

行政院及所屬各機關出國報告

(出國類別：研習)

出國實習電信普及服務 報告書

服務機關：交通部電信總局

出國人：職 稱 姓 名
專 員 林 月 蟾

出國地點：美國 威斯康森州

出國期間：民國 92 年 4 月 4 日至 92 年 4 月 12 日

報告日期：民國 92 年 7 月 9 日

H6/
C09>01675

系統識別號:C09201675

公務出國報告提要

頁數: 64 含附件: 是

報告名稱:

實習「電信普及服務」及「電信會計分離」管理機制

主辦機關:

交通部電信總局

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出國類別: 實習

出國地區: 美國

出國期間: 民國 92 年 04 月 04 日 - 民國 92 年 04 月 13 日

報告日期: 民國 92 年 07 月 09 日

分類號/目: H6/電信 H6/電信

關鍵詞: 無

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壹、前言

有關普及服務在西元1997年WTO會員國與會代表達成電信基礎服務協議，參與協議的國家被要求提供時間表，任何一會員國有權定義本國提供普及服務的類型。不同國家因國情不同，提供普及服務種類、採行普及服務基金來源方式、管理方式等亦不盡然相同。

地域性組織亦保證電信市場之自由化與競爭的進展，同時提昇會員國人民普及服務及普及通路。例如亞太經合會APEC會員經濟體保證建立以上目標。1995年5月亞太經合會在漢城亞太資訊基礎建設宣言採行指導方針，包括：

- 提昇競爭環境
- 確保民眾電信服務之連結及普及服務

我國電信普及服務制度於九十年六月完成立法公告，並以九十一年為第一個普及服務實施年度。為了解並吸取先進國家實施普及服務多年經驗，作為我國實施普及服務之借鏡與參考，遂透過網站及美國友人協助以電子郵件與對方聯繫，選擇美國威斯康森州麥迪遜市，作為我出國研習普及服務及其他電信相關議題的地點。

首先感謝麥迪遜市威斯康森州公共服務協會（Public Service Commission）負責普及服務的經理 Ms. Anita Sprenger 在兩天課程中安排三位老師以一對一的方式為我講授電信普及服務實務經驗，並建議我參加威斯康森州公用事業學會（Wisconsin Public Utility Institute.）舉辦為期三天之電信工業基礎課程。對於專業性英文聽力讓我頗為吃力，Ms. Anita Sprenger 總是不厭其煩反覆回答我的疑問，其熱誠令我十分感動。

美國實施普及服務分為兩部分，聯邦與州政府分別扮演不同角色

，在某些議題上卻同時又有相關聯；州與州之間實施普及服務也不儘相同。在短短幾天研習課程中，對於威斯康森州實施普及服務經驗與現況總算有粗淺的了解，深感此次研習獲益良多。

貳、研習行程紀要

第一天至第二天：威斯康森州公共服務協會 (Public Service Commission) 講授普及服務基金計畫課程

第三天至第五天：威斯康森州公用事業學會 (Wisconsin Public Utility Institute.) 舉辦為期三天之電信工業基礎課程 (Telecommunications Industry Basics Course)

參、研習課程內容重點摘要

一、威斯康森州公共服務協會（簡稱PSC）授課課程「普及服務基金計畫」（Universal Service Fund Programs）內容，涵括：

- （一）普及服務基金歷史與管理 USF History and Administration
- （二）公共服務委員會普及服務基金計畫目的 Purpose of PSC USF Program
- （三）公共服務委員會之普及服務基金計畫範圍 Examples of PSC USF Program
- （四）電訊醫學同意授與計畫 Telemedicine Grant Program
- （五）不經濟接取同意授與計畫 Nonprofit Access Grant Program
- （六）其他普及服務基金計畫 Other USF Program
- （七）普及服務基金未來議題 Future Issues for the USF

二、威斯康森州公用事業學會 Wisconsin Public Utility Institute（簡稱WPUI）授課課程「電信工業基礎課程」

（Telecommunication Industry Basic）內容，涵括：

- （一）電信技術工業之建立
- （二）電信監理，含管理規則之建立、AT&T之解體、聯邦電信普及服務之回顧與現況
- （三）當今重要議題，包括自由競爭電信市場熱門議題如網路互連、接續費、號碼保留與可攜、無線競爭之衝擊、網際網路等議題概述。

一、普及服務基金計畫 Universal Service Fund Programs

(一) 普及服務基金歷史與管理

- 普及服務基金訂定於 1993 年 496 號法。
- 公共服務協會普及服務基金計畫透過州立法或訂定管理規則。
- 威斯康森州普及服務基金來源之核定，係來自該州電信提供者年營收大於或等於 200,000 美元者。

美國普及服務在聯邦的管理機構為聯邦通訊委員會（簡稱 FCC），另與民間機構簽約委託管理稱 Universal Service Support Mechanisms（簡稱 USAC）；在威斯康森州普及服務管理機構為公共服務協會（PSC），另與民間機構簽約委託管理稱 William Young Co. PSC 與 William Young Co. 連續四年每年簽約並可延長。

