

1997 High Cost & Low Income Committee Meetings Minutes

Click on a date below to see the minutes. To see the entire year's minutes, click on the first date. Once open, search within the document for a particular word or phrase, using the 'Find' feature or Ctrl+f

Meeting Date

October 20, 1997	2
------------------------	---

UNIVERSAL SERVICE ADMINISTRATIVE COMPANY

High Cost & Low Income COMMITTEE MEETING

October 20, 1997

MINUTES

The initial meeting of the High Cost and Low Income Committee of the Universal Service Administrative Company (USAC) was held at the Doubletree Hotel Park Terrace, 1515 Rhode Island Avenue, NW, Washington, D.C. on the above date. The meeting was called to order at 9:00 AM by Ms. Heather Burnett Gold, Chair.

Ten Committee members were present, representing a quorum, as follows:	
John Anthony Butler	Martha Hogerty
Edwin H. Eichler	James Jackson
Heather Burnett Gold	Donald Lynch
Frank Gumper	Allan Thoms
Kevin Hess	Tom Wheeler
Five members of the National Exchange Carrier Association (NECA) were present as follows:	
Bill Stern	Acting CEO, USAC; Vice President, NECA
Ed English	Acting Secretary/Treasurer, USAC; Director, Finance, NECA
Ken Levy	General Counsel, NECA
John Ricker	Director, USF & Support Programs, NECA
Robert Haga	Director, Government Relations, NECA

Others present for various parts of the open meeting:	
Name	Organization
Stacey Chaney	Bell Atlantic
Maryanne McCormick	FCC
Andrew Saindon	Center for Media Education
Kevin Taglay	Benton Foundation
Lisa Zaina	OPASTCO
Jim Rodda	MCI Telecommunication
Randy Coleman	CTIA
Kathryn Falk	VCTA
Teresa A. Pitts	NCTA
William Sonnett	SBC
Sharon Logan	DCPSC
Celia Nogales	Ameritech
Lynn Stanton	Telecom Reports

1. Ms. Gold asked Mr. Stern to explain the responsibilities of the Committee as indicated in Part 69 and CC Dockets 97-21 and 96-45. Mr. Stern stated that final action on matters concerning the High Cost and Low Income Funds rests with the Committee, not the USAC Board. Mr. Stern indicated the need to approve quarterly filings for the FCC with the filing for the First Quarter 1998, which is due by October 31, 1997.
2. Ms. Gold requested that Mr. Ricker brief the Committee on the current status of NECA activity on behalf of USAC and critical issues. Mr. Ricker explained that in order to receive funding, exchange carriers needed to be designated as eligible by the state commissions. To date, only 47 out of 1,500 study areas have provided the eligibility documentation. Mr. Ricker expressed concern that the states were not moving fast enough to ensure continuity of payments in 1998.

3. After some discussion, the following steps will be taken to alert the state commissions and Fund recipients of the requirement to expedite eligibility documentation:
 - a. Mr. Thoms will raise the issue with the state commissions at the upcoming NARUC meeting.
 - b. A letter will be mailed to national telephone associations.
 - c. Notices will be posted on the NECA website.
 - d. Recommendation will be made for a notice to be posted on the FCC website.

Mr. Ricker indicated there may be eligibility problems with current program recipients which are not under state jurisdiction (e.g., Native American Indians), or states which do not promote Lifeline Assistance programs. To receive High Cost funding, a carrier must offer Lifeline Assistance to its customers.

Mr. Ricker also indicated that the Order relies on historical 1996 data which precludes new entrants from eligibility. The new rules require that Lifeline Assistance be based on historical rather than current need.

Mr. Ricker presented the proposed fund sizes for 1998 based on his projection and administrative expenses. He also indicate the need for true-ups. At 9:53 AM, Mr. Butler joined the meeting.

On a motion duly made and seconded, the Committee unanimously adopted the following Resolution:

RESOLVED, that Lifeline programs should be administered on a monthly real-time basis as opposed to historical, that the NECA staff work with the Commission to effect the change, and that the staff design a system to implement the process.

The Committee was concerned that quarterly billing by USAC of the various Universal Service funds would overburden the industry. On a motion duly made and seconded, the Committee unanimously adopted the following Resolution:

RESOLVED, that the Committee recommend that the full USAC Board petition for a change in the rules to allow monthly rather than quarterly billing.

At the conclusion of Mr. Ricker's presentation, on a motion duly made and seconded, the Committee unanimously adopted the following Resolution:

RESOLVED, that the High Cost and Low Income Committee (Committee), having reviewed a summary of the First Quarter of 1998 program estimates, including administrative costs for the Universal Service Fund, Long Term Support, DEM weighting and Lifeline

Assistance programs at its meeting on October 20, 1997, hereby directs the NECA staff to proceed with the required October 31, 1997 filing on behalf of the Committee. NECA staff may make adjustments if additional data becomes available or errors are discovered, and to reflect changes required as a result of FCC orders.

4. The next meeting is tentatively scheduled for November 17 if the USAC Board meets. Ms. Gold will inform the Committee of exact time and place.

There being no further business to come before the Committee, on a motion duly made and seconded, Ms. Gold adjourned the meeting at 11:26 AM.

Edward R. English, Secretary