is available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, SW, Room CY-A257, Washington, DC, 20554. This document may also be purchased from the Commission’s duplicating contractor, Qualex International, Portals II, 445 12th Street, SW, Room CY-B402, Washington, DC, 20554, telephone 202-863-2893, facsimile 202-863-2898, or via e-mail qualexint@aol.com.

28. Comments and reply comments must include a short and concise summary of the substantive arguments raised in the pleading. Comments and reply comments must also comply with section 1.49 and all other applicable sections of the Commission’s rules.⁶² We direct all interested parties to include the name of the filing party and the date of the filing on each page of their comments and reply comments. All parties are encouraged to utilize a table of contents, regardless of the length of their submission. We also strongly encourage parties to track the organization set forth in the NPRM in order to facilitate our internal review process.

E. Further Information

29. To request materials in accessible formats for people with disabilities (braille, large print, electronic files, audio format), send an e-mail to fcc504@fcc.gov or call the Consumer & Governmental Affairs Bureau at 202-418-0531 (voice), 202-418-7365 (tty).

30. For further information, contact Shannon Lipp at (202) 418-7954 or Diane Law Hsu at (202) 418-1436 in the Telecommunications Access Policy Division, Wireline Competition Bureau.

II. ORDERING CLAUSES

31. Accordingly, IT IS ORDERED that, pursuant to the authority contained in sections 4(i), 4(j), 201-205, 214, 254, and 403 of the Communications Act of 1934, as amended, this Notice of Proposed Rulemaking IS ADOPTED.

⁶² See 47 C.F.R. § 1.49.

32. IT IS FURTHER ORDERED that the Commission's Consumer and Governmental Affairs Bureau, Reference Information Center, SHALL SEND a copy of this Notice of Proposed Rulemaking, including the Initial Regulatory Flexibility Analysis, to the Chief Counsel for Advocacy of the Small Business Administration.

FEDERAL COMMUNICATIONS COMMISSION

Marlene H. Dortch
Secretary