威斯康森州公共服務協會（PSC）擔負角色包括水、電、瓦斯、電信等公共事務之管理，其所需預算由州議會按會計年度每兩年編列乙次。所有電信業者須於每年四月一日向公共服務協會（PSC）提報前一年度年營收；公共服務協會（PSC）依據州議會按核定之預算，按電信業者所報年營收比，核准普及服務基金計畫之預算，並在每年八月或九月核准決定四項普及服務基金計畫之核定分攤比率。William Young Co. 則依據公共服務協會（PSC）決議之核定分攤比率，自次月起，每月向電信提供者發出繳納普及服務基金帳單。州議會審核部門每年進行普及服務基金的監督審核。實際執行上假設會計年度 Sep'2001-June'2002 公共服務協會依據州議會核定之預算向業者收取六億美元，當年度卻只使用五億美元，即使州議會核定次年之預算為七億美元，公共服務協會扣除剩餘一億美元，只能再向業者收取六億美元。

(二) 公共服務協會普及服務基金計畫目的

- 協助低收入用戶~ 提供低收入戶家用的生命線與連結 (Lifeline and LinkUp)。
- 協助肢體殘障用戶~ 提供肢體殘障者購買電信設備 Telecommunications Equipment Purchase Program (TEPP)。
- 協助州內住在服務為高成本地區的用戶~ 提供偏遠及高費率地區補助及公共利益付費電話服務 High Rate Assistance Credit (HRAC) and Public Interest Pay Phone。
- 協助佈設潛在與前瞻性的服務~ 諸如授與電視醫學計畫 (Telemedicine Grant Program)、授與不經濟接取計畫 (Nonprofit Access Grant Program) 等

(三) 公共服務協會之普及服務基金計畫範圍

- 生命線與連結 (Lifeline and LinkUp)
 - ◇本計畫係幫助合格的低收入戶家庭享有電話服務。
 - ◇所稱低收入戶必須是登記在案經州政府核定享有各項福利者。
 - ◇本計畫係由聯邦政府與州政府合辦，所需經費一般是由聯邦政府支付百分之八十，州政府支付百分之二十，公共服務協會 (PSC) 則負責管理。
 - ◇市內電話免收新機裝置費、移線費、復話費。
 - ◇用戶向市話網路電信經營者提出本計畫之申請。
 - ◇市話網路電信經營者透過州政府資訊系統 (CARES System at DWD and Homestead Tax at Dept. of Revenue) 查證申請人是否符合申請資格，若符合則必須提供本項服務。

◇市話網路電信經營者因提供本項優惠服務之損失，由州與聯邦之普及服務基金償付。

●電信設備購買計畫 Telecommunications Equipment Purchase Program (TEPP)

◇協助肢體殘障者提供其證件以購買特殊電信設備讓他們可以使用電話系統。

◇申請人向 William Young 公司（公共服務協會簽約委託之普及服務管理者）提出申請，該公司發予申請人可向特殊電信設備販售廠商購買設備之證件。

◇下列 William Young 公司發與證件範圍與金額如次，除聽力障礙者外，個人均須支付\$100 美元~

-聽力障礙者	\$200 美元
-失聰者	\$800 美元
-言語能力受損者	\$1,600 美元
-行動力受損者	\$1,600 美元
-失聰暨弱視者	\$2,500 美元
-失聰暨全盲者	\$7,200 美元

◇上開合格個人使用之證件適用期間為三年。

◇對於低收入戶個人係失聰或聽力障礙者，電信協助計畫 Telecommunications Assistance Program(TAP)協助支付必須支付之\$100 美元部分。

◇特殊設備一般型式指 TTY，增音電話或點字話機，觸動式吹氣和信號電話，TTY 有大型銀幕顯示器及特殊 Modem。

◇威斯康森州 2003 會計年度 TEPP 預算為\$2 億美元。

●高費率補助協助計畫 High Rate Assistance Credit (HRAC)

◇本計畫確保於州內所有地區住家使用基礎電信服務之費率是可負擔的。

◇州內每一行政區域(郡)一般中產家庭的收入決定此服務的門檻。

◇服務的價格一般決定補助金額包括市話交換局月租費、用戶線費用及通信費。

◇向公共服務協會(PSC)提出費率並經審核後,電信服務提供者依據合格交換局之用戶數向 William Young 公司提出要求補償。

◇目前本州五家公司有十九個交換局接受高費率補助(HRAC),每個月是\$27,278 美元(一年是\$327,336 美元)。本計畫 2003 會計年度撥款預算為\$400,000 美元。

●公共利益付費電話服務(Public Interest Pay Phone)

◇對於某些地區無足夠需求電話而致公共健康、安全及財富可能遭受損害,本計畫予以補貼當地公共利益付費電話。

◇本計畫係於公共服務協會(PSC)監督下,由威斯康森付費電話協會管理(與 William Young 公司簽約)。

◇公共利益付費電話由電話所在地擁有者或付費電話提供者提出申請。

◇這類型電話通常設置於公眾設施所在,如公園、學校、圖書館

、鎮集會所及其他地區像加油站、雜貨店及餐廳。

◇通常電話設置於戶外及一般大眾容易達到或接近。

◇此付費電話提供者可獲償付設備、服務、維護及管理成本。

◇公共利益付費電話計畫始在威斯康森州於 2001 年。

◇本計畫 2003 會計年度之預算為\$155,000 美元。

◇共計五家提供者參與此項計畫。

◇目前有 135 支電話透過公共利益付費電話計畫受補助。

(四) 電訊醫學同意計畫

●州議會指揮公共服務協會 (PSC) 使用普及服務基金的經費去支持這項同意計畫。這項計畫之法定目的係提供~ 同意非利潤導向的醫療診所及公共衛生處所為購買提供醫療服務所需電訊設備。

