

**Before the
Federal Communications Commission
Washington, D.C. 20554**

In the Matter of)	
)	
Wireline Competition Bureau Seeks Comment on Promoting Broadband Internet Access Service for Veterans)	WC Docket No. 18-275
)	
)	

COMMENTS OF TRACFONE WIRELESS, INC.

TracFone Wireless, Inc. (“TracFone”), through its attorneys, is pleased to submit these comments in response to the above-referenced Public Notice, which seeks input for a report to Congress on promoting broadband Internet access service for veterans.¹ Congress has asked the Federal Communications Commission (“FCC” or “Commission”) to report in particular on promoting broadband access for low-income veterans and veterans residing in rural areas.²

TracFone, the nation’s largest reseller of wireless telecommunications service, is proud to offer service to low-income veterans through the Lifeline program. As discussed herein, low-income veterans and veterans residing in rural areas depend upon federal programs, like the Lifeline program, to access important and often lifesaving resources. The FCC should promote broadband adoption among veterans by making connectivity more affordable and accessible. In particular, the Commission should continue to allow non-facilities-based providers to participate

¹ *Wireline Competition Bureau Seeks Comment on Promoting Broadband Internet Access Service for Veterans*, Public Notice, WC Docket No. 18-275 (rel. Sept. 12, 2018) (“Public Notice”).

² Consolidated Appropriations Act, 2018, Pub. L. No. 115-141, Div. P—RAY BAUM’S Act of 2018, § 501-512, 312 Stat. 348, 1875 (2018). TracFone appreciates the bipartisan leadership of Congressmen Jerry McNerney (D-CA) and Adam Kinzinger (R-IL) in introducing the Improving Broadband Access for Veterans Act of 2017, which gave rise to the present FCC inquiry and demonstrated the Congressmen’s dedication to improving the well-being of our nation’s veterans. Through their efforts the legislation was incorporated into the RAY BAUM’S Act and subsequently signed into law.

in the Lifeline program, as well as address complications arising from implementation of the National Verifier.

I. THE COMMISSION’S REPORT TO CONGRESS MUST EMPHASIZE THE IMPORTANCE OF THE LIFELINE PROGRAM TO CONNECTING VETERANS TO THE INTERNET.

Approximately 1.3 million veterans (12 percent of all Lifeline beneficiaries) participate in the Lifeline program.³ The Lifeline program plays an essential role in connecting those veterans with opportunities and essential resources. Broadband access allows veterans to stay connected not only with healthcare professionals, 911 emergency services, housing and veteran support services, but also family and friends. It enables veterans to connect with current and future employers and pursue an online education.

TracFone has heard from veterans directly through the Lifeline Facts Campaign⁴ about how the Lifeline program has improved their lives. Veterans suffering from a traumatic brain injury, for example, explained how they depend upon their Lifeline connection and mobile device to receive phone calls and automatic reminders about upcoming doctor’s appointments and when to take medication.⁵ Other veterans emphasized how important connectivity is for veterans who

³ See Commissioner Jessica Rosenworcel, “This Program Helps 1.3 Million Vets Stay Connected. The FCC Wants to Gut It”, Military Times (June 8, 2018), <https://www.militarytimes.com/opinion/commentary/2018/06/08/this-program-helps-13-million-vets-stay-connected-the-fcc-wants-to-gut-it/>.

⁴ The Lifeline Facts Campaign is a project of TracFone Wireless, Inc. that is dedicated to highlighting Lifeline’s value to America, promoting productive reforms to the program, preventing changes to the program that will reduce its effectiveness, and recruiting a community of Lifeline “team members” dedicated to ensuring the continued success of one of America’s most vital programs. See <https://lifelinefacts.com/>.

