

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of	)	
	)	
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

**COMMENTS OF ASIAN AMERICANS ADVANCING JUSTICE (AAJC), BLACKS IN GOVERNMENT, LEAGUE OF UNITED LATIN AMERICAN CITIZENS (LULAC), MULTICULTURAL MEDIA, TELECOM AND INTERNET COUNCIL (MMTC), NAACP, NATIONAL ASSOCIATION OF NEIGHBORHOODS, NATIONAL ACTION NETWORK, NATIONAL COALITION ON BLACK CIVIC PARTICIPATION AND BLACK WOMEN’S ROUNDTABLE, NATIONAL COUNCIL OF LA RAZA, NATIONAL POLICY ALLIANCE, NATIONAL PUERTO RICAN CHAMBER OF COMMERCE, NATIONAL URBAN LEAGUE, NATIONAL ORGANIZATION OF BLACK COUNTY OFFICIALS (NOBCO), NOBEL WOMEN, OCA-ASIAN PACIFIC AMERICAN ADVOCATES, AND U.S. BLACK CHAMBERS, INC.**

Kim M. Keenan,  
President and CEO  
Multicultural Media, Telecom and Internet Council  
3636 16th Street NW,  
Suite B-366  
Washington, DC 20010  
(202) 332-0500  
kkeenan@mmtconline.org

Marc H. Morial,  
President and CEO  
National Urban League  
120 Wall Street  
New York, NY 10005  
(212) 558-5437  
mmorial@nul.org

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## SUMMARY AND INTRODUCTION

The Multicultural Media, Telecom and Internet Council (“MMTC”), National Urban League (“NUL”) and 17 national and regional civil rights, professional, intergovernmental and community-based organizations (collectively, “Lifeline Supporters”), representing tens of thousands of constituents, respectfully submits these comments in support of the Commission’s efforts to modernize the Lifeline program to include access to high-speed broadband.

In May 2015, MMTC and a coalition of 36 national and regional civil rights and consumer organizations urged the Commission to engage in the rapid and comprehensive reform of the Lifeline program so that “...millions of Americans can realize the full potential of the digital broadband age, and obtain this benefit in an efficient and effective program.”<sup>1</sup> Lifeline Supporters believe that the Commission’s efforts to make broadband more affordable and accessible to the nation’s lower-income, older and less able consumers will create pathways of opportunities for these populations and enable first class, digital citizenship.<sup>2</sup>

The modernization of the Lifeline program is both timely and necessary. According to the Pew Research Center, 84 percent of American adults use the Internet, with the highest adopters being younger adults from more affluent households.<sup>3</sup> Yet, according to the Commission’s *2015 Broadband Progress Report*, 55 million Americans that represent 17 percent

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<sup>1</sup> See Letter to FCC Commissioners (May 11, 2015) available at <http://apps.fcc.gov/ecfs/comment/view?id=60001031339> (last visited August 28, 2015).

<sup>2</sup> See David Honig, Esq. and Nicol Turner-Lee, Ph.D., *Refocusing Broadband Policy: The New Opportunity Agenda for People of Color*, Minority Media and Telecommunications Council (Nov. 21, 2013), available at <http://mmtconline.org/wp-content/uploads/2013/11/Refocusing-Broadband-Policy-112113.pdf> (last visited July 30, 2015). (“A passport to digital citizenship guarantees full access to the opportunities powered by broadband and the Internet, especially those applications and Internet-enabled devices that drive physical wellness, wealth creation and educational readiness.”)

<sup>3</sup> See Andrew Perrin and Maeve Duggan, *Americans Internet Access, 2000-2015*, Pew Research Center (June 26, 2015), available at <http://www.pewinternet.org/2015/06/26/americans-internet-access-2000-2015/> (last visited August 28, 2015).

of the population still lack access to “advanced telecommunications capability”<sup>4</sup> and those affected consumers tend to be disproportionately people of color, economically disadvantaged, without formal education, non-English speaking, and older.<sup>5</sup> When controlling for income and educational attainment, individuals with a college degree are more likely to be Internet users (95 percent) than those without high school diplomas (66 percent).<sup>6</sup> Additionally, those living in households earning at least \$75,000 annually (97 percent) were also more likely to be online than those households with an annual income of less than \$30,000 (74 percent).<sup>7</sup> While people of color have increased their adoption and use of the Internet over the years, broadband penetration among the most disadvantaged segments within this population, *i.e.* the economically disadvantaged, elderly and less able, remains shamefully low.

