



## Principles for VoIP and the Public Interest

### Contact:

Grant Seiffert  
Vice President, External Affairs & Global Policy  
703.907.7722 • gseiffert@tiaonline.org

Derek Khlopin  
Director, Law and Public Policy  
703.907.7739 • dkhlopin@tiaonline.org

*TIA's over 600 member companies manufacture and supply the products and equipment used in global communications networks*

Voice-over-Internet Protocol (VoIP) is not just another way of providing traditional telephone service. It is a new application on a new kind of network that will create opportunities for businesses and consumers to communicate in new ways.

VoIP refers to the technology used to transmit voice conversations using the Internet Protocol over a data network that may be the Internet or a corporate Intranet, or managed IP networks typically used by traditional telecom providers and ISPs. Riding the physical and logical layers of IP networks, a VoIP application permits the integration of voice, data, and other applications in a whole new manner. IP allows for flexibility and the use of computing power that circuit-switched networks cannot provide. Individuals decide how their communications are delivered and managed, rather than being limited to a carrier-created menu. The entire technology industry will be able to create and market technologies deployable anywhere in the network.

Due to inherent differences between the IP networks on which the VoIP application rides and the traditional circuit-switched networks, regulation should not be applied without substantial public policy justification. TIA recognizes that, as reflected in our current regulatory regime, there are certain core public interest issues implicated by all communications technologies. We believe that all communications technologies should play a part in advancing these interests.

Accordingly, TIA agrees that:

- Communications technologies should allow service providers, to the extent technically and operationally feasible, to provide ways for national security and law enforcement authorities to conduct wiretaps, pen registers, and other intercepts/electronic document retrieval in response to appropriate legal process.
- Communications technologies should, to the extent technically and operationally feasible, support the emergency response needs of public safety authorities.
- VoIP services should be marketed in a manner that allows consumers to make informed choices, is not deceptive or misleading, and respects consumer choice (e.g. no slamming or cramming). Due to the highly competitive nature of the information services market, we anticipate that market forces will be the strongest agent of consumer protection.
- Communications technologies should expand the accessibility and usability of communications networks by persons with disabilities. This means, to the extent technically and operationally feasible, designing accessibility into communications technologies and applications. Indeed, VoIP may eventually provide new solutions to old accessibility issues.
- VoIP's inherently interstate (and international) nature makes it virtually impossible to delineate between intrastate and interstate services. Therefore, we need a single federal policy on VoIP that explicitly preempts inconsistent state actions.

TIA also recognizes and fully supports the long history in the United States of promoting universal voice telecommunications service. Indeed, VoIP may help reduce the costs of serving high cost areas by reducing routing and transport costs. However, universal service must be supported in ways that: (a) ensure that support is not greater than the minimum necessary to ensure the delivery of universal service at affordable and reasonably comparable rates; (b) recognize that voice is one of many applications provided over IP networks and that segregating voice from other applications is infeasible and will harm innovation; (c) permit the introduction of the most efficient technologies to provide the service in rural areas and do not create barriers to the introduction and deployment of such technologies; (d) do not impose legacy regulatory mechanisms on VoIP in lieu of reforming those mechanisms in a manner that is more compatible with open markets and technological innovation. Indeed, TIA believes such comprehensive reform of the universal service funding mechanism is an urgent priority.

VoIP's emergence should not be constrained by legacy regulatory issues such as:

- License/certificate requirements, though a provider may have to register with a state, as any other business might have to.
- Tariffs should not be required but can be an *option* if a VoIP provider chooses to offer its services as a common carrier.
- Transition to a uniform intercarrier compensation mechanism must occur soon, rather than imposing today's interstate and intrastate access charge structure on VoIP, which does not have easily identifiable geographic communication end points.
- No basis exists for imposing additional franchise or right-of-way fees on VoIP applications that use existing rights of way.