

MIKE THOMPSON

5TH DISTRICT, CALIFORNIA

COMMITTEE ON WAYS AND MEANS

SUBCOMMITTEE ON HEALTH

SUBCOMMITTEE ON TAX POLICY



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CONGRESS OF THE UNITED STATES
HOUSE OF REPRESENTATIVES
WASHINGTON, DC 20515

DISTRICT OFFICES:
2721 NAPA VALLEY CORPORATE DRIVE
NAPA, CA 94558
(707) 226-9898
985 WALNUT AVENUE
VALLEJO, CA 94592
(707) 645-1888
2300 COUNTY CENTER DRIVE, SUITE A100
SANTA ROSA, CA 95403
(707) 542-7182
CAPITOL OFFICE:
231 CANNON HOUSE OFFICE BUILDING
WASHINGTON, DC 20515
(202) 225-3311
WEB: <http://mikethompson.house.gov>

May 31, 2018

The Honorable Ajit V. Pai
Chairman
Federal Communications Commission
445 12th Street SW
Washington, DC 20554

Dear Chairman Pai:

I urge you to abandon your plan to drastically cut back the congressionally-mandated Lifeline program that has successfully provided phone and internet services when people cannot afford them. I ask that you reconsider your plan to take this critical program away from 8.3 million struggling Americans.

The Lifeline Program is essential for millions of Americans who use their devices to find jobs, to schedule doctor's appointments, to complete their school assignments, to interface with the governments, or to stay in touch with their loved ones. The program helps Americans—including disproportionate numbers of veterans and people of color—help themselves.

The FCC recently proposed to exclude the majority of carriers from participating in the program and to arbitrarily cap the fund. While you have stated that you are aiming to curb waste, fraud, and abuse, experts have repeatedly testified that the sorts of measures you are proposing do not have a successful track record. Instead, these approaches merely force millions of otherwise qualified people to lose service. These measures could be especially brutal during periods of economic downturn when people need the most help.

If you are truly concerned about waste, fraud, and abuse, the Commission should work to accelerate the rollout of the National Verifier that would ensure centralized oversight of the program. Unlike your approach, the National Verifier has received widespread and bipartisan support. In fact, the government Accountability Office has testified that the National Verifier will resolve most issues that may remain with the program without the same brutal side effects on low-income communities. Remarkably, among the comments filed by key stakeholders on the docket, I am not aware of any that fully embrace your proposal, and most urge substantial revision if not outright abandonment of the proceeding.

I therefore ask that you abandon this proceeding cutting the Lifeline program, and instead move forward with a full implementation of the 2016 reforms, including the expedition of the National Verifier. Policymakers at all levels of government are united in their desire to close the digital divide, but the last thing we should be doing is rolling back the policies that have brought connectivity to millions of Americans. This proposal is untimely, counterproductive, and actively undermines our shared goal of connecting everyone.



MIKE THOMPSON
Member of Congress



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

June 8, 2018

The Honorable Mike Thompson
U.S. House of Representatives
231 Cannon Senate Office Building
Washington, D.C. 20515

Dear Congressman Thompson:

Thank you for your letter regarding the Lifeline program. I am committed to bridging the digital divide, and, like you, I believe the Lifeline program can help do just that. That is why the Commission adopted the *2017 Lifeline Reform Order*, which seeks to focus Lifeline support where it is most needed and incentivize investment in networks that enable 21st Century connectivity for all Americans. The *Order* increased consumer choice by eliminating restrictions that barred Lifeline consumers from changing Lifeline providers for a year and protected consumers by barring low-quality services that offered mobile broadband in theory but failed to do so in practice.

At the same time, I am deeply committed to ensuring that the Commission fulfills its obligation to be a responsible steward of the Universal Service Fund. It is critical to strengthen the Lifeline program's efficacy and integrity by reducing the waste, fraud, and abuse that has run rampant in this program for the better part of a decade. For example, GAO discovered 1,234,929 Lifeline subscribers who apparently were not eligible to participate in the program as well as 6,378 individuals who apparently enrolled or recertified after being reported as deceased. That limited sample alone constituted more than \$137 million in abuse each year.

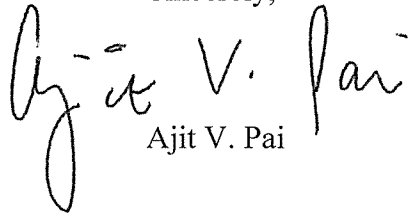
I agree with you that the National Verifier will be one important tool in eliminating this waste, fraud, and abuse. But it is not the only one, nor will it solve all the problems with the program. It simply isn't prudent to sit idly by when hundreds of millions of taxpayer dollars are at stake. That's why the Commission last year sought comment on a wide variety of measures to improve the administration of the Lifeline program—from re-empowering state commissions to police Lifeline carriers to partnering with states to stand up the National Verifier, from improving program audits to adopting a self-enforcing budget. We are currently reviewing the record that has been compiled in response to that Notice of Proposed Rulemaking to determine the best path forward, and your letter has been added to that record. Please be assured that we will take into consideration the issues and concerns presented by all stakeholders as the Commission concludes its review.

The Lifeline program's goal is—or should be—to empower consumers, not companies. And that will be our lodestar as we move forward to ensure that unscrupulous companies stop abusing this important program.

Page 2—The Honorable Michael F. Bennet

I appreciate your interest in this matter. Please let me know if I can be of any further assistance.

Sincerely,

A handwritten signature in black ink that reads "Ajit V. Pai". The signature is fluid and cursive, with the first name "Ajit" being the most prominent part.

Ajit V. Pai