⁵ See Lifeline Facts Campaign, Connecting Veterans with Opportunity and Lifesaving Resources Video (last visited Oct. 2018), <https://vets.lifelinefacts.com/>.

return home with limited or no support systems,⁶ and that it is nearly impossible to obtain a job in the 21st Century without an email address and phone number.⁷

Low-income veterans and veterans living in rural areas particularly rely on the Lifeline program due to their unique challenges and barriers to accessibility. Statistical analysis by the National Telecommunications and Information Administration indicates that veterans are more likely to live in rural areas than non-veterans, less likely to be employed, and twice as likely to be disabled.⁸ And the average age of veterans is 61 years compared to 45 years for non-veterans.⁹ These circumstances often make it tremendously more difficult for veterans to travel and, consequently, more difficult to access vital support services. Many veterans rely heavily therefore on the Lifeline program to make these resources and opportunities accessible.

II. THE FCC CAN PROMOTE BROADBAND ADOPTION AMONG VETERANS BY MAKING BROADBAND AFFORDABLE AND ACCESSIBLE.

A. The Commission should continue to provide Lifeline support for non-facilities-based providers.

The FCC should abandon its proposal to exclude all non-facilities-based providers from the Lifeline program. The agency expanded Lifeline benefits to veterans in the *2016 Lifeline Reform Order* by granting Lifeline eligibility to low-income consumers receiving a Veterans

⁶ See *id.* Nearly 20 veterans commit suicide every day. Lifeline ensures that low-income veterans have the opportunity to stay connected with friends and family and the ability to call a suicide helpline, if needed.

⁷ See *id.*

⁸ See NTIA, Fact Sheet: Veterans' Computer and Internet Use (Nov. 8, 2017), <https://www.ntia.doc.gov/other-publication/2017/fact-sheet-veterans-computer-and-internet-use>. (“The average age of veterans (61 years) is considerably older than that of non-veterans (45 years), and 16 percent of veterans live in rural areas, as opposed to 13 percent of non-veterans. Further, veterans are about twice as likely to be disabled (24 percent) as non-veterans (11 percent). Only 45 percent of veterans were employed in 2015, compared to 62 percent of non-veterans (over half of veterans, 52 percent, are retired or otherwise not in the labor force).”).

⁹ See *id.*

Pension benefit or Survivors Pension benefit.¹⁰ The Commission concluded correctly that aiding America’s veterans “furthers the Commission’s mission by specifically targeting a low-income group lacking broadband and voice access.”¹¹ The FCC’s *2017 Lifeline Reform Notice of Proposed Rulemaking* threatens to undermine this progress by discontinuing Lifeline support for services provided over non-facilities-based networks.¹² It would eliminate more than 40 eligible telecommunications carriers (“ETCs”), disrupting service for over 900,000 veterans.

Excluding non-facilities-based providers from Lifeline support would have catastrophic consequences for effected veterans. By removing 40 ETCs that collectively serve 70 percent of Lifeline participants from the program, the proposal would eliminate competition and its benefits in many areas—creating new burdens, reduced service, and additional costs for low-income veterans. Removing non-facilities-based providers, for example, would leave veterans in at least 11 states with one or no service provider options.¹³ This number could expand as facilities-based providers continue to exit the Lifeline market.¹⁴

¹⁰ *Lifeline and Link Up Reform and Modernization*, Third Report and Order, Further Report and Order, and Order on Reconsideration, 31 FCC Rcd. 3962, ¶¶ 173-76 (2016) (“2016 Lifeline Reform Order”).

¹¹ *Id.* ¶ 175.

¹² *Bridging the Digital Divide for Low-Income Consumers*, Fourth Report and Order, Order on Reconsideration, Memorandum Opinion and Order, Notice of Proposed Rulemaking, and Notice of Inquiry, 32 FCC Rcd. 10475, ¶ 67 (2017) (“2017 Lifeline Reform NPRM”).

¹³ *See* Comments of TracFone Wireless, Inc., WC Docket Nos. 09-197, 11-42, 17-287, at 20-23 (filed Feb. 21, 2018) (“[U]nless a new facilities-based provider enters the marketplace (which seems highly unlikely), Lifeline subscribers in California, Connecticut, Delaware, the District of Columbia, Maryland, Massachusetts, New Jersey, North Carolina, Ohio, and Rhode Island would have only one option—Sprint.” (internal citations omitted)) (“TracFone Comments”).

