

# Small Library Seeks to Force Decision on VoIP Classification

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I don't expect this to go anywhere, but this request is too interesting to ignore any longer. On May 25, 2012, a library in Caroline County, Virginia petitioned the FCC to declare that Vonage is a "common carrier" under Title II of the Communications Act and to compel Vonage to register as a provider under the federal e-rate program. The library seeks this in order to collect e-rate discounts of \$1,000, "not an insubstantial amount for a small library." At its core, however, this is another example of the uncertainty created by the FCC's long-standing refusal to classify [interconnected VoIP services](#).

The [Caroline County Library petition](#) is very brief. Caroline County Library (the Library) states that it posted an FCC Form 470 for telephone service for its four telephone lines. (A Form 470 is essentially an RFP for e-rate eligible services). After waiting the required 28 days to receive bids, the Library "elected to continue to receive telephone service from Vonage." The Library does not state whether other providers responded to its Form 470 and if so, at what price. Nevertheless, the Library wants to receive service from Vonage, but Vonage is not registered as an eligible service provider with the USF administrator (USAC). Because Vonage has not registered (a process that requires designation by the relevant state(s) and carries with it several regulatory and reporting obligations), the Library is not eligible to receive federal subsidies for its purchase of telephone service.

The relief that the Library seeks is extraordinary. For starters, the Library seeks to force the FCC to decide a question it has refused to decide since 1998. Specifically, it asks the FCC to declare that Vonage -- an interconnected VoIP provider -- offers telecommunications services on a common carrier basis. It claims that Vonage generally advertises "telephone" service to the public and that it derives substantial revenues from the provision of telephony services, so it should be classified as a common carrier. Although the differences between regulatory obligations of telecommunications carriers and interconnected VoIP providers [have been narrowing](#), the Library's petition, if granted, would establish a landmark and [would resolve many pending disputes](#) about VoIP services.

But classification as a common carrier is not enough for the Library. It also wants to compel Vonage to register as an Eligible Telecommunications Carrier so the Library may apply for discounts from the federal e-rate fund. Participation in the E-rate program is voluntary, however, and there is no precedent for compelling a provider to subject itself to the program's obligations. More importantly, Vonage does not need to be a common carrier to participate in the e-rate program. Schools and libraries may obtain interconnected VoIP services from non-telephone providers -- if the entity registers as an ETC (which Vonage has not). So, the core problem is not the classification of VoIP, it is that the Library has chosen a service provider that does not participate in the subsidy program it seeks.

Not surprisingly, the FCC has not sought comment on the Caroline County Library petition, and it probably will not do so. To me, the solution is obvious. Apparently, no other provider bid to serve the Library's four telephone lines. But many providers -- both telecommunications carriers and

interconnected VoIP providers -- offer solutions for the voice and data needs of small entities like the Caroline County Library. Many of those providers voluntarily register for the e-rate program. One of those providers should contact the Library. Any takers out there?