



February 21, 2018

Chairman Ajit V. Pai  
Commissioner Mignon Clyburn  
Commissioner Jessica Rosenworcel  
Commissioner Michael O'Rielly  
Commissioner Brendan Carr

Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

RE: WC Docket No. 17-287, Bridging the Digital Divide for Low-Income Consumers  
WC Docket No. 11-42, Lifeline and Link Up Reform and Modernization  
WC Docket No. 09-197, Telecommunications Carriers Eligible for Universal Service Support

Dear Chairman Pai and Commissioners:

On behalf of the below Asian American and Pacific Islander organizations, we thank the Federal Communications Commission ("Commission") for the opportunity to submit the following comments in response to the Commission's Notice of Proposed Rulemaking and Notice of Inquiry in the proceedings captioned above, released December 1, 2017 as part of FCC-17-155. The Lifeline program is essential to connecting low-income Asian American and Pacific Islander ("AAPI") and other minority households to all facets of everyday life. We urge you to reject the new proposals that will debilitate the Lifeline program, the only federal program targeted at assisting low-income households with the cost of broadband and telephone service.

The Lifeline program, established in 1985 by the Commission, assists eligible individuals in paying recurring monthly service charges associated with telecommunication usage. While initially designed to support traditional landline service, in 2005 the FCC expanded the program to cover either a landline or a wireless/mobile option. As of last year, Lifeline assisted more than 12 million participants, at least 6.5 million of whom are receiving broadband after the FCC modernized the program to include the service.

### **Lifeline is Critical to AAPI Families**

As mentioned in both the individual comments of Advancing Justice | AAJC and OCA's individual 2015 Lifeline comments<sup>12</sup>, income, education, and language proficiency gaps contribute to the digital divide within the AAPI communities. Despite data showing that Asian Americans overwhelming access technology at higher rates than other racial groups, disaggregated data have also shown that AAPIs

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<sup>1</sup> Asian Americans Advancing Justice | AAJC, August 31, 2015, WC Docket No. 11-42. Retrieved from <https://ecfsapi.fcc.gov/file/60001223000.pdf>.

<sup>2</sup> OCA – Asian Pacific American Advocates, August 31, 2015, WC Docket No. 11-42. Retrieved from <https://ecfsapi.fcc.gov/file/60001223377.pdf>.

constitute some of the highest rates of poverty and lack of educational attainment amongst all US racial categories. According to the 2015 1-Year ACS, there are currently 2.14 million Asian Americans and Pacific Islanders living in poverty. Further, nearly 333,000 Asian Americans are part of the Supplemental Nutrition Assistance Program (“SNAP”)<sup>3</sup>, a program that automatically qualifies a household for the Lifeline program. We are concerned about any reformation to the Lifeline Program that would diminish broadband or voice access for these low-income and other underserved AAPI households.

Culturally, ethnically, and socioeconomically, the AAPI community is not, and has never been, a monolith. Disaggregating the datasets from across the numerous ethnicities represented within the Asian American population exposes the reality that Asian American communities encompass some of the highest and lowest rates of academic achievement and some of the highest and lowest rates of poverty among all ethnic groups in the United States. Although Chinese and Indian Americans have the highest absolute number of individuals living in poverty at 449,356 and 246,399 respectively, Southeast Asian and Pacific Islander Americans have some of the highest rates of poverty among all racial and ethnic groups in the United States<sup>4</sup>. Taking the indicators into consideration, these groups likely experience low rates of broadband adoption. A robust Lifeline program inclusive of broadband-only options is critical for these households to access broadband.

Additionally, many older AAPI households rely on Lifeline to provide consistent wireline voice support. The story below highlights one of the many ways in which AAPI households use the program:

Noh and On Thammarath are in their 80’s, live in San Diego, and rely on the Lifeline program to contact their children and grandchildren. They were refugees who came to the United States after the Vietnam War. Both worked for roughly 25 years before retiring. Although Noh had a retirement account, they still live on a relatively small, fixed-income. Because neither have the capacity to adapt to new technology, landline, voice-only Lifeline service has been their primary method of communication with their family. Now that On has dementia, the program has become their lifeline, allowing them the ability to contact family, request assistance, and maintain some semblance of the independence they once had. Without the program, both Noh and On would have little choice but go without a way to connect with their family and community.

Noh and On’s story is not unique. Lifeline plays a critical role in connecting AAPI families who do not have the income available to obtain voice or broadband services on their own. It is pivotal that the program continue to provide low-income communities services without further harming the economic viability of their households.