●自 2001 會計年度本項計畫實施起，每年有 34 項被授與同意。

●每年的授與同意金額為\$500,000 美元。

●這項計畫得購買設備類型如次~

◇teleradiology equipment

◇intraoral cameras and digitizing equipment

◇videocoferencing equipment

◇upgraded phone systems

◇dictation and transcription network

◇home monitoring system

(五) 不經濟接取同意授與計畫

●依據公共服務協會 (PSC) 相關規定每年最高提供\$500,000 美元同意經費。

- 過去三年共有 40 項被同意授與。
- 集中協助非以利潤為導向組織支付基礎電信計畫符合普及服務基金需求。
- 目前，要求 50%符合基金，或以其他服務替代。
- 另有大規模初級及高級科技方案。
- 已被授與同意之計畫類型如次~
 - ◇Internet access for low-income adults and youth
 - ◇videoconferencing centers
 - ◇video relay services pilot
 - ◇assistive telecommunication technology education for disabled clients
 - ◇outreach and advocate to low-income households so they are able to obtain phone service

(六) 其他普及服務基金計畫

- 盲者新聞線-普及服務基金依據法令被要求補助提昇資訊接取及圖書館服務給予盲者及視障者。這個計畫在 2003 會計年度有 \$68,500 美元轉予 Department of Public Instruction(DPI)。
- 有兩條線聽與講保留-對於 TRS 及 TTY 的使用者，他們有的是能說卻聽不到或者是聽的到卻無法講話，提供第二條線免費以增進他們在電話上的溝通能力。2003 會計年度預算為 \$5,000 美元。

(七) 非公共服務協會 (NON-PSC) 管理之普及服務基金計畫

- TEACH-教育電信接取計畫-提供電信接取予學校、圖書館及大專院所，2003 會計年度補助為 \$15.9 百萬美元。此項計畫係由聯

邦與州政府合作，由州立 Dept. of Public Instruction 及州立 Education Agency 管理。

- UW System BadgerNet-提供電信服務至威斯康森州四所大學，2003 會計年度補助為\$1.05 百萬美元。
- DPI BadgerLink-提供網際網路接取至定時相關資訊檔案系統，2003 會計年度補助為\$1.85 百萬美元。
- 公共服務協會（PSC）僅評定這些計畫，但並不管理這些計畫。

（八）普及服務基金管理委員會（USF Council）

- 本委員會依據威斯康森州 196.218.規定成立。
- 委員會指定電信事業及消費者代表為舖及服務基金管理委員會成員。
- 目前委員會由不定期三年一任十一位委員組成。
- 委員會多數成員必須是消費者代表。
- 委員會向公共服務協會(PSC)提供普及服務基金管理及管理規則修訂上之建言。
- 委員會委員必須至少兩年集會一次。
- 委員會會議開放民眾參與。
- 公共服務協會普及服務基金經理負責委員會聯絡工作-提供資訊給委員會、安排會議及保管委員會正式文件。

（九）普及服務基金未來其他議題

- 當電信市場競爭越來越激烈，假如基本電信服務不能符合低收入戶、殘障人士及偏遠地區消費者需求，普及服務基金之補助就越重要。
- 誰被核定須參與普及服務基金，隨著科技變遷及基本服務參與更

多資訊科技需求，例如無線提供者及網際網路服務提供者都有可能。

二、電信工業基礎課程(Telecommunications Industry Basic)

威斯康森州公用事業學會舉辦為期三天電信工業基礎課程，從類比式到數位式的轉變、從線路交換到分封交換、從基本到寬頻持續到無線及第三代的技術的演進史，均作一梗概性的敘述。

次就電信監理，含管理規則之建立、AT&T之解體、聯邦電信普及服務之回顧與現況，以及當今重要議題，包括自由競爭電信市場熱門議題如網路互連、接續費、號碼保留與可攜、無線競爭之衝擊、網際網路等議題在短短三天課程中分別作介紹。

針對普及服務課程概略敘述如次~ 普及服務的意義指提供全體美國人以合理費率之電信接取服務，範圍包含偏遠或高成本地區、圖書館、低收入之消費者、偏遠地區健康醫療設施、公立及私立學校。

美國聯邦的普及服務管理機構為聯邦通訊委員會 Federal Communications Commission (簡稱 FCC)，另與民間公司 The Universal Service Administrative Company (簡稱 USAC) 簽約委託管理。

- USAC 的性質~
 - ◇ 普及服務支持機制的固定管理者 (包括高成本、跨州接取、低收入戶、偏遠地區醫療設施以及學校與圖書館)
 - ◇ 19 位成員組成普及服務受益人及捐助人的委員會代表
 - ◇ 帳單、收費及支付所有普及服務計畫
- USAC 的角色，其功能與責任包括~
 - ◇ 管理任一普及服務支持之機制
 - ◇ 開帳單予普及服務分攤者、收取普及服務分攤金額及支付普及服務基金。