Vulnerable populations consistently access the Internet using mobile devices. According to the Pew Research Center, nearly two-thirds of Americans own a smartphone, and people of color tend to be more smartphone-dependent when compared to Whites: 12 percent of African Americans and 13 percent of Hispanics were more smartphone-dependent, compared with just 4 percent of Whites.<sup>8</sup> Moreover, according to the same study, 19 percent of all Americans, especially those from vulnerable populations, use their mobile devices for accessing online content, especially those related to employment, education, health care and government

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<sup>4</sup> See 47 U.S.C. § 1302(d)(1) (“The term ‘advanced telecommunications capability’ is defined, without regard to any transmission media or technology, as high-speed, switched, broadband telecommunications capability that enables users to originate and receive high-quality voice, data, graphics, and video telecommunications using any technology). See also Federal Communications Commission, *2015 Broadband Progress Report and Notice of Inquiry on Immediate Action to Accelerate Deployment* (February 4, 2015), available at [https://apps.fcc.gov/edocs\\_public/attachmatch/FCC-15-10A1.pdf](https://apps.fcc.gov/edocs_public/attachmatch/FCC-15-10A1.pdf) (last visited August 28, 2015). (“For a service to be considered advanced, it must enable Americans “to originate and receive high-quality voice, data, graphics, and video telecommunications.”)

<sup>5</sup> See *supra* note 3.

<sup>6</sup> *Id.*

<sup>7</sup> *Id.*

<sup>8</sup> See Aaron Smith, *U.S. Smartphone Use in 2015*, Pew Research Center (April 1, 2015), available at [http://www.pewinternet.org/files/2015/03/PI\\_Smartphones\\_0401151.pdf](http://www.pewinternet.org/files/2015/03/PI_Smartphones_0401151.pdf) (last visited August 28, 2015).

services.<sup>9</sup> Sixty-two percent of smartphone owners, for example, used their phone in the past year to look up information about a health condition; 57 percent of smartphone users do online banking via their mobile devices; and 43 percent have used their smartphones to look up information about a job, among a variety of other tasks.<sup>10</sup> Mobile phones are also used on a regular basis to facilitate daily connections, whether scheduling appointments or mapping directions, as reported in the latest Pew research.<sup>11</sup>

Despite these positive use cases of mobile, the digital divide still persists. For low-income consumers, wireless service is often disrupted due to either voluntary or involuntary cancellations stemming from economic hardships. According to research by the Pew Research Center, 48 percent of Americans, particularly those from vulnerable communities, found the cost of maintaining wireless services to be a financial hardship.<sup>12</sup> The same study also found challenges among smartphone-dependent users that “frequently” reach their data caps as part of their monthly wireless data plans.<sup>13</sup>

In many respects, this data exemplifies what the Commission has already acknowledged in the NPRM about the opportunities and challenges of extending broadband to the Lifeline program, while surfacing specific areas of concern for Lifeline Supporters.

As the Commission seeks comment on several agency proposals to transition the program to a 21<sup>st</sup> century framework, we find it imperative that the reformed program be designed to offer *reasonably comparable* programs. These *reasonably comparable programs* should offer voice-

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<sup>9</sup> *Id.*

<sup>10</sup> *Id.*

<sup>11</sup> See Lee Rainie and Kathryn Zickuhr, *Americans’ View on Mobile Etiquette*, Pew Research Center (August 26, 2015), available at [http://www.pewinternet.org/files/2015/08/2015-08-26\\_mobile-etiquette\\_FINAL.pdf](http://www.pewinternet.org/files/2015/08/2015-08-26_mobile-etiquette_FINAL.pdf) (last visited August 28, 2015).

<sup>12</sup> See *supra* note 8, at 4.

<sup>13</sup> *Id.* (“30 percent [of respondents] reported their consumption of the maximum data cap “frequently” compared to 51 percent that said that this happens to them at least occasionally.”)

only, broadband or both to eligible consumers and adapt Lifeline eligibility requirements to recognize the increase in household sharing among low-income adults. Moreover, the program must meet the increasing demand and use of Internet services by offering seamless connections and bandwidth through minimum service requirements and flexible data caps. Lifeline Supporters also recommend that the Commission implement coordinated national enrollment with other federal social service programs. The Commission should also leverage relationships with certified community-based service providers to more efficiently manage new program subscriptions and de-enrollments. Finally, Lifeline Supporters ask that the Commission encourage participation from a broad spectrum of service providers to create more competitive service offerings to allow greater usability for participants.