¹⁴ Both AT&T and T-Mobile have indicated their intent to withdraw from the Lifeline market. *See* Daniel Fuller, “T-Mobile’s CEO Wants to Get Rid of Lifeline Program,” Android Headlines (June 9, 2017), <https://www.androidheadlines.com/2017/06/t-mobiles-cfo-wants-to-get-rid-of-lifeline-program.html>; Press Release, Missouri Public Service Commission, “AT&T Missouri May Relinquish ETC Designation and Cease Providing Discounted Telephone Service Under the Lifeline and Disabled Programs” (Jan. 12, 2017), https://psc.mo.gov/Telecommunications/ATT_Missouri_May_Relinquish_ETC_Designation; Mike Dano, “AT&T’s Cricket to Discontinue Lifeline Support,” Fierce Wireless (June 4, 2014), <https://www.fiercewireless.com/wireless/at-t-s-cricket-to-discontinue-lifeline-support>. If AT&T and T-Mobile exit the Lifeline market completely, then 2.29 million

Veterans currently served by a non-facilities-based provider would have to identify and register with a new facilities-based provider, if available. This process would likely be both time consuming and confusing for many veterans.¹⁵ It also means losing service for a few days or even weeks, preventing veterans from communicating with friends and family, existing or potential employers, and critical health and emergency service providers. Veterans that do not switch to a new Lifeline provider by a certain date lose Lifeline service. And those that successfully subscribe with a facilities-based provider may find themselves losing the mobility they once enjoyed, since the vast majority of these facilities-based providers are wireline companies that only offer Lifeline as a landline service.¹⁶

Importantly, for the veterans forced to subscribe to landline services, not only will they lose the benefits of mobility associated with wireless services, they will also incur additional costs. The exclusion of resellers from the Lifeline program largely eliminates the “no cost” Lifeline services offered by wireless resellers and preferred by the vast majority of current Lifeline subscribers.¹⁷ These no-cost wireless offerings include free handsets and a combination of free voice minutes, text messages, and broadband data. Instead, to realize the benefits of the Lifeline program, those veterans switching to a facilities-based provider will have to first subscribe to the provider’s landline phone or broadband service, then apply their \$9.25 Lifeline discount against

Lifeline subscribers in Arkansas, Florida, Illinois, Louisiana, Minnesota, and Virginia would be limited to Sprint as their only option for Lifeline service. *See TracFone Comments*, at 23.

¹⁵ *See TracFone Comments*, at 14-15.

¹⁶ The only facilities-based wireless company is Sprint, but as discussed above, Sprint does not offer Lifeline services in 9 states.

¹⁷ Competition, encouraged by allowing wireless resellers to participate in the Lifeline program, has prompted Lifeline providers to offer new benefits and services to consumers. For example, TracFone increased its monthly voice benefit from 250 to 350 minutes and its monthly text message allows from 1,000 messages to unlimited text messaging. *See TracFone Comments*, at 3-4.

the cost of their monthly bill. Given that the national average monthly rate for landline voice service remains at \$25.50,¹⁸ the elimination of non-facilities-based providers from the Lifeline program will likely mean hundreds of dollars in new expenses each year for Lifeline veterans.

Cutting non-facilities-based providers from the Lifeline program would also undermine the FCC's efforts to expand telehealth services. The Commission has opened an inquiry on creating an experimental telehealth program, the "Connected Care Pilot Program," to support the advancement of telehealth services to low-income Americans, including low-income veterans.¹⁹ Telehealth services hold tremendous promise for veterans, many of whom are senior, disabled, or live in rural areas and who may be unable to access healthcare otherwise. Technological advancements in interconnected monitoring devices, video conferencing, and cloud computing have enabled healthcare providers to treat veteran in their homes. But veterans cannot enjoy these benefits without first having access to affordable broadband services. Allowing non-facilities-based providers to continue to participate in the Lifeline program ensures that low-income veterans have robust competition and choice in the Lifeline market.

To promote veteran adoption of broadband as well as telehealth services, it is imperative that the Commission continue to permit non-facilities-based providers to provide Lifeline services. Doing so will preserve competition in the Lifeline market and prevent unnecessary costs and burdens to low-income veterans.