- ◇ 按季提報 FCC 普及服務基金支付報告
- ◇ USAC 不能制定政策
- ◇ USAC 不能演譯說明不明確的法規規定
- ◇ USAC 不能演譯說明立法機構之意向
- ◇ USAC 在 FCC 表明立場前不能事先表態擁護某一政策立場
- 預估 2003 年普及服務支持為 6.3 千萬美元~
 - ◇ 高成本地區~ 3.3 千萬美元
 - ◇ 低收入戶~ 755 百萬美元
 - ◇ 偏遠地區醫療設施~ 21 百萬美元
 - ◇ 學校及圖書館~ 2.25 千萬美元

聯邦與州於普及服務係互補的角色功能。

肆、心得與建議

先前在本年三月間有幸被指派參與 APECTEL 在印尼雅加達舉辦的普及服務講習，對於「電信普及服務」之整體概念有更進一步的體會，從原只是侷限於對本國普及服務實施的了解，開啟更寬廣視野以更宏觀角度了解普及服務發展緣由到世界各國基因於國家歷史文化背景不同，進步發展實況各異，採行普及服務時間點、進程及採行種類及方式自不盡相同。此次赴美國進修研習普及服務係基於我國「電信普及服務管理辦法」甫於九十年六月中旬公告，九十一年為我國普及服務的第一個實施年度，為借鏡先進國家在實施普及服務的實務上的經驗，選擇美國威斯康森州麥迪遜市前往研習。如前言所敘，個人運氣很好有幸聯繫上該州公共服務協會負責普及服務的經理 Ms. Anita Sprenger，非常熱心且主動提供兩天普及服務課程。因為她個人休假問題，在短短二天內只能重點式學習該州實施普及服務的實務經驗。但是在她耐心與熱誠的指導下，方能了解該州實施普及服務實務於一二並作成以上報告。美國實施普及服務雖然州與州間可能略有不同惟大體上係大同小異，對於普及服務提供範圍廣、種類多、受益對象直接且明確、政府制定普及服務計畫政策，委託私人企業化管理，均為值得我們學習的楷模。在預算許可範圍內，建議局方多提供同仁出國研習吸收新知機會，俾對本身業務能有更多體認與建樹。

附 件

Universal Service Fund Programs

Presented by:
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USF History and Administration

- USF was created by 1993 Act 496
- PSC USF programs are created either through legislation (Wis. Stat. s. 196.218.) or rules (Wis. Admin. Code ch. PSC 160)
- The USF is funded through direct assessments of telecommunication providers with annual revenues in Wisconsin of greater than or equal to \$200,000.

USF History and Administration (cont.)

- Assessments are based on revenues from intrastate calls from the previous calendar year (based on annual report filings).
- New assessment rates are calculated each year based on the appropriations approved in the biennial budget, credits from cash balances from the previous year (for PSC USF) and on provider assessable revenues.
- Commission approves a PSC USF program budget and the assessment rates for all four USF programs each year in August/Sept.

USF Administration (cont.)

- Assessment rates are given to Williams Young, USF Administrator, who bills providers on a monthly basis.
- Williams Young contract expires on June 30, 2003; however, there is an option for four one-year contract extensions.
- The Legislative Audit Bureau annually conducts an audit of the USF.
- Current funding level is \$6.88 million – funding for FY04 is \$5.0 million and for FY05 it is \$6.0 million.

Non-PSC USF Programs

Since 1993 WI Act 496, the legislature has added new purposes for the USF:

- TEACH – Educational Telecommunications Access Program – provides telecommunications access to schools, libraries and colleges. Funding for FY03 was \$15.9 million. *– Cooperates with Federal Schools & library program*
- UW System BadgerNet - provides telecommunication services to 4 UW campuses (River Falls, Stout, Whitewater and Superior. Funding for FY 03 was \$1.05 million.

*State Dept. of Public Instruction
State Education agency*

Non-PSC USF Programs

- DPI BadgerLink – to provide Internet access to periodic reference information databases.
Dept. of Public Instruction
- PSC only does the assessment for these programs; it does not manage these programs.

Funding for FY03 was \$1.85 million.

USF Council

- Establishment of the Council is required by Wis. Stat. s. 196.218.
- The Commission appoints representatives of the telecommunications industry and consumers to the USF Council.
- Currently, the Council consists of eleven members with staggered three-year terms.
- The majority of the members of the Council must represent consumers.

USF Council (cont.)

- The Council advises the Commission on the administration of the USF and on the revision of the USF rules.
- Council must meet at least twice a year.
- Meetings are open to the public.
- PSC USF Manager serves as liaison for the Council – provides information to the Council, makes arrangements for meetings, keeps the official records for the Council.

Purpose of PSC USF Programs

Four major areas in access to telecommunications:

- Assist low income customers
- Assist disabled customers
- Assist customers in areas of the state that have relatively high costs of service
- Assist in the deployment of advanced service capabilities

Examples of PSC USF Programs

- Lifeline/LinkUp – serves low-income households
- Telecommunications Equipment Purchase Program – serves persons with disabilities
- Public Interest Payphones – serves rural and high rate areas

Examples of PSC USF Programs (cont.)