The next section details Lifeline Supporters' responses to the Commission's outlined proposals.

**A. ELIGIBLE LIFELINE SUBSCRIBERS SHOULD BE ABLE TO CHOOSE BETWEEN VOICE, BROADBAND OR BOTH AS PART OF THE MODERNIZED PROGRAM.**

*Without question, the Commission should offer high-speed broadband as an eligible service of the reformed Lifeline program.* Further, Lifeline Supporters urge the Commission to maintain stand-alone voice services for consumers who still prefer this option. Fifteen percent of the U.S. population still does not use the Internet, citing no interest in doing so or a lack of relevance to their lives.<sup>14</sup> This data also shows that for these low-income consumers, lacking a device or having the necessary digital literacy skills are also barriers to Internet adoption and usage.<sup>15</sup> A modernized Lifeline program should account for these factors and ensure a

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<sup>14</sup> See Monica Anderson and Andrew Perrin, *15% of people do not use the internet? Who are they?*, Pew Research Center (July 28, 2015), available at <http://www.pewresearch.org/fact-tank/2015/07/28/15-of-americans-dont-use-the-internet-who-are-they/> (last visited August 28, 2015).

<sup>15</sup> *Id.*

*reasonably comparable* service for both voice and broadband. For consumers choosing to maintain voice-only services, the Commission should allow for unlimited talk and text to maximize the benefit of the Lifeline subsidy.<sup>16</sup> Text messaging is prevalent as 79 percent of African Americans cite that they are more likely to use it compared to Whites at 68 percent.<sup>17</sup>

Given the competing value proposition for having either voice and/or broadband services, the Commission should reconsider eligibility requirements as it relates to how it distributes the Lifeline subsidy to eligible subscribers. For consumers opting for a residential broadband connection, the Commission should transition from the “*one-per-household rule*”<sup>18</sup> to “*one Lifeline broadband subsidy per home*,” and allow that service to be bundled with a voice services option. Lifeline Supporters also concur with the Commission that given the additional charges associated with activating home broadband service, the modernized Lifeline program should subsidize consumers for the one-time, up-front broadband connection charges for fixed residential service.<sup>19</sup> To simplify the process, the FCC could negotiate these fees with ISPs and provide the one-time reimbursement directly to the carriers.

In the case of wireless service, the Commission should waive the “*one-per-household rule*” requirement to permit the benefit to be allocated “*per adult*” within the same household. The economic recession has increased household sharing, a process by which people join or

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<sup>16</sup> *Lifeline and Link Up Reform and Modernization et al.*, WC Docket No. 11-42 et al., Second Further Notice of Proposed Rulemaking, Order on Reconsideration, Second Report and Order, Memorandum Opinion and Order, 80 FR 42669 (released June 22, 2015) at 21. The Coalition also agrees with the Commission’s findings in this NPRM that the receipt of text messages should not count towards a subscriber’s usage “[b]ecause the subscriber cannot control whether others send texts, the receipts of such texts should not be used as a basis for concluding that the subscriber wishes to retain service.”

<sup>17</sup> See *supra* note 8.

<sup>18</sup> The Commission adopted the one-per-household rule three years ago as part of a series of reforms made under the *Lifeline Reform Order*. See *2012 Lifeline Reform Order*, 27 FCC Rcd 6656 (2012). The Commission has since acknowledged in the *NPRM* that the restructure of the program is still necessary.

<sup>19</sup> See *supra* note 16, at 26.

combine households.<sup>20</sup> According to the U.S. Census Bureau’s most recent data, the number of shared households in 2010 accounted for 18.7 percent of all households, up from 17 percent in 2007.<sup>21</sup> Among impoverished families, the incidence of household-sharing is much higher as it lessens the economic strain when families can share and distribute resources.<sup>22</sup> Indeed the data shows that personal poverty rates are higher for adults living in shared households.<sup>23</sup>