### **A Self-Adjusting Cap and Lifetime Cap Hurts Low-Income Communities**

The Commission’s proposal to establish a self-adjusting cap<sup>5</sup> is concerning given the real possibility of qualifying households not receiving the benefit of this critical program. This effort could also reset benefit amounts mid-year or adjust benefits in the following year. With the resulting uncertainty, Lifeline providers would feel discouraged from participating, resulting in qualifying households losing service due to the increase in cost. Given that only 33% of all Lifeline eligible households have participated in the

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<sup>3</sup> Statistical Atlas. Retrieved from <https://statisticalatlas.com/United-States/Food-Stamps>.

<sup>4</sup> National Coalition of Asian Pacific American Community Development, June 2013. Spotlight: Asian American and Pacific Islander Poverty. Retrieved from [http://nationalcapacd.org/sites/default/files/u12/aapi\\_poverty\\_reportweb\\_compressed.pdf](http://nationalcapacd.org/sites/default/files/u12/aapi_poverty_reportweb_compressed.pdf).

<sup>5</sup> NPRM at ¶ 105-108.

program<sup>6</sup>, we are concerned that attempts to cap the program would only create additional barriers to program enrollment.

Stories of low-income consumers who use the Lifeline program have shown that they cannot wait to access modern communication networks. We oppose this incredibly disruptive proposal that will remove carriers and negatively impact AAPI consumers. It adds a complex administrative process to Lifeline that could increase the administrative cost to perform burdensome tasks such as the recalculation of benefit amounts, operationalizing the rules that prioritize the benefit, monitoring and creating waiting lists, and establishing geographical priorities.

We also oppose imposing a lifetime cap on Lifeline benefits as a disincentive for consumers to avoid taking benefits if they do not need it and to limit Lifeline to households that need it most, as referenced in the Notice of Inquiry<sup>7</sup>. Rather than creating wraparound services or identifying alternative solutions to economic mobility so that Lifeline participants can move off the program, the Commission's proposal shows ignorance of the dire circumstances of many program enrollees. Given that all participating households are low-income, identifying a "need it most" list would create competing lists of already low-income or poverty-stricken households. This expensive program design would only add additional administrative complexity to Lifeline without adequately providing impoverished communities access to modern communications.

### **Maximum Discount Levels Prevent Low-Income Households from Enrolling**

A copay program model would prevent low-income households from enrolling in Lifeline. This proposal is particularly harmful because it makes the assumption that these families have enough disposal income to pay for telephone or broadband service in the first place. As shown above, households that live on fixed income or in poverty do not have the financial resources to monetarily contribute to modern communications services. If they had to choose between paying for either their rent, food, or a phone bill, it would only make logical sense for many of these families to choose housing or food.

The Pew Research Center has repeatedly reported that cost remains one of the highest barriers to broadband adoption<sup>8</sup>. Any attempt to require "skin in the game" from program participants would only serve to further the digital divide. The Commission further argues that a maximum discount level would reduce waste, fraud, and abuse but the recent Government Accountability Office ("GAO") report on the Lifeline program has stated that it was the "complex internal control environment" and financial incentives to enroll participants that may have led to the waste, fraud, and abuse within the program<sup>9</sup>. The GAO report, however, did not take into consideration the creation or implementation of a third party national Lifeline eligibility verifier ("National Verifier"). As Comcast<sup>10</sup>, Verizon<sup>11</sup>, and Charter Communications<sup>12</sup> mentioned in their 2015 Lifeline comments, the creation of a National Verifier would help to reduce waste, fraud, and abuse in the program and administrative hurdles for companies that want to participate. For these reasons, we oppose the proposal to implement a maximum discount level.

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<sup>6</sup> Universal Services Administration Co. Retrieved from <http://www.usac.org/li/about/process-overview/stats/participation.aspx>.

<sup>7</sup> NOI at ¶ 130.

<sup>8</sup> Pew Research Center, December 21, 2015, "Home Broadband 2015". Available at: <http://www.pewinternet.org/2015/12/21/2015/Home-Broadband-2015/>.

<sup>9</sup> NPRM at ¶ 112 and 114.

<sup>10</sup> Comcast Corporation, August 31, 2015, WC Docket No. 11-42. Retrieved from <https://ecfsapi.fcc.gov/file/60001223309.pdf>.