- High Rate Ceiling Credits – serves high rate areas of the state
- Nonprofit Access Grants – serves low- income, persons with disabilities and provides advanced communications
- Telemedicine Grants – provides advanced communications and serves rural and underserved areas

Lifeline and LinkUp

- These are programs to help make telephone service available to eligible low-income households.
- Lifeline and LinkUp are joint state/Federal programs that receive funding from both but are managed by the PSC.
- Customers eligible for these programs must receive benefits from:
 - Homestead Tax Credit
 - Medical Assistance
 - Low Income Energy Assistance
 - Supplemental Security Income
 - Food Stamps
 - Badger Care
 - Wisconsin Works

Lifeline and LinkUp (cont.)

- Lifeline keeps telephone service affordable by reducing monthly service charges by at least ~~\$8.50~~. ^{\$ 7.50}
- Monthly bill for a residential line with 120 calls, 9-1-1 charges and the Federal subscriber line charge will be no more than \$15.00.
- There is no charge for 900# blocking, toll blocking and toll limitation

Lifeline and LinkUp (cont.)

- LinkUp helps low-income households get telephone service.
- Local telephone connection charges are waived for:
 - new service installation
 - moving service from one residence to another
 - reconnection of an existing service.

Lifeline and LinkUp (cont.)

- Customers apply for these programs through their local telecommunications provider.
- Providers check customer eligibility via state information databases (CARES system at DWD and Homestead Tax at Dept. of Revenue).
- All providers of local residential service must offer these programs to their customers.
- Providers are reimbursed for all service discounts from the State and Federal Universal Service Funds.

*State agency
Health & Family
Services*

Telecommunications Equipment Purchase Program (TEPP)

- Assists persons with disabilities by providing vouchers for the purchase of specialized telecommunications equipment to enable them to use the telephone system.
- Applications are submitted to Williams Young, the USF administrator. It sends the applicant a voucher that can be used with vendors that sell specialized telecommunications equipment.

TEPP (cont.)

- Voucher categories and amounts are:

-Hard of Hearing	\$200
-Deaf/Severely HH	\$800
-Speech Impaired	\$1,600
-Mobility Impaired	\$1,600
-Deaf/Low Vision	\$2,500
-Deaf/Blind	\$7,200

TEPP (cont.)

- A co-payment of \$100 is required for all categories except hard-of-hearing. For low-income individuals where one of their disabilities is deafness or HH, H&FS has a Telecommunications Assistance Program (TAP) that provides dollars for the co-pay portion.
- An individual is eligible for a new voucher every three years.

TEPP (cont.)

- Common types of equipment purchased are TTY, amplified phone or handset, Braille/TTY, phone signaler and puff activator, TTY with large visual display and special modem.
- The FY03 budget for TEPP is \$2.0 million.

High Rate Assistance Credit

- Program to assure that residential rates for basic telecommunication service is affordable in all parts of the state.
- A threshold level for service is set for each county based on the county median household income level.
- The price of service used to determine the amount of credit includes the monthly rate, the subscriber line charge and usage charges based on the local calling area of an exchange.

HRAC (cont.)

- After review and filing tariffs with the PSC, providers file requests for reimbursement with Williams Young. Reimbursements are based on the number of customers in eligible exchanges.
- Currently, 5 companies with a total of 19 exchanges receive HRAC. Monthly total is \$27,278 (annual is \$327,336). FY03 budget allocation for this program is \$400,000.

Public Interest Pay Phone

- Program to subsidize pay phones in locations where public health, safety and welfare are jeopardized without the telephone, but not enough demand exists to keep a phone at that location.
- Program is managed by the Wisconsin Pay Telephone Association (under a contract with Williams Young) with oversight from the PSC.
- Applications for public interest pay phones are made by owners of locations and pay phone providers.

Public Interest Pay Phones (cont.)

- Phones are generally located in such public facilities as parks, schools libraries, town halls and at other locations such as gas stations, grocery stores and restaurants.
- Generally, phones are located outside and should be accessible to the general public.
- The pay phone provider is reimbursed for equipment, service, maintenance and administrative costs.

Public Interest Pay Phone (cont.)

- The Public Interest Pay Phone program began in 2001.
- The FY03 budget for this program is \$155,000.
- Five providers participate in the program.
- Currently 135 phones are subsidized through the public interest pay phone program.

Telemedicine Grant Program

- Legislature specifically directed the PSC to use USF dollars to support this grant program. Statutory goal for this program is to provide: “for grants to nonprofit medical clinics and public health agencies for the purchase of telecommunications equipment to be used in providing services to their clients.”
- 34 grants have been awarded each year since this program has been in place (FY01).
- \$500,000 in grants are awarded each year.

Telemedicine – cont.

Types of equipment purchased under this program include:

- teleradiology equipment
- intraoral cameras and digitizing equipment
- videoconferencing equipment
- upgraded phone systems
- dictation and transcription network
- home monitoring systems

Nonprofit Access Grant Program

- Provides up to \$500,000 in grants each year as per PSC rules.
- 40 grants have been awarded over the past three years.
- Focused on helping nonprofit organizations pay for telecommunication-based programs that will serve USF needs.
- Currently, requires 50% match in funds or in-kind services.

Nonprofit Access – cont.

- Wide range of low tech and high tech projects.
- Types of programs that have been awarded grants:
 - Internet access for low-income adults and youth
 - videoconferencing centers
 - video relay services pilot
 - assistive telecommunication technology education for disabled clients
 - outreach and advocacy to low-income households so they are able to obtain phone service.