Given these economic realities, the Commission should not preclude low-income consumers from qualifying for a Lifeline subsidy that could aid in his or her search for employment and support the learning goals applicable to their children simply because of their living arrangements. Thus, Lifeline Supporters urge the Commission to reconsider this rule, recognizing that household composition has changed and will more than likely continue to do so as wage stagnation persists.<sup>24</sup>

With low-income families and adults already feeling the pinch, Lifeline Supporters also recommend that the Commission not entertain proposals that require “skin-in-the-game” payments from Lifeline participants. These measures are not only counterintuitive when dealing with the economic reality in which wages in 2014 were lower than they were end at the end of

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<sup>20</sup> See U.S. Census Bureau, *Sharing a Household: Household Composition and Economic Well-Being: 2007–2010*, U.S. Department of Commerce (June 2012), available at <https://www.census.gov/hhes/www/poverty/publications/P60-242.pdf> (last visited August 28, 2015). (“This research defines a shared household as a household with at least one resident adult who is not enrolled in school and who is neither the householder, nor the spouse or cohabiting partner of the householder.”)

<sup>21</sup> *Id.*

<sup>22</sup> *Id.* (“Most importantly, official poverty and the constructed household poverty measures were lower among householders in shared households. This suggests bringing additional adults into the household may have been a strategy to mitigate challenging economic circumstances.”)

<sup>23</sup> *Id.*

<sup>24</sup> See Elise Gould, *2014 Continues a 35-Year Trend of Broad-Based Wage Stagnation*, Economic Policy Institute (Feb 19, 2015), available at <http://s4.epi.org/files/pdf/stagnant-wages-in-2014.pdf> (last visited August 31, 2015) (“Comparing 2014 with 2007—the last period of reasonable labor market health before the Great Recession—the hourly wages for the vast majority of American workers have been flat or falling. And ever since 1979, the vast majority of American workers have seen their hourly wages stagnate or decline.”)

the recession in 2009,<sup>25</sup> and are inconsistent with the Commission’s statutory mandate to provide consumers in all regions of the nation, including low-income consumers, with access to telecommunications and information services.<sup>26</sup>

Finally, any wireless service offered under the Lifeline program should bundle both voice and broadband to enable users full access in the 21<sup>st</sup> century economy.

**B. THE COMMISSION SHOULD ESTABLISH MINIMUM SERVICE REQUIREMENTS FOR HIGH-SPEED BROADBAND TO ENSURE THAT LIFELINE PARTICIPANTS CAN SEAMLESSLY ACCESS ROBUST ONLINE CONTENT.**

The Commission reported that in 2015, 63 percent of Americans living on Tribal lands (2.5 million people) lack access to 25 Mbps/3 Mbps broadband; and the same holds true for the aforementioned 55 million people who lack an adequate broadband connection.<sup>27</sup> Today’s online applications are robust in multimedia and other graphics to accommodate their bolstered use on cell phones, tablets, and PCs. Lifeline Supporters agree with the Commission’s aspiration to one day achieve a minimum service threshold that provides eligible Lifeline subscribers access to common applications (*e.g.*, social media, web sites, etc.), enhanced video, data, and voice service offerings. As concluded in the Commission’s *2015 Broadband Progress* report, “advanced telecommunications capability requires consumers to have access to actual download (*i.e.*, to the customer) speeds of at least 25 Mbps and actual upload (*i.e.*, from the customer) speeds of at least 3 Mbps (25 Mbps/3Mbps).”<sup>28</sup> Such minimum service requirements will meet the growing bandwidth demands of online applications, while not dis-incentivizing low-income consumers from adopting the benefit. However, we acknowledge that this speed is not currently available in

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<sup>25</sup> *Id.* at 4.

<sup>26</sup> *See* Telecommunications Act of 1996 47 U.S.C. § 254 (b)(1),(3). *See also* 47 U.S.C. § 151.

<sup>27</sup> *See* Federal Communications Commission, *2015 Broadband Progress Report* (February 4, 2015), available at [https://apps.fcc.gov/edocs\\_public/attachmatch/FCC-15-10A1.pdf](https://apps.fcc.gov/edocs_public/attachmatch/FCC-15-10A1.pdf) (last visited August 28, 2015) at 43.

<sup>28</sup> *Id.* at 19.

all commercial markets and therefore, we recommend that minimum service requirements allow for increasing demand and use of Internet services.