<sup>11</sup> Verizon, August 31, 2015, WC Docket No. 11-42. Retrieved from <https://ecfsapi.fcc.gov/file/60001223280.pdf>.

<sup>12</sup> Charter Communications, August 31, 2015, WC Docket No. 11-42. Retrieved from <https://ecfsapi.fcc.gov/file/60001223213.pdf>.

## **Removal of Non-Facilities Based Providers Negatively Impact AAPI Communities**

Although we agree with the Commission's idea to increase network buildout, we oppose the Commission's proposal to remove non-facilities based Lifeline providers. Removing these providers from the program would disrupt the services of 70% of current Lifeline subscribers<sup>13</sup>. These are wireless companies that resell voice and data services from companies that own the underlying communication facilities. The elimination of non-facilities-based providers will leave large portions of the country without consumer choice in Lifeline provider and could result in no Lifeline coverage for some parts of the country.

The Commission rationalizes this proposal as a way to incentivize the build out of networks in unserved parts of the country<sup>14</sup>. However, the Commission already has much larger programs that cover the investment of infrastructure in rural and high cost areas of the country, communications investment for schools and libraries, as well as rural health care. Lifeline has always been designed to address the affordability barrier to communications service. Of the four universal services programs, Lifeline is the one directly targeted to help low-income consumers. Even with an extensive plan to build out networks, low-income AAPI communities will be unable to afford communication services without the program. It is a necessary complement to network investment because, even with a network, people must be able to afford the service.

Additionally, the Commission suggests that removing non-facilities based providers would help reduce waste, fraud, abuse given the concentration of such actions amongst those providers<sup>15</sup>. We disagree. As mentioned above, the implementation of the National Verifier would curtail waste, fraud, and abuse in the program<sup>16</sup>. Rather than eliminating non-facilities based providers from Lifeline, the Commission should expedite the Nation Verifier implementation in order to prevent participant duplication and abuse.

## **The Proposal Eliminates Consumer Choice**

Similarly, with regards to affordability, it is imperative that the Commission maintains consumer choice within the Lifeline program. In particular, efforts to provide voice-only services to rural residents<sup>17</sup> must also be extended to urban consumers as well. Many low-income, elderly households in urban areas have little to no capacity to adapt their knowledge to include modern communications. As shown with the story above, it is critical that the Commission maintains voice-only options in all areas of service.

Additionally, just as it is important to have voice-only options, there should also be broadband-only options for enrollees. In our experience working with clients, low-income households with multiple children also demonstrated the need for broadband-only options rather than just phone service. For example, when OCA staff worked with a household of nine headed by a single mother, there was no way to simultaneously communicate with the children and the mother. The mother held the only phone in the house, and when she was at work, the rest of the children (aged two through 15) were often left without communications access. In these instances, it made more sense for the family to use broadband or a bundled service rather than just voice and highlights the need for the Commission to ensure a breadth of options within the Lifeline program, including standalone voice, broadband, or a service bundle.

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<sup>13</sup> Commissioner Mignon Clyburn. Remarks at Connect South Carolina Community Technology Action Plan Event. November 27, 2017. Retrieved from [https://apps.fcc.gov/edocs\\_public/attachmatch/DOC-347953A1.pdf](https://apps.fcc.gov/edocs_public/attachmatch/DOC-347953A1.pdf).

<sup>14</sup> NPRM at ¶ 65.

<sup>15</sup> NPRM at ¶ 68.

<sup>16</sup> Id at 10, 11, and 12.

<sup>17</sup> NPRM at ¶ 75-76.

We reiterate that the removal of non-facilities based providers from the program and support for non-facilities based providers who provide both broadband and voice services would reduce consumer options in the marketplace and also prevent new companies from entering a less populated market.

### **A Streamlined ETC Designation Process is Critical to Provider Participation**

The Commission asks what the federal and state roles should be for ETC designation. We are concerned that shifting the responsibility to the states may cause delays in designation or variances in the designation process. While we are not advocating for the Commission to maintain control with the Lifeline Broadband Provider (“LBP”) designation process, such a dramatic change in the process could be disruptive and impact consumers from participating in the program in a timely manner. Moreover, without a standardized designation process, future providers are deterred from entering the market.<sup>1819</sup> Rather than increasing administrative barriers for new companies entering the Lifeline marketplace by blurring the requirements for broadband-only entrants and requiring state-by-state approval for each ETC, the Commission should create a streamlined, uniform ETC designation process for all providers. At the least, the Commission should consider providing a uniform standard for relevant state commissions to follow when making an assessment.

