

July 31, 2019

Kris Monteith, Bureau Chief
Wireline Competition Bureau
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: Joint Petition to Pause Implementation of December 2019 Lifeline Minimum Service Standards Pending Forthcoming Marketplace Study, DA 19-617, WC Docket No. 11-42

Dear Ms. Monteith:

We write in support of the limited and targeted petition seeking a pause in the decline in support for voice-only service and increases in minimum service standards pending completion of the Commission's forthcoming marketplace report on the Lifeline marketplace.¹ As we confront another hurricane season, the importance of full financial support for voice-only service which permits people to access 911 and post-emergency services continues to be glaringly apparent. To be clear, minimum service standards that protect low-income consumers and their quality of service remains critically important. However, the unanticipated five-fold increase in data service set to occur in December 2019 will drive significant numbers of low-income consumers out of the program as an unintended consequence. Further, this petition comes in the context of a deeply concerning steady decline in Lifeline subscribership from 13.3 million subscribers in Q4 2014 to 9.2 million subscribers in Q4 2018. Therefore, a time-limited pause that maintains the current minimum standards of 2 GB per month for mobile wireless and 1,000 minutes of use per month of mobile voice services—as described in the instant petition—is appropriate before significant new changes are imposed on Lifeline.

No-cost voice-only service is extremely important for low-income consumers. Losing no-cost voice-only service leaves consumers without access to 911, and thus, no access to reach first responders, or adequate communications with loved ones after an emergency, insurance companies and other civic institutions. For example, terrible devastation and loss of life occurred in Puerto Rico *after* hurricanes Maria and Irma passed through because of the lack of access to communication.²

Despite the importance of voice-only services, the Lifeline Modernization Order adopted a declining subsidy for these services starting in December 2019.³ The impact of this decision will be severe. When the FCC sought comment on reinstating full financial support for voice-only service in only rural areas, the record demonstrated strong support for full subsidies for voice services in all areas of the U.S.⁴ And the most recent Universal Service Administrative Company data shows that, as of February 2019, nearly 42 percent of Lifeline customers still subscribe to plans that qualify for Lifeline by virtue of meeting the minimum service standards for voice service.⁵ Without a pause, over 3.8 million Lifeline subscribers will be negatively impacted.⁶ This cannot be allowed to occur. Instead of facilitating a massive decline in subscribership that will predominately affect some of the most vulnerable populations of our

country, the FCC should maintain full \$9.25 subsidies and 1,000 voice minutes packages per month while it collects and studies robust data about the changing Lifeline marketplace.

Minimum service standards continue to be important for consumers. As explained in the instant petition, the new formula to be applied for the first time in December 2019 will increase the data minimum from 2 GB per month to 8.75 GB per month.⁷ This unanticipated more than four-fold increase would drive up the costs for providing service and thus potentially deprive Lifeline consumers of no-cost service or even any service at all. The best mechanism for improving service quality and lowering costs for Lifeline participants would be to increase competition in the Lifeline program. However, recent changes in Commission Lifeline policy raise barriers new-entrants and broadband-only providers to enter the program, depriving consumers of the benefits of the maximum number of choices. Lifeline consumers should not be driven off the program simply because shifts in federal policy have begun to destabilize the program. Instead, the Bureau should pause the Lifeline mobile broadband minimum service standard at the present 2 GB per month until the Lifeline Marketplace Study is complete.

The much-needed Lifeline Marketplace Study is due to be completed in June 2021.⁸ It is paramount for the Commission to take this time to assess the relationship between changes in the Lifeline marketplace and decline in subscribership before imposing additional dramatic changes to the program. The study will gather the data needed to determine whether the Lifeline marketplace is competitive, whether consumers' needs are being met and whether carriers will exit the marketplace upon the increase of minimum standards. We strongly urge carriers to submit data to the Bureau to further enhance the record regarding costs and urge the Bureau to mandate submission of such data. We also strongly encourage the Commission to set a short timetable for comment and consideration of the results of the Lifeline Marketplace Study and any subsequent rapid adoption of new minimum service standards to ensure consumers continue to receive appropriate increases in Lifeline service quality.

Given the current state of the Lifeline program and the significant risk to a significant portion of Lifeline consumers, we the undersigned support the Joint Petition.

Sincerely,

Access Humboldt
Advocates for Basic Legal Equality
Asian Americans Advancing Justice | AAJC
Center for Rural Strategies
Common Sense Media
Communications Workers of America
The Greenlining Institute
NAACP
New America's Open Technology Institute
Next Century Cities
Public Knowledge
U.S. Conference of Catholic Bishops

¹ Joint Petition to Pause Implementation of December 2019 Lifeline Minimum Service Standards Pending Forthcoming Marketplace Study, WC Docket No. 42-11 et al. (filed July 27, 2019) (“Pause & Study Petition”).

² Free Press, *Connecting the Dots: The Telecommunications Crisis in Puerto Rico* at 4 (May 2019).

³ Lifeline and Link Up Reform and Modernization et al., *Third Report and Order, Further Report and Order, and Order on Reconsideration*, 31 FCC Rcd 3962, 3986, ¶ 64 (2016).

⁴ See, e.g., Reply Comments of AARP, WC Docket No. 17-287, at 27-30 (filed March 23, 2018); Comments of Free Press, WC Docket No. 17-287, at 55 (filed Feb. 21, 2018); Comments of Low-Income Consumer Advocates, WC Docket No. 17-287, at 8 (filed Feb. 21, 2018); Reply Comments of the Open Technology Institute, WC Docket No. 17-287, at 8, 12-21 (filed March 23, 2018).

⁵ Pause & Study Petition at note 23 (citing USAC, High-Cost and Low Income Committee Briefing Book, at 41 (April 29, 2019) (Lifeline Business Update, App. A: Lifeline Program Trends) (showing 27.81% of Lifeline customers taking bundled plans meeting the voice minimum standards and 13.8% of customers taking voice-only plans), available at <https://www.usac.org/res/documents/about/pdf/bod/materials/2019/High-Cost&Low-Income-Briefing-Book-April.pdf>).

⁶ Pause & Study Petition at note 23 (citing calculations based on USAC, High-Cost and Low-Income Committee Briefing Book).

⁷ Public Notice, Wireline Competition Bureau Announces Updated Lifeline Minimum Service Minimum Service Standards and Indexed Budget Amount, WC Docket No. 11-42, DA 19-704 (July 25, 2019).

⁸ The civil rights community sought an early thorough analysis of the Lifeline marketplace during the Lifeline modernization order. Comments of the Leadership Conference on Civil and Human Rights, WC Docket No. 42-11 et al., at 3 (filed Aug. 31, 2015).