Lifeline Supporters also agree with the Commission that voice services should also have set minimum service requirements to ensure that consumers have access to higher quality service offerings.<sup>29</sup>

While we will not opine on whether those receiving the subsidy should be subjected to data caps, we strongly encourage the Commission to establish flexible data limits that are in accordance with those imposed on medium-priced, commercially available data plans as a beginning threshold. We further propose that the Commission restructure the Lifeline subsidy to allow consumers the ability to pay the costs of *upgrading* their services if more data is required to accommodate their needs.<sup>30</sup>

While the Commission seeks comment on a permanent \$9.95 price point for the Lifeline subsidy, we concur with other stakeholders that the agency needs to gather additional data on whether a uniform flat rate will be sufficient to accommodate the program's expansion to broadband.<sup>31</sup> Moreover, the Commission, in partnership with the Eligible Telecommunications Carriers (ETCs) and other entities, must ensure that all program policies, and especially the new reforms, are transparent to eligible subscribers so that they understand the limitations of their

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<sup>29</sup> See *supra* note 16.

<sup>30</sup> This proposal differs from the *Dissent* of FCC Commissioner Michael O'Rielly where he suggests that consumers should "pay a minimum contribution for the service." We believe that the program should remain within the statutory mandate of being a free service for qualified, low-income consumers. See Federal Communications Commission, Dissenting Statement of Commissioner Michael O'Rielly, *Lifeline and Link Up Reform and Modernization et al.*, WC Docket No. 11-42 et al. (2015), available at [https://apps.fcc.gov/edocs\\_public/attachmatch/DOC-333992A6.pdf](https://apps.fcc.gov/edocs_public/attachmatch/DOC-333992A6.pdf) (last visited August 28, 2015).

<sup>31</sup> See Comments of T-Mobile USA, Inc., WC Docket No. 11-42 et al., at 5 (filed Apr. 2, 2012); US Telecom Comments of United States Telecom Association., WC Docket No. 11-42 et al., at 4-5 (filed Apr. 2, 2012); Comments of Verizon, WC Docket No. 11-42 et al., at 4-5 (filed Apr. 2, 2012); and Comments of i-wireless, LLC, WC Docket No. 11-42 et al., at 12 (filed Apr. 2, 2012). (All of these Comments urged the Commission to engage in more due diligence before assigning a permanent price point.)

services to avoid predatory practices and scams that prey on historically disadvantaged communities.

**C. THE COMMISSION SHOULD INSTITUTE COORDINATED ENROLLMENT WITH OTHER NATIONAL PUBLIC BENEFIT PROGRAMS AND ELIMINATE ELIGIBILITY DETERMINATION BY LIFELINE SERVICE PROVIDERS.**

The Commission seeks comment on whether the agency should institute a national Lifeline eligibility verifier (“national verifier”) to review applications, make eligibility determinations and perform other functions related to the program. Indeed, last year, Commissioner Clyburn shared the proposition that “providers should no longer be responsible for determining consumer eligibility.”<sup>32</sup> The Internet Innovation Alliance also detailed the need for Lifeline reform in a White Paper, labeling the current program structure as “...built like an upside-down Food Stamps program that limits consumer choice by paying a grocery store to allow consumers to shop only at that store.”<sup>33</sup> The Lifeline supporters agree with both sentiments and recommend that the Commission work more closely with other federal agencies to identify, screen and qualify consumers for the program.

According to the U.S. Census Bureau, approximately 52.2 million (or 21.3 percent) of the U.S. population participated in major means-tested government assistance programs each month

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<sup>32</sup> See Remarks of FCC Commissioner Mignon Clyburn, *Reforming Lifeline for the Broadband Era*, American Enterprise Institute (Nov. 12, 2014), available at <https://www.fcc.gov/document/commissioner-clyburn-remarks-americanenterprise-institute> (last visited August 28, 2015). (“It is amazing to me that Lifeline is the only federal benefits program that I am aware of where the provider determines the consumer’s eligibility.”); See also Letter from Rick Boucher, Honorary Co-Chairman, Internet Innovation Alliance, to FCC Chairman Tom Wheeler (filed June 11, 2015), available at [http://internetinnovation.org/images/misc\\_content/6\\_5\\_15\\_Lifeline\\_letter\\_filing-\\_final.pdf](http://internetinnovation.org/images/misc_content/6_5_15_Lifeline_letter_filing-_final.pdf) at 1. (*Internet Innovation Alliance Ex Parte*) (urging the Commission to utilize coordinated enrollment since it will “shift program eligibility verification away from companies that are not accountable to the American people, and instead allow states to verify eligibility for Lifeline at the same time they determine consumer eligibility for other federal low-income programs.”).

