

**Before the  
Federal Communications Commission  
Washington, DC 20554**

In the Matter of	)	
	)	
Lifeline and Link Up Reform and Modernization	)	WT Docket No. 11-42
	)	
Telecommunications Carriers Eligible for Universal Service Support	)	WC Docket No. 09-197
	)	
Connect America Fund	)	WC Docket No. 10-90

**COMMENTS  
OF  
NTCA–THE RURAL BROADBAND ASSOCIATION**

**I. INTRODUCTION**

NTCA–The Rural Broadband Association (“NTCA”)<sup>1</sup> hereby submits these Comments in response to the request by the Federal Communications Commission (“Commission”) for comment on the Joint Petition to Pause Implementation of December 2019 Lifeline Minimum Service Standards Pending Forthcoming Marketplace Study (“Petition”) filed with the Commission by CTIA, public interest, consumer and civil rights organizations (collectively, “Petitioners”) pertaining to the Commission’s minimum service standards for Lifeline

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<sup>1</sup> NTCA represents approximately 850 independent, community-based telecommunications companies and cooperatives and more than 400 other firms that support or are themselves engaged in the provision of communications services in the most rural portions of America. All NTCA service provider members are full service rural local exchange carriers (“RLECs”) and broadband providers, and many provide fixed and mobile wireless, video, satellite and other competitive services in rural America as well.

customers.<sup>2</sup> Petitioners requested a stay of the December 1, 2019, increase in Lifeline minimum service standards pending Commission review of the impact of the increased service standards on Lifeline customers in the *State of the Lifeline Marketplace Report* scheduled to be completed by the Wireline Competition Bureau no later than June 30, 2021.<sup>3</sup> Petitioners are seeking to ensure that current Lifeline customers are not forced to disconnect their services because the services become unaffordable following the Commission's scheduled December 1, 2019, increase in minimum service standards to which the Lifeline discount may be applied.<sup>4</sup> NTCA shares Petitioners' concerns and requests the Commission grant Petitioners' request for stay.

## **II. THE COMMISSION'S MINIMUM SERVICE STANDARDS FOR LIFELINE SUPPORT WERE NEVER INTENDED TO MAKE MOBILE WIRELESS AND FIXED BROADBAND SERVICES UNAFFORDABLE**

The Commission adopted changes to the Lifeline program in 2016 to permit Lifeline support to be used for stand-alone broadband services while at the same time establishing minimum service and speed standards for fixed and mobile voice services to which Lifeline support could be applied.<sup>5</sup> Pursuant to the *2016 Lifeline Modernization Order*, the Commission updated the minimum service standards to require a minimum mobile broadband data usage of

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<sup>2</sup> Wireline Competition Bureau Seeks Comment on Petition to Pause Implementation of December 2018 Lifeline Minimum Service Standards Pending Forthcoming Marketplace Study, *Public Notice*, WC Docket No. 11-42, DA 19-617 (rel. July 1, 2019) ("*Public Notice*").

<sup>3</sup> CTIA et al., Joint Petition to Pause Implementation of December 2019 Lifeline Minimum Service Standards Pending Forthcoming Marketplace Study, WC Docket No. 11-42 et al. (filed June 27, 2019) ("Petition").

<sup>4</sup> *Id.*

<sup>5</sup> *Lifeline and Link Up Reform and Modernization*, WC Docket No. 11-42, *Telecommunications Carriers Eligible for Universal Service Support*, WC Docket No. 09-197, Connect America Fund, WC Docket No. 10-90, Third Report and Order, Further Report and Order, and Order on Reconsideration, FCC 16-38 (rel. Apr. 27, 2016) ("*2016 Lifeline Modernization Order*").

