

**JUDSON H. HILL, ESQ.**

November 15, 2019

**By ECFS**

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

Re: Sage Telecom Communications, LLC and Telscape Communications, Inc. d/b/a  
TruConnect Notice of Oral Ex Parte Presentation; WC Docket No.17-287, 11-42, 09-197 and 10-90.

Dear Ms. Dortch:

On November 13, 2019, I, counsel to Telscape Communications, Inc. d/b/a TruConnect and Sage Telecom Communications, LLC (collectively TruConnect) met with Commissioner Michael O’Rielly. We discussed the pending Joint Petition to Pause Implementation of December 2019 Lifeline Minimum Service Standards Pending Forthcoming Marketplace Study filed by CTIA, the National Consumer Law Center, National Hispanic Media Coalition, OCA – The Asian Pacific American Advocates and the United Church of Christ, OC, Inc.<sup>1</sup>

During the meeting I emphasized that the record before the Commission clearly demonstrates the substantial and broad support to grant the Joint Petition, literally no public opposition, to suspend the announced increase in the mobile broadband minimum service standards as well as to keep full Lifeline support for the standalone voice and voice centric bundles, until after the Commission completes and submits their scheduled findings of the impact of changes in data levels, access to and affordability of Lifeline services for low-income consumers in their forthcoming *State of the Lifeline Marketplace Report* due June 2021. I reinforced that the Joint Petition drew no opposition. In fact, I noted that the Joint Petition is supported by the National Association of Regulatory Utility Commissioners (“NARUC”) and reminded that several veterans’ groups filed comments supporting the Joint Petition because the Lifeline program provides low income veterans needed contact with both veterans’ services and healthcare providers which are so important to offer critical assistance, counseling and help lower the number of veteran suicides. In essence, mandating a 437 percent increase in the monthly data mandate comes with a cost, both personal and financial, that customers cannot afford nor ETCs can absorb.

Before minimum standards for data was ever mandated, I emphasized that market competition, that is free market principles, incented Lifeline ETCs to provide mobile broadband to compete for customers. Minimum service standard mandates and government over-regulation is not needed to ensure Lifeline subscribers have good access to voice and broadband nor is it the proper role of the government. I also shared that the success of broadband adoption, especially in rural America, partially depends on the Lifeline program continuing to exist. That is, without an affordable device plus telecommunications infrastructure, people remain displaced from the benefits connectivity provides.

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<sup>1</sup> See Joint Petition to Pause Implementation of December 2019 Lifeline Minimum Service Standards Pending Forthcoming State of Lifeline Marketplace Report, WC Docket No. 11-42 et al. (filed June 27, 2019) (“Joint Petition”).

I further reinforced how critical telecommunications connectivity is to America's economic development and job creation, not to mention the importance of being able to call a healthcare provider for care or calling emergency first responders for help. The access to communications service and devices is equally important to low-income Americans; many elderly and lower income veterans, who need a true lifeline.

The Commission's rural broadband and the telehealth pilot could very well be jeopardized by the projected severe decline in Lifeline participation caused by minimum service standards that force Lifeline program participants to purchase large and expensive broadband packages or drop off the program.

I also detailed that with the planned minimum service standard monthly mandated increase to 8.75GB<sup>2</sup> of data on December 2019 comes with a projected \$30 per month additional price tag subscribers cannot afford.<sup>3</sup> Consequently, Lifeline will be unaffordable for most subscribers and not financially sustainable for Lifeline ETCs. The program will then collapse. That alone comes with a high cost. Lifeline's demise will rapidly be felt by taxpayers through higher unemployment rates and even higher uncompensated hospital emergency room visits.

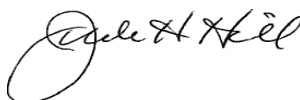
I noted that recently proposed 3GB per month alternative to the minimum data scheduled increase to 8.75GB was not support by most ETCs, moreover, it was the current position of only one ETC. I shared that at 3GB, the Lifeline program may likely survive in only a few states, like California, and eligible tribal lands. Such a lopsided regulatory decision was contrary to public policy. I then shared support for an alternative proposal if the Joint Petition was being ignored or denied. The alternative supported by most ETCs is to create an acceptable choice for the ETC to either provide 3GB per month of data, or 2GB of data plus 1000 voice minutes per month to comply with the planned new data mandate.<sup>4</sup>

I emphasized that this was only a compromise to harming many American and noted that the Commission should grant the pending Joint Petition which gives the FCC time to conduct the planned *State of Lifeline Marketplace Report*. Soon thereafter the FCC should either eliminate or recalculate the 2016 Lifeline Modernization's minimum service standard's formula to reflect reality and serve the intent of the program.

For the reasons stated, I renewed TruConnect's request to immediately pause the implementation of minimum service standards by granting the Joint Petition or substantially reducing the planned new minimum standards mandate.

Pursuant to section 1.1206(b) of the Commission's rules, this letter is being filed electronically.

Respectfully submitted,



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cc: Commissioner Michael O'Rielly

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<sup>2</sup> See Wireline Competition Bureau Announces Updated Lifeline Minimum Service Standards and Indexed Budget Amount, DA 19-704 (July 25, 2019).

<sup>3</sup> See National Lifeline Association Notice of Oral *Ex Parte* Presentation, WC Docket Nos. 17-287, 11-42, and 09-197 (dated April 4, 2019) (NaLA Ex Parte) ¶ 9; see also NARUC Resolution ¶ 17.

<sup>4</sup>

See National Lifeline Association Notice of Ex Parte Presentations, WC Docket Nos. 17-287, 11-42, 09-197 and 10-90 (filed October 30, 2019.)