Other USF Programs


- Newsline for the Blind – USF funding required by statute to promote access to information and library services to blind and visually handicapped individuals. In FY03, \$68,500 was transferred to DPI for this program.
- Two-line Voice or Speech Carryover – provides a second line free of charge to TRS or TTY users that are able to speak and not hear or hear and not speak and improve their ability to communicate on the telephone. FY03 budget was \$5,000.

Inactive USF Programs with No Expenditures

- Rate Shock Mitigation
- Outreach for Low Income Programs
- Provider of Last Resort
- Voicemail for the Homeless
- Eligible Telecommunications Carrier
- Most of these programs are “safety net” programs and can be developed if needed.
- Voicemail for the Homeless had funding eliminated after an Executive Order was issued from the Gov. Office in August, 2001.

Future Issues for the USF

- As telecommunications becomes more competitive, USF funding may become more important if the essential service needs of low income, disabled and rural customers are not met.
- Who gets assessed for the USF may be an issue as technology changes and if essential service incorporates more information technology needs (e.g. wireless providers and Internet service providers).




University of Wisconsin-
Madison
Wisconsin Public Utility
Institute


Telecommunications
Industry Basics 2003

**Federal Universal Service:
Overview and Current
Issues**

Cheryl L. Parrino




Wisconsin Public Utility Institute
 Fundamental Course:
 Telecommunications Industry Basics
 April 9, 2003
**Federal Universal Service:
 Overview and Current Issues**
 Cheryl L. Parrino, CEO
 The Universal Service Administrative Company




**Federal Universal Service
 Overview and Current Issues**
 ♦ **Universal service means providing access
 to telecommunications services for all
 Americans at reasonable rates:**

- Rural or high cost areas
- Libraries
- Low-income consumers
- Rural health care facilities
- Public and private schools



**Federal Universal Service
 Overview and Current Issues**
 ♦ **History of Universal Service**


- AT&T goal
- Communications Act of 1934
 - All people in the US shall have access to "rapid, efficient, nationwide... communications services with adequate facilities at reasonable charges."
- Telecommunications Act of 1996
 - Congress decreed that it is federal policy to provide support for services "essential to education, public health or public safety" and established that all people regardless of location or income level should have affordable access to telecommunications and information services.



**Federal Universal Service
Overview and Current Issues**

- ◆ **The Universal Service Administrative Company (USAC)**
 - Permanent administrator of all Universal Service Support Mechanisms (High Cost, Interstate Access, Interstate Common Line, Low Income, Rural Health Care, and Schools and Libraries)
 - 19 Member Board of Directors comprised of representatives of beneficiaries and contributors to universal service
 - Billing, collection, and disbursements for all universal service programs


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**Federal Universal Service
Overview and Current Issues**

- ◆ **USAC's Role**
 - USAC's functions and responsibilities include:
 - Administer each of the support mechanisms
 - Bill contributors, collect contributions, and disburse universal service funds
 - Report quarterly to the Commission on disbursement of universal service funds
 - USAC may not:
 - Make policy
 - Interpret unclear provisions of the statute or rules
 - Interpret the intent of Congress
 - Advocate policy positions before the Commission or its staff, but may advocate positions on administrative issues relating to the support mechanisms

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**Federal Universal Service
Overview and Current Issues**

- ◆ **Estimated 2003 Universal Service Support - \$6.3 Billion**
 - High Cost
 - \$3.3 Billion *
 - Low Income
 - \$755 Million *
 - Rural Health Care
 - \$21 Million
 - Schools and Libraries
 - \$2.25 Billion
- Includes Interstate Access & Interstate Common Line

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Federal Universal Service - Overview and Current Issues

◆ Estimated Support for 2003 (In billions)

Category	Amount (In billions)
Interstate	4.2
International	1.8
Domestic Long Distance	1.5
Universal Service Fund	1.5

Federal Universal Service Overview and Current Issues


◆ **Billing, Collection, and Disbursement**

- 2500 carriers billed monthly
- Approximately \$500,000,000 billed monthly
- 2nd Quarter 2003 contribution factor will be about 9%
- Contribution factor assessed against interstate and international revenues, some may be exempt based on size
- Late payment fees are assessed

Federal Universal Service Overview and Current Issues

◆ **Billing, Collection, and Disbursement**


- Billing - Industry Revenue Trends



Federal Universal Service Overview and Current Issues

- ◆ **Billing, Collection, and Disbursement**
 - **Billings and Revenue Base changes**
 - 1/1/98
 - Used the previous year's billed end user revenues
 - Interstate and International for HC and LJ
 - Interstate, International & Intrastate for RHC and SL
 - 11/1/99
 - Intrastate revenues removed from the base as a result of a 5th Circuit Court decision
 - New 8% exemption for International revenue
 - 7/1/01
 - Used billed end user revenues from the previous six months (la reduced)
 - Required quarterly reporting


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Federal Universal Service Overview and Current Issues

- ◆ **Billing, Collection, and Disbursement**
 - **Billings and Revenue Base changes (cont.)**
 - 7/1/02
 - Eliminated universal service charges from the revenue base (circularity)
 - Increased the International *de minimis* exemption from 8 to 12%
 - Allowed consolidated reporting
 - 4/1/03
 - Changed revenue base from billed revenues to revenues collected
 - Base uses projected revenues rather than the previous six months
 - Wireless safe harbor increased from 15% to 28.5%