8.75 GB per month beginning December 1, 2019.<sup>6</sup> The Commission’s goal in adopting these minimum service standards was to ensure fixed and wireless providers offer “competitive service options for Lifeline consumers” and that Lifeline subscribers receive “robust service levels” rather than be relegated to slow service speeds and/or minimal data usage.”<sup>7</sup>

Despite the Commission’s good intentions, the minimum service and speed standard increases have resulted in Lifeline customers being forced to transition to higher speed or higher data usage service plans - plans that routinely are accompanied by a higher monthly fee - while the amount of Lifeline support that can be applied to the plans has remained the same, or, in the case of voice services, will *decrease* by \$2 per month, to \$7.25, on December 1, 2019. Furthermore, the Commission’s rules do not allow Lifeline customers the ability to decide whether such increased speed or data plans fit their needs (or budget). Instead, Lifeline subscribers are forced to either upgrade their service – if they can afford to do so – or disconnect their service if they cannot afford to upgrade to the increased speed or data plan. Non-Lifeline subscribers are not forced to make such a choice. Thus, requiring Lifeline subscribers to choose between a higher tier of more expensive service or no service at all is inequitable and contrary to the Commission’s “express goal for Lifeline to ensure the availability of broadband service for low-income Americans.”<sup>8</sup>

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<sup>6</sup> *Wireline Competition Bureau Announces Updated Lifeline Minimum Service Standards and Indexed Budget Amount*, Public Notice, WC Docket No. 11-42, DA 19-704 (rel. July 25, 2019) (“*Public Notice*”).

<sup>7</sup> FCC Modernizes Lifeline Program for the Digital Age, *News Release*, WC Docket No. 11-42 *et al.* (March 31, 2016); *2016 Lifeline Modernization Order* at ¶ 45.

<sup>8</sup> *2016 Lifeline Modernization Order* at ¶ 29, citing *Lifeline and Link Up Reform and Modernization et al.*, WC Docket Nos. 12-23, 11-42, 03-109, CC Docket No. 96-45, Report and Order and Further Notice of Proposed Rulemaking, 27 FCC Rcd 6656 at 6673-74, ¶¶ 33-34 (2012) (“*2012 Lifeline Reform Order*”).

Petitioners pointed out that although the *2016 Lifeline Modernization Order* was intended to gradually phase in a higher mobile data usage allowance, the scheduled December 1, 2019, increase will result in “an increase of nearly 500 percent in a single day” for Lifeline-supported plans, from 2 GB per month to approximately 9.5 GB per month.<sup>9</sup> Based on recent data published by the Universal Service Administrative Company, Petitioners predict that over 3.8 million subscribers will be negatively impacted by this significant increase.<sup>10</sup> Similarly, NTCA pointed out in a recent Petition for Waiver of the Lifeline Minimum Service Standard that the Commission’s 2019 Urban Rate Survey shows an increased monthly rate of \$5.36 for 25/3 Mbps fixed broadband service versus 10/1 service.<sup>11</sup> This increased rate could force some Lifeline subscribers to discontinue their fixed broadband service due to the inability to afford the increase. Whether wireless or fixed, voice or broadband service, low-income individuals should not be precluded from the ability to subscribe to such services due to what must be unintended consequences of Commission rules. Low-income subscribers have come to rely on voice and/or broadband services just as much as any other subscriber and, consistent with Commission goals, should have access to the same public safety, education, employment and health opportunities that these services make available.

### **III. CONCLUSION**

For the reasons stated above, NTCA respectfully requests the Commission grant the relief requested in the Petition or in the alternative, “grandfather” existing Lifeline subscribers at their

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<sup>9</sup> Petition at p. 4.

<sup>10</sup> Petition at p. 8.

<sup>11</sup> NTCA Petition for Waiver, WC Docket No. 11-42 et al. (filed July 29, 2019) at p. 4.

current service level so that when the minimum speed or data allowance increases, existing Lifeline subscribers will have the option of either upgrading their service to the higher level or continuing to subscribe to the service at the current level, while still having the ability to apply their Lifeline discount to whichever option the subscriber decides best fits their needs and budget. Such relief will ensure that low-income consumers will continue to have the ability to subscribe to affordable fixed and/or wireless services and that any broadband adoption gains made possible by the Lifeline program are not lost.

Respectfully submitted,



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