<sup>33</sup> Internet Innovation Alliance, *Bringing the FCC’s Lifeline Program into the 21<sup>st</sup> Century* (November 6, 2014), available at [http://internetinnovation.org/images/misc\\_content/Lifeline\\_White\\_Paper\\_FINAL.pdf](http://internetinnovation.org/images/misc_content/Lifeline_White_Paper_FINAL.pdf) (last visited August 29, 2015).

in 2012.<sup>34</sup> Medicaid (15.3 percent) and Supplemental Nutrition Assistance Program (SNAP), formerly known as the food stamp program (13.4 percent), had the highest rates of enrollment, followed by housing assistance (4.2 percent), Supplemental Security Income (3 percent) and Temporary Assistance for Needy Families and General Assistance (1 percent).<sup>35</sup> The U.S. Census Bureau also found that three-quarters of individuals living in poverty who were beneficiaries of government assistance programs between January 2009 and December 2012 maintained those benefits between 37 to 48 months during that time.<sup>36</sup> Children under 18 years of age were disproportionately represented as beneficiaries of means-tested benefits (39.2 percent) when compared to those aged 18 to 64 (16.6 percent), and remained on these benefits longer.<sup>37</sup>

For adults over 18 years of age, lower educational attainment, unemployment and under-employment (*e.g.*, temporary and part-time employment) correlate with those receiving benefits from means-tested programs for longer durations than those without these barriers.<sup>38</sup> When coupled with race and ethnicity, these statistics resemble the profiles of non-Internet users or those with limited or intermittent online access.

Lifeline Supporters agree with the Commission’s decision to create a national verifier and recommend that the agency look to state agencies or the Universal Service Administrative Company (“USAC”) to fulfill this role. These entities have the experience to review consumers’ proof of eligibility and determine the subscribers’ eligibility.<sup>39</sup>

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<sup>34</sup> U.S. Census Bureau, *21.3 Percent of U.S. Population Participates in Government Assistance Programs Each Month* (May 28, 2015), available at <https://www.census.gov/newsroom/press-releases/2015/cb15-97.html> (last visited August 29, 2015).

<sup>35</sup> *Id.*

<sup>36</sup> *Id.* at 2.

<sup>37</sup> *Id.* at 6.

<sup>38</sup> *Id.* at 10.

<sup>39</sup> *See supra* note 16.

However, the statistics presented on the number of low-income people enrolled in government means-tested programs in any given month point to the need for more formal coordination of the national verifier with other federal programs and agencies. Therefore, Lifeline Supporters believe that an official arrangement between the national verifier and other federal agencies will better serve the public interest by simplifying program administration for eligible subscribers, and reducing claims of waste, fraud, and abuse.

Given the breadth of means-tested government assistance programs, we further recommend that the Commission should initially coordinate with the SNAP program, whose beneficiaries tend to include more households with children. The SNAP program also has an electronic benefit transfer (EBT) card that has already been recognized and used in approximately 40 states.<sup>40</sup> Generally, Lifeline Supporters endorse the use of vouchers or a “Lifeline Benefit Card,” similar to the EBT card to transfer the subsidy directly to the consumer who will then have the choice to use the voucher on services that are most appealing to them. Such action values the consumer’s personal dignity to act on their own choices. In Lifeline program administration, the federal agency can complete its screening at the same time that the client is verifying their eligibility for SNAP benefits, and more importantly, encourage the client to utilize the subsidy to aid in his or her job search, health provision, or educational opportunities, among other activities. If the benefit is transferred directly to the consumer, she can then use her voucher or “Lifeline Benefit Card” to purchase residential broadband service directly from an ISP<sup>41</sup> or visit a retailer to acquire voice-only and/or broadband services. In response to the Commission’s request on whether SNAP and Lifeline benefits should be on the

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<sup>40</sup> See *supra* note 16.

<sup>41</sup> Lifeline Supporters concur with the Commission’s suggestion to issue PIN numbers for those desiring a residential broadband connection that would require contacting the ISP to schedule an appointment.

same card, we recommend a separate Lifeline-only voucher or EBT that aggregates the subsidy and can be used to aid in program accounting once swiped.