¹⁸ See 2018 Urban Rate Survey, Voice Data, Column J, Rows 423, 496, 501, 763, 788, <https://www.fcc.gov/general/urban-rate-survey-data-resources>; *Wireline Competition Bureau Announces Results of 2018 Urban Rate Survey for Fixed Voice and Broadband Services, Posting of Survey Data and Explanatory Notes, and Required Minimum Usage Allowance for ETCs Subject to Broadband Public Interest Obligations for all United States Carriers, Including Carriers in Alaska*, Public Notice, 32 FCC Rcd. 9339, 9339 (2017)

¹⁹ See *Promoting Telehealth for Low-Income Consumers*, Notice of Inquiry, WC Docket No. 18-213 (rel. Aug. 2, 2018).

B. The agency must address complications arising from implementation of the National Verifier, which have imposed new barriers to eligible veterans seeking Lifeline support.

Without FCC intervention, the Universal Service Administrative Company’s (“USAC”) implementation of the National Verifier will continue to interfere with eligible veterans’ ability to obtain affordable broadband service. The Commission established the National Verifier to safeguard against waste, fraud and abuse, lower costs through administrative efficiencies, and improve choice and the enrollment experience of eligible beneficiaries.²⁰ USAC has undermined these policy objectives by deploying the National Verifier before having access to all databases necessary to verify subscriber eligibility automatically. USAC has already begun implementation in six states, for example, without having access to the Veterans Pension benefit database, among other databases.²¹ Without the database, veteran applicants will be deprived of the benefits of automated Lifeline eligibility verification, and must avail themselves to the National Verifier’s manual eligibility review process. That means the applicant must find a way to either scan in their eligibility documentation and upload it onto the National Verifier’s online portal for verification, or make hard copies of their eligibility documentation and send it to USAC by snail mail. In either case, the lack of the databases will erect new barriers for veterans seeking to obtain Lifeline services. For elderly veterans who are less likely to be tech-savvy or veterans living with disabilities, the impact will be especially acute.

²⁰ 2016 Lifeline Reform Order, ¶ 128.

²¹ See USAC, Lifeline National Verifier—Automatic Eligibility Verification, <https://www.usac.org/li/tools/national-verifier/decisions.aspx> (last visited Oct. 2018).

Moreover, USAC has failed to include application programming interfaces (“APIs”) between carrier enrollment sites and the National Verifier’s online portals.²² Without the API, applicants will be forced to submit their personal information multiple times—at minimum, once for eligibility verification with the National Verifier and a second time for establishing a subscriber account with their chosen Lifeline service provider, making the entire application process long and tedious and creating opportunities for data mismatch due to data entry errors. Unless the FCC intervenes, eligible veterans will continue to face an unnecessarily onerous enrollment process as well as the risk of having their requests for Lifeline support denied.

The Commission should direct USAC to postpone launch of the National Verifier until the automated processes is fully supported by all enrollment databases, including the Veterans Pension benefit database. The FCC should also further instruct USAC to implement APIs consistent with the Emergency Petition of Q Link Wireless, LLC.²³ Both are necessary to eliminate new barriers imposed on eligible veterans by USAC’s implementation of the National Verifier.

²² See Emergency Petition of Q Link Wireless, LLC for an Order Directing the Universal Service Administrative Company to Implement Machine-to-Machine Interfaces for the National Verifier, WC Docket Nos. 17-287, 11-42, 09-197 (filed July 5, 2018).

²³ See *id.*

III. CONCLUSION

TracFone appreciates the opportunity to provide these comments for the Commission's report to Congress. TracFone encourages the agency to take action as discussed herein to promote broadband adoption among veterans.

Respectfully Submitted,

TRACFONE WIRELESS, INC.

/s/ Shawn H. Chang

Shawn H. Chang

Madeleine M. Lottenbach

WILEY REIN LLP

1776 K Street, NW

Washington, DC 20006

Phone: (202) 719-7010

Counsel to TracFone Wireless, Inc.

October 12, 2018