**Before the**

**Federal Communications Commission**

In the Matter of )

)

Lifeline and Link Up Reform and Modernization ) WC Docket No. 11-42

)

Telecommunications Carriers Eligible for Universal ) WC Docket No. 09-197

Service Support )

)

Connect America Fund ) WC Docket No. 10-90

**Comments**

**Missouri Public Service Commission**

The Missouri Public Service Commission (“Missouri Commission”) submits comments in response to the Federal Communications Commission’s (“FCC”) request for feedback on a Joint Petition to pause the implementation of scheduled updates to the Lifeline minimum broadband service standards and phase-down in support for voice service scheduled to go into effect December 1, 2019.[[1]](#footnote-1) These comments solely respond to the phase-down in support for voice service. While the petitioners request that the FCC pause phasing-out support for mobile voice, the Lifeline program changes scheduled to go into effect December 1, 2019, affect voice service offered by landline and mobile Lifeline providers.[[2]](#footnote-2) Therefore, the Missouri Commission submits these comments to encourage maintaining federal Lifeline support for voice service.

The FCC’s plan to phase-out federal support for Lifeline voice service was announced in 2016 as part of the FCC’s effort to transition the Lifeline program to be more focused on broadband Internet access service. Specifically the FCC intends to reduce the monthly per subscriber federal support amount for Lifeline voice service from $9.25 to $7.25 on December 1, 2019 and $5.25 on December 1, 2020.[[3]](#footnote-3) Federal support for Lifeline voice service is scheduled to be eliminated on December 1, 2021 in any area served by multiple Lifeline providers; however, $5.25 in federal Lifeline voice support will remain in any census block served by only one Lifeline provider.

This latest request for comments marks the second time the FCC has solicited feedback about its plan to phase-out federal support for Lifeline voice service.[[4]](#footnote-4) In early 2018, the Missouri Commission, along with six other state commissions and the National Association of Regulatory Utility Commissions (“NARUC”) filed comments urging the FCC to maintain federal Lifeline voice support. [[5]](#footnote-5) The Missouri Commission maintains the Lifeline program should strive to promote choices in providers and Lifeline service plans. [[6]](#footnote-6) Lifeline consumers should continue to have the choice of subscribing solely to voice service because many customers may want or need voice service and not broadband service.

Overall it is difficult to see how the FCC’s plan to eliminate federal support for voice service provides any benefits to Lifeline consumers or Lifeline providers. The Lifeline discount is directly applied to voice service for approximately 22% of Missouri’s current 97,126 Lifeline subscribers.[[7]](#footnote-7) How these subscribers will be impacted remains unclear. Presumably voice-only subscribers may be forced to pay more for voice service or alternatively be required to switch to a higher-priced bundled service. How Lifeline service providers will respond to receiving less federal financial support for voice-only service also remains unclear. Conceptually some service providers may simply stop offering voice service or stop participating in the Lifeline program.[[8]](#footnote-8) Lifeline subscribers will not understand why their bill has increased or why they are being pushed to subscribe to a broadband service plan. They also are likely to not understand why a nearby Lifeline subscriber is not impacted.

In addition to these concerns the Missouri Commission finds the FCC’s rationale and logistics for maintaining $5.25 in federal Lifeline voice support in census blocks with only one Lifeline service provider unclear. The FCC has deferred to its Bureau Staff in working out such details.[[9]](#footnote-9) Nevertheless this aspect of the FCC’s plan seems problematic for consumers, Lifeline service providers, and the Universal Service Administrative Company if it leads to federal Lifeline voice support being continued in some areas and eliminated in other areas.[[10]](#footnote-10) In summary, the Missouri Commission encourages the FCC to continue federal Lifeline voice support.

Respectfully submitted,



John Van Eschen

Manager, Telecommunications Department

Missouri Public Service Commission

P.O. Box 360

Jefferson City, MO 65102

(573) 751-5525

[John.vaneschen@psc.mo.gov](mailto:John.vaneschen@psc.mo.gov)

Whitney Payne

Attorney for the Staff of the

Missouri Public Service Commission

P. O. Box 360

Jefferson City, MO 65102

(573) 751- 8706

[Whitney.payne@psc.mo.gov](mailto:Whitney.payne@psc.mo.gov)

1. FCC Public Notice; Wireline Competition Bureau Seeks Comment on Petition to Pause Implementation of December 2019 Lifeline Minimum Service Standards Pending Forthcoming Marketplace Study; WC Docket No. 11-42; DA 19-617; released July 1, 2019. [↑](#footnote-ref-1)
2. It seems illogical and competitively unfair to consider maintaining federal Lifeline support for mobile voice service but phasing-out such support for landline voice service. [↑](#footnote-ref-2)
3. Third Report and Order, Further Report and Order, and Order on Reconsideration; In the Matter of Lifeline and Link-Up Reform and Modernization; WC Docket No. 11-42; released April 27, 2016; ¶117-122 (Third Report and Order). [↑](#footnote-ref-3)
4. The initial solicitation involved a different set of FCC dockets than the current set. Fourth Report and Order, Order on Reconsideration, Memorandum Opinion and Order, Notice of Proposed Rulemaking, and Notice of Inquiry; In the Matter of Bridging the Digital Divide for Low-Income Consumers; WC Docket No. 17-287 et al; released December 1, 2017; ¶74. [↑](#footnote-ref-4)
5. See comments submitted by the state commissions of Michigan, Minnesota, Florida, Nebraska, Oklahoma, and California as well as NARUC. All favor maintaining federal support for Lifeline voice service. [↑](#footnote-ref-5)
6. See Comments by the Missouri Public Service Commission; In the Matter of Bridging the Digital Divide for Low-Income Consumers; WC Docket No. 17-287 et al; submitted January 23, 2018. [↑](#footnote-ref-6)
7. National Lifeline Accountability Database for Missouri as of June 2019 shows Missouri has 97,126 total Lifeline subscribers with 21,185 subscribers applying the Lifeline discount to voice service and not broadband service or a bundled voice/broadband service. [↑](#footnote-ref-7)
8. To date, ten companies, including Missouri’s largest incumbent local telephone company, have relinquished ETC status in Missouri. Overall Lifeline subscribership has also significantly declined (238,450 in 2013 versus 97,126 today). [↑](#footnote-ref-8)
9. Third Report and Order; ¶122 where the FCC states, “…we direct the Bureau to conduct a process to identify the Census blocks where there only is one Lifeline provider….” A basic unanswered question is whether this process will be simply determined by ETC authorization or alternatively by whether a service provider is actually providing Lifeline service to a subscriber. [↑](#footnote-ref-9)
10. For example, it remains unclear how a Lifeline provider will offer and advertise Lifeline voice service if the service is financially supported in some, but not all, of a company’s area. Likewise, it remains unclear how Lifeline support claims will be handled to ensure federal Lifeline voice support is limited to subscribers residing in areas eligible for federal support. [↑](#footnote-ref-10)