Under this new model, the privacy concerns of consumers will be safeguarded as consumer data is compiled *at the same time* that they apply for other government benefits.<sup>42</sup> Moreover, once the benefits administration period terminates under the SNAP program, the eligible subscriber would be automatically de-enrolled from the Lifeline program. Such coordination with other federal programs reduces administrative burdens that are reflected in higher operational and mitigation costs associated with waste, fraud, and abuse. In response to whether the Commission should work with other non-governmental agencies, Lifeline Supporters propose that the agency target *only* social service organizations that are certified by state and federal agencies to administer national public benefit programs, particularly those from SNAP. Streamlining participation to verifiable agencies will guarantee that the Commission can safeguard enrollees' personal information and better manage the program's outcomes.

In consideration of whether the Commission will be excluding a population most in need of the subsidy, Lifeline Supporters encourage the agency to consider expanding the program to other distressed populations that include qualifying wounded and homeless veterans returning from active duty and homeless citizens who have been temporarily displaced.<sup>43</sup> Individuals from these populations that would not be eligible for the SNAP program, but still meet the income

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<sup>42</sup> See *supra* note 32.

<sup>43</sup> See Libby Perl, *Veterans and Homelessness*, Congressional Research Service (Nov. 13, 2014), available at <https://www.fas.org/sgp/crs/misc/RL34024.pdf> (last visited Aug. 31, 2015). (“The wars in Iraq and Afghanistan brought renewed attention to the needs of veterans, including the needs of homeless veterans. Researchers have found both male and female veterans to be overrepresented in the homeless population, and, as the number of veterans increased due to these conflicts, there was concern that the number of homeless veterans could rise commensurately. The 2007-2009 recession and the subsequent slow economic recovery also raised concerns that homelessness could increase among all groups, including veterans.”)

requirements, could then apply through USAC or the designated state agency managing the Lifeline program.

**D. THE COMMISSION SHOULD ENCOURAGE PARTICIPATION FROM THE BROAD SPECTRUM OF SERVICE PROVIDERS TO EXPAND CONSUMER SERVICE OPTIONS.**

In the May 2015 letter, the 36 organizations advocating for Lifeline reform stated that “the existing structure and program requirements contain unnecessary barriers that currently discourage participation across the broad spectrum of service providers.”<sup>44</sup> We continue to find this to be the case, particularly since low-income consumers should be able to experience the range of service offerings that exist in the marketplace around fixed or mobile voice and broadband services. The marketplace has radically changed in the last decade as the increased demand for broadband services has led to tremendous investment in broadband infrastructure.<sup>45</sup> Established in 1985 under the Reagan Administration, the Lifeline program has helped make telephone service available for most Americans and high speed broadband is on a very similar path provided the digital divide can be bridged. Today, the Commission has the opportunity to not only modernize the program to include broadband, but to also refresh and revamp the program to include the choices that exist in the marketplace.

Lifeline Supporters agree with the Commission that the best way to foster competition is to increase the number of service providers offering Lifeline services.<sup>46</sup> While we are not necessarily advocating for the Commission to dissolve ETCs, we are suggesting that the agency revamp their definition and rules, from verification to reporting. Legacy ETC designations have not changed in the last decade, and under the current rules, still require wireline telephone

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<sup>44</sup> See *supra* note 1, at 2.

<sup>45</sup> See *supra* note 2.

<sup>46</sup> See *supra* note 16, at 45.

providers to act as ETCs within their service footprint. While the Lifeline Supporters are not recommending that the FCC mandate the participation of any entities not currently participating, we do believe that to develop creative service offerings, including bundle services, certain regulatory barriers will need to be eliminated, instilling more flexibility in the definition and role of ETCs.<sup>47</sup>

**E. NATIONAL, REGIONAL AND LOCAL ORGANIZATIONS SHOULD BE LEVERAGED TO RAISE AWARENESS ABOUT THE LIFELINE PROGRAM AND AID IN PROGRAM ENROLLMENT.**

In its NPRM, the Commission has set some lofty goals to not only modernize the Lifeline program to include broadband, but also to extend its reach to more people (*i.e.*, low-income, people with disabilities, veterans, etc.) to address other societal inequities such as education, health care, employment, among other challenges. Opportunities now exist for the Commission to identify respected community partners that understand that digital access can be used to respond to the broader realities of structural inequality by empowering the individual and enabling the collective power of vulnerable communities. While the Commission will make progress collaborating with other federal agencies, it is also imperative that community-based organizations and national or regional intermediaries that serve vulnerable populations be actively engaged. These entities can serve to enhance the digital literacy skills of low-income