### **Conclusion**

In conclusion, we thank the Commission for the opportunity to provide comments on this important program. We urge the Commission to act in the public interest by adopting the above recommendations. Without affordable access to modern communications through the Lifeline service, many AAPI families will continue to face barriers to their educational and employment opportunities. By rejecting the above mentioned proposals, the Commission can help provide many low-income households with the access they so desperately need.

Sincerely,

Asia Pacific Cultural Center  
Asian Americans Advancing Justice | AAJC  
Asian Pacific American Labor Alliance, AFL – CIO  
Asian Services in Action, Inc.  
Chinese Community Center  
Japanese American Citizens League  
National Federation of Filipino American Associations  
National Korean American Service & Education Consortium  
National Queer Asian Pacific Islander Alliance  
OCA – Asian Pacific American Advocates  
VAYLA

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<sup>18</sup> Comcast, Verizon, and Charter Communications filings Id at 10, 11, and 12.

<sup>19</sup> AT&T, March 1, 2016, WC Docket No. 11-42. Retrieved from [sapi.fcc.gov/file/60001525530.pdf](http://sapi.fcc.gov/file/60001525530.pdf).

## Appendix A

The **Asia Pacific Cultural Center** bridges communities and generations through arts, culture, education and business.

**Asian Americans Advancing Justice | AAJC** (“Advancing Justice | AAJC”) is dedicated to civil and human rights for Asian Americans and to promoting a fair and equitable society for all. We provide the growing Asian American community with multilingual resources, culturally appropriate community education, and public policy and civil rights advocacy. In the communications field, Advancing Justice | AAJC works to promote access to critical technology, services, and media for our communities.

Founded in 1992, the **Asian Pacific American Labor Alliance, AFL-CIO (APALA)** is the first and only national organization of Asian American and Pacific Islander (AAPI) workers, most of who are union members, and our allies advancing worker, immigrant and civil rights. Since its founding, APALA has played a unique role in serving as the bridge between the broader labor movement and the AAPI community.

**Asian Services in Action (ASIA, Inc.)** is a comprehensive health and social service organization in Ohio. We are the largest serving Asian American and Pacific Islander, immigrant, refugee and others.

The **Chinese Community Center** is a comprehensive social service community center in Southwest Houston, Texas, that provides support programs to a diverse population. The Center conducts educational and social service programs that help new immigrants settle into their new communities and acculturate, gain personal independence and economic self-sufficiency and quickly become able participants and productive, contributing members of American society. The Center strives to meet the evolving needs of the community through culturally competent and affordable social service programs, administrative support, and multi-purpose facilities for local service organizations and community members.

The **Japanese American Citizens League** is a national organization whose ongoing mission is to secure and maintain the civil rights of Japanese Americans and all others who are victimized by injustice and bigotry. The leaders and members of the JACL also work to promote cultural, educational and social values and preserve the heritage and legacy of the Japanese American community.

Since 1997, the **National Federation of Filipino American Associations (NaFFAA)** has been the standard bearer for promoting the welfare and well-being of the 4 million Filipinos throughout the United States. NaFFAA’s vision is to serve as the voice of all Filipino Americans by uniting, engaging, and empowering diverse individuals and community organizations around three key areas: leadership development, civic engagement, and national advocacy.

The **National Korean American Service & Education Consortium (NAKASEC)** is a grassroots organization founded in 1994 by local community centers to project a progressive voice and promote the full participation of Korean and Asian Americans within the larger society.

The **National Queer Asian Pacific Islander Alliance (NQAPIA)** is a federation of lesbian, gay, bisexual, and transgender (LGBT) Asian American, South Asian, Southeast Asian, and Pacific Islander (AAPI) organizations. We seek to build the organizational capacity of local LGBT AAPI groups, develop leadership, promote visibility, educate our community, enhance grassroots organizing, expand collaborations, and challenge homophobia and racism.

**OCA – Asian Pacific American Advocates (“OCA”)** is a national membership-driven organization of community advocates dedicated to advancing the social, political, and economic well-being of AAPIs.

OCA strongly believes that as our country continues to digitize and create modern communications networks, it is pivotal that AAPI communities help shape the policies and regulations that create the framework for that innovation and can access such technologies.

**VAYLA** is a progressive multi-racial community-based organization in New Orleans that empowers youth and families through supportive services and organizing for cultural enrichment and positive social change.