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Federal Universal Service Overview and Current Issues

- ◆ **Billing, Collection, and Disbursement**
 - USAC works closely with the FCC to collect from carriers
 - USAC supplies information to the FCC monthly
 - FCC issues "Request for Payment"
 - FCC issues "Notice of Apparent Liability"
 - FCC enters into consent agreements
 - USAC applies approximately 2,500 payments of late fees each month to contributor's accounts
 - Total collections are approximately \$500 million each month
 - Unapplied cash goal is \$0 on a monthly basis
 - USAC ultimately collects more than 99% of all accounts over time


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Federal Universal Service
Overview and Current Issues

- ◆ **Billing, Collection, and Disbursement**
 - Monthly for High Cost and Low Income
 - As invoices are submitted for Schools and Libraries and Rural Health Care Providers
 - Mandatory netting for Rural Health Care
 - Netting required for Schools and Libraries if not current with USAC
 - USAC is requesting netting for nonpayers in High Cost and Low Income


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Federal Universal Service
Overview and Current Issues

- ◆ **High Cost Support**
 - Ensures that telecommunications rates paid by customers that live in rural or high cost areas are comparable to rates paid by urban customers
 - Customers do not need to apply for this program; telecommunications companies pass this benefit directly on to consumers through lower rates

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Federal Universal Service
Overview and Current Issues

- ◆ **High Cost Support (cont.)**
 - Carriers Eligible for High Cost Support
 - Must be designated as an Eligible Telecommunications Carrier (ETC) by state PUC
 - Funding is only available in those areas where a carrier has ETC designation
 - Must offer all universal services throughout the service area (pure resale does not qualify)
 - Must advertise the availability of such services and charges
 - Must meet qualifications for each fund

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**Federal Universal Service
Overview and Current Issues**




◆ **High Cost Support (cont.)**

- Total estimated 2003 support - \$3.1 billion
- High Cost Components
 - High Cost Loop (HCL)
 - Local Switching Support (LSS)
 - Long Term Support (LTS)
 - High Cost Model Support (HCM)
 - Interstate Access Support (IAS)
 - Interstate Common Line Support* (ICLS)

* Effective July 1, 2002

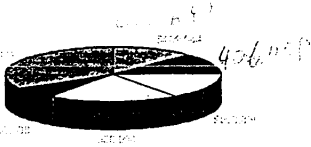
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**Federal Universal Service
Overview and Current Issues**



◆ **High Cost Support**

with our current estimates, the total amount of support is \$3.1 billion




Legend:

- HCL
- LSS
- LTS
- IAS
- HCM
- ICLS

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**Federal Universal Service
Overview and Current Issues**



◆ **High Cost Support - Components**

- High Cost Loop Support provides intrastate support for the cost of the "last mile" of connection primarily for rural companies in service areas where the cost to provide this service exceeds 115% of the national average
- Local Switching Support provides interstate assistance to help cover the high fixed switching costs for companies that serve fewer than 50,000 customers
- Long Term Support helps offset the interstate access charges for rate-of-return regulated carriers

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**Federal Universal Service
Overview and Current Issues**

◆ **High Cost Support – Components (cont.)**

- Forward-Looking Support (High Cost Model Support) provides intrastate support for non-rural carriers for the “last mile” of connection in service areas where the cost to provide this service in the state exceeds 135% of the national average
- Interstate Access Support helps offset interstate access charges for price cap carriers
- Interstate Common Line Support will provide interstate support, effective July 1, 2002, for rate-of-return carriers, to the extent that subscriber line charge (SLC) caps do not permit them to recover their common line revenue requirements

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**Federal Universal Service
Overview and Current Issues**

◆ **High Cost Support (cont.)**

- State-by-state information, as well as information per support area is included in USAC’s quarterly filing with the FCC
- This information and more is available on the USAC web site:
<http://www.universalservice.org/overview/filings/>

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**Federal Universal Service
Overview and Current Issues**

◆ **Interstate Access Support (IAS)**

- \$650 million for High Cost Support annually (dollars are included in the High Cost estimates)
- \$60 million estimated additional support for Low Income Support (dollars are included in the Low Income estimates)

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**Federal Universal Service
Overview and Current Issues**

◆ **Interstate Access Support (cont.)**

- Consolidates PICC into SLC
- Increases the SLC:
 - July 1, 2000 - \$4.35
 - July 1, 2001 - \$5.00
 - July 1, 2002 - \$6.00 (subject to FCC validation)
 - July 1, 2005 - \$6.50 (subject to FCC validation)
- SLC waived for Lifeline customers
- Removes \$650 million of implicit support from access charges
- Support is targeted to UNE zone and is portable

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**Federal Universal Service
Overview and Current Issues**

◆ **Interstate Common Line Support (ICLS)**

- Newest component of High Cost Support
- Adopted in FCC's MAG Order (released 11/08/01)
- Supports interstate common line cost by replacing the carrier common line (CCL) charge with explicit support that will be available to all ETCs
- Will provide support for rate-of-return carriers to the extent that SLC caps do not permit them to recover their common line revenue requirements

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**Federal Universal Service
Overview and Current Issues**