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<sup>47</sup> See *supra* note 33, at 21-22. (“Established in the Telecommunications Act of 1996, the ETC designation applied to “common carriers” to determine eligibility for receiving Federal Bringing the FCC’s Lifeline Program into the 21st Century 22 USF support, such as High Cost subsidies. The FCC built upon the statutory designation by laying a requirement for common carriers designated as ETCs to participate in the Lifeline Program. Almost twenty years later, discrepancies in regulatory treatment apply in a communications marketplace unrecognizable in 1996. For example, no ETC designation is needed for service providers to participate in the E-Rate Program and receive program funds. Similarly, in 2005, the FCC created a new designation for “Lifeline-only ETCs,” which allows service providers to opt-in to the Lifeline Program and receive these program funds. The ETC designation is not necessary to help deliver communications service to low-income consumers in a world no longer dominated by common carriers. In fact, the Lifeline Program pre-dated the statutory definition of “eligible telecommunications carrier” by more than a decade.”)

consumers, so that once they receive broadband services they will have the competencies to utilize the vast economic and social opportunities the Internet inures. In a 2014 survey, Dr. John Horrigan found that 70 million Americans are not “digitally ready” for robust online use, nearly twice the number (36 million) of people with no online access.<sup>48</sup> Simply put, digital readiness is as large of a problem as the digital divide.<sup>49</sup>

In addition to digital literacy training, community-based organizations can also serve to market the program to their eligible hard-to-reach constituencies. Community-based organizations and even those that are more familiar with the behaviors and lifestyles of historically disadvantaged consumers will ensure that the program’s administration is culturally sensitive and shared, when possible, in the native language of potential and existing subscribers.

## **CONCLUSION**

Technology is the “great equalizer,” according to FCC Commissioner Clyburn. Having access to high-speed broadband impacts our ability to search and check out library books, monitor our health and well-being, manifest dreams of higher education and even, share our journeys for social justice and civil rights. The aspiration of many Americans to obtain first class, digital citizenship will not come to fruition when access to broadband service is perceived to be too costly or the service connection unstable.

The stakes are high on Lifeline Reform and partners on these Comments recognize the significance of this proceeding in closing the digital divide and ramping up digital readiness. Thus, we are respectfully urging the Commission to consider the proposals detailed in these Comments and act upon those recommendations that will effectively reform the program to

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<sup>48</sup>See John B. Horrigan, Ph.D., *Digital Readiness: Nearly one - third of Americans lack the skills to use next -generation “Internet of things” applications* (June 2014), available at [http://jbhorrigan.weebly.com/uploads/3/0/8/0/30809311/digital\\_readiness.horrigan.june2014.pdf](http://jbhorrigan.weebly.com/uploads/3/0/8/0/30809311/digital_readiness.horrigan.june2014.pdf) (last visited Aug. 31, 2015).

<sup>49</sup> *Id.*

engage millions of Americans by modernizing the Lifeline Program to make a true lifeline for inclusion in this digital age.

Respectfully submitted,  
By: \_\_\_\_\_

Kim M. Keenan,  
President and CEO  
Multicultural Media, Telecom and Internet  
Council  
3636 16th Street NW,  
Suite B-366  
Washington, DC 20010  
(202) 332-0500  
kkeenan@mmtconline.org

Marc H. Morial,  
President and CEO  
National Urban League  
120 Wall Street  
New York, NY 10005  
(212) 558-5437  
mmorial@nul.org

Asian Americans Advancing Justice  
Blacks in Government (BIG)  
League of United Latin American Citizens (LULAC)  
Multicultural Media, Telecom and Internet Council (MMTC)  
NAACP  
National Association of Neighborhoods  
National Action Network  
National Coalition for Black Civic Participation and Black Women's Roundtable  
National Council of La Raza  
National Policy Alliance  
National Puerto Rican Chamber of Commerce  
National Urban League  
National Organization of Black County Officials (NOBCO)  
NOBEL Women  
OCA – Asian Pacific American Advocates  
Rainbow PUSH Coalition  
U.S. Black Chambers, Inc.

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