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# United States Senate

WASHINGTON, DC 20510-3703

November 25, 2003

The Honorable Michael Powell, Jr.  
Chairman  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, D.C. 20554

Dear Chairman Powell:

**Committees:**

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& Transportation  
Energy & Natural Resources  
Environment & Public Works  
Select Committee on  
Intelligence  
Special Committee on Aging

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I appreciate the opportunity to comment for the forum on Voice Over Internet Protocol, and commend you and the Commission for conducting the forum and initiating a rulemaking on VOIP. As you and I have discussed on several occasions, this technology holds tremendous promise in offering low-cost voice service to American consumers across the country.

There appears to be a great deal of misunderstanding about what VOIP technology is, and significant disagreement over how to regulate it and how to tax it. As a strong supporter of the Universal Service and E-911 programs, I am concerned that the way in which VOIP is regulated may affect support for these vital programs, and I urge that this be thoroughly explored. However, it would be a tragedy if misunderstanding and fear were to prevent VOIP from reaching its full potential.

As a the co-Chair of the newly formed Democratic High Tech and Innovation Working Group and as the author of several Internet-related laws, including the Internet Tax Freedom Act and Internet Tax Non-Discrimination Act, I am sensitive to the increasing scope and impact of the Internet. I also believe that the inherently interstate and international nature of the Internet argue for caution in imposing regulations. Clearly, the way in which Federal and State authorities categorize this technology and the services delivered over it for regulatory, tax and other purposes should be considered very carefully.

In my view, uniform treatment of VOIP would help the technology serve consumers. I would offer up the recent debate over the Internet tax moratorium as "exhibit A" of the pitfalls of disparate treatment of VOIP. The present hodge podge of state tax, regulatory and federal judicial rulings on VOIP produced uncertainty and legislative paralysis.

At the very least, I would strongly urge the Commission to examine thoroughly the full range of issues surrounding VOIP, and hope that the Commission will be able to produce recommendations that would promote uniform treatment of VOIP. The Commission's views on this matter will carry considerable weight in future action on Internet-related legislation, and I welcome the Commission undertaking this important forum and rulemaking.

Sincerely,



Ron Wyden