◆ **Interstate Common Line Support (cont.)**

- Available beginning July 1, 2002
 - Carrier Common Line (CCL) will be eliminated on July 1, 2003
 - Transitional CCL will be available between July 1, 2002, and June 30, 2003
- Based on carriers' embedded costs
- Not subject to a cap
- Subject to disaggregation plans chosen by rural carriers pursuant to the RTF Order
- Non-rural, rate-of-return carriers must also select a disaggregation path for this support


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Federal Universal Service
Overview and Current Issues

- ◆ **Low Income Support**
 - Provides direct support to low-income customers for monthly charges and connection costs
 - The low-income customer must apply to receive the benefit
 - Customer must contact their telecommunications provider


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Federal Universal Service
Overview and Current Issues

- ◆ **Low Income Support (cont.)**
 - Carriers Eligible for Low Income Support
 - Must be designated as an Eligible Telecommunications Carrier (ETC) by state PUC
 - Funding is only available in those areas where a carrier has ETC designation
 - Must offer all universal services throughout the service area (pure resale does not qualify)
 - Must advertise the availability of such services and charges


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Federal Universal Service
Overview and Current Issues

- ◆ **Low Income Support (cont.)**
 - Total annual demand = \$650 million
 - Each state program is different
 - State participation varies significantly
 - California receives approximately 50% of Lifeline and 70% of Link-up dollars

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**Federal Universal Service
Overview and Current Issues**

◆ **Low Income Support - Components**

- Lifeline
 - Up to \$4.35 per eligible subscriber to offset federal charges. \$1.75 additional reduction if a state authorizes a reduction in state and local charges, and up to \$1.75 where states have a matching program = Total maximum deduction for Lifeline of \$11.35/month
- Lifeline - Tribal Lands
 - Up to \$32.85 per eligible subscriber to offset federal charges, local service for most will be \$1 per month with expected maximum of \$10 per month

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**Federal Universal Service
Overview and Current Issues**

◆ **Low Income Support – Who is eligible?**

- Lifeline
 - STATES ESTABLISH - Per FCC, customers receiving support from any of these federal programs: Medicaid, food stamps, Supplemental Security Income, federal public housing assistance, or Low Income Home Energy Assistance program
- Lifeline - Tribal Lands
 - STATES ESTABLISH - Per FCC, individuals living on tribal lands that certify they participate in one of the following federal programs: BIA general assistance, TANF, Head Start (if income eligible), or free meals under the National School Lunch program

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**Federal Universal Service
Overview and Current Issues**

◆ **Low Income Support (cont.)**

- State-by-state information is included in USAC's quarterly filing with the FCC
- This information and more is available on the USAC web site:
<http://www.universalservice.org/overview/filings>

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Federal Universal Service
Overview and Current Issues

◆ **Rural Health Care Support**

- Support to help equalize rates between urban and rural areas for telecommunications services
- The **Rural Health Care Provider** must **apply** every year
- Urban or rural health care providers may receive support for up to 30 hours (\$180) per month of toll charges to reach the Internet if no local dial-up access is available
- No bandwidth limit
- Rural health care providers must competitively bid for services

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Federal Universal Service
Overview and Current Issues

◆ **Rural Health Care Support (cont.)**

- Eligible Facilities
 - Post secondary educational institutions offering health care instruction
 - Community health centers
 - Local health departments or agencies
 - Community mental health centers
 - Not-for-profit hospitals
 - Rural health care clinics
 - Consortium of the above

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Federal Universal Service
Overview and Current Issues

◆ **Rural Health Care Support (cont.)**

- State-by-state information and more is available on the USAC web site:
<http://www.rhc.universalservice.org/>
- Or review the quarterly filings also posted on our website as mentioned previously

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Federal Universal Service
Overview and Current Issues

◆ **Schools and Libraries Support**

- Discount provided on eligible services
- Discount based on percent of students eligible for the school lunch program
- Discounts range from 20 - 90%
- Discounts vary between rural and urban schools
- Schools and libraries must competitively bid for services and apply every year
- Schools and libraries must show that they have the resources to use the services
- Schools and libraries must have an approved technology plan

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Federal Universal Service
Overview and Current Issues

◆ **Schools and Libraries Support**

- Eligible facilities
 - Elementary and secondary schools
 - Public or non-profit schools and libraries
 - Schools with endowments less than or equal to \$50,000,000
 - Libraries eligible for assistance from a state library administrative agency
 - Independently funded libraries (separate from school funding)
 - Consortium of the above

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Federal Universal Service
Overview and Current Issues

◆ **Schools and Libraries Support**

- Eligible Services
 - Telecommunications
 - Internet Access
 - Internal Connections

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Federal Universal Service
Overview and Current Issues

◆ **Schools and Libraries Support**

- Specific state by state information and more is available on the USAC web site:
<http://www.sl.universalservice.org/apply/funds.asp>
- Or review the quarterly filings also posted on our website as mentioned previously

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Federal Universal Service
Overview and Current Issues

◆ **Current Universal Service Issues before the FCC**

- Changes to the definition of Universal Service
- Changes to the contribution base methodology
- Changes to HC support – 5th Circuit remand and recent referral to Joint Board
- Changes to the LI Mechanism – Joint Board referral
- Changes to the RHC Mechanism – NPRM
- Changes to the SL Mechanism – NPRM and Supreme Court review of Child Internet Protection Act

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