

# Does Florida Have a Universal Service Plan Problem

Ava Parker  
Linking Solutions, Inc.  
Jacksonville, FL  
avaparker@linking-solutions.com / 866 - 899 - 7106

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Does Florida need a  
State Universal Service  
Fund

# Communications Act of 1934

- Establishes nation's telecommunication's policy which includes making communication services available " so far as possible, to all the people of the United States."

# The universal service fund creates access, “*as much as possible*”

- Economics
- Location

Should not deprive consumers of  
access to telecommunications

# Who are Florida Consumers?

Total Population – 15,982,378\*

Average Household Income - \$53,504\*

Median Household Income FL - \$45,418\*\*

Median Household Income US -  
\$49,133.00\*\*

135% of Federal Poverty Guidelines –  
\$27,878  
(Family of four)

\*US 2000 Census Data

\*\*Adjusted to 2005 dollars

# Does Florida need a State Universal Service Fund – depends upon two things:

- 1) What is the primary goal? What does access really mean?
- 2) What consumers are you serving?

# Consumer # 1

- Elderly
  - Retired
  - Owns home
  - Monthly Income \$690.00  
Annual Income \$8,280.00
  - Rural area
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- Okay with federal universal service fund.
  - Only needs state universal service fund if federal universal service fund cannot meet basic needs.

# Consumer # 2

- Family of six
  - Working Father, Mother no job – laid off
  - Four children
    - 18 month old
    - 2 First graders – twins
    - Sixth grader
  - Monthly Income – \$3,106.00  
Annual Income – \$37,274.00
  - Food stamps
  - Section 8 housing
- Yes to State Universal Fund  
- Basic needs should be expanded

# The 1996 Act with Federal – State Joint Board Universal Service Fund

- “essential to education, public safety and health”
- “have through the operation of market choices by customers, been subscribed to by a substantial majority of residential customers”
- “are being deployed by public telecommunications carriers”
- “are consistent with the public interest, convenience & necessity.”

# Keep in Mind...

- Provide Food stamps and commodity food because – eating is a basic need
- Provide supplemental security income because - certain health care is a basic need.
- Is access to a phone and *internet* a basic need?

# Consumer # 3

- Family of four
  - Working Mother and Father
  - Two Children
    - Ninth grader
    - Fifth grader
  - Monthly Income - \$2,323.00  
Annual Income - \$27,878.00
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- No qualify for universal service fund benefits
  - No state universal service fund.

# What do we see when we interact with consumers?

- There really are consumers who need the help provided by the universal service fund.
- There really are consumers who ignore the benefits of universal service fund. Some low – income consumers seem to find a way to purchase telecommunications service – often it is a “cell phone.”
- Competition really works.

# Does Florida need a state universal service fund?

- Consumer # 1 – No, unless fed usf is not enough
- Consumer # 2 – Yes, we need more services
- Consumer # 3 – No, competition works “don’t overtax” me.