

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 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
)	

REPLY COMMENTS OF THE CITY OF BOSTON, MASSACHUSETTS

Gerard Lavery Lederer
BEST BEST & KRIEGER LLP
2000 Pennsylvania Avenue N.W.,
Suite 5300
Washington, DC 20006

Honorable Martin J. Walsh
Mayor
Jascha Franklin-Hodge, Chief Information
Officer
Department of Innovation and Technology
CITY OF BOSTON
One City Hall Square
Boston, MA 02201

September 30, 2015

EXECUTIVE SUMMARY

The City of Boston, Massachusetts files these Reply Comments to echo the calls of local government officials from across the nation urging the Commission to modernize the Lifeline program by making subsidies available for stand-alone broadband connections. Like Commissioner Rosenworcel, Boston believes expanding Lifeline to include broadband will improve broadband adoption and narrow the “homework gap.” Boston fears that absent efforts to provide for digital literacy and broadband access equipment, the Commission will not be fully successful in its laudatory goals. Boston also wishes to add our voice to those commenters calling on the Commission to refrain from forcing Lifeline recipients to choose between a subsidy for voice services and a subsidy for broadband service.

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REPLY COMMENTS OF THE CITY OF BOSTON, MASSACHUSETTS

The City of Boston, Massachusetts,¹ files these Reply Comments in response to the Commission’s Notice of Proposed Rulemaking² primarily to echo the calls of local government officials³ from across the nation urging the Commission to modernize the Lifeline program to

¹ The City, incorporated as a town in 1630 and as a city in 1822, exists under Chapter 486 of the Acts of 1909 and Chapter 452 of the Acts of 1948 of the Commonwealth of Massachusetts which, as amended, constitute the City’s Charter. The Mayor is the chief executive officer of the City. Martin J. “Marty” Walsh is the City’s fifty-fourth mayor. He has general supervision of, and control over, the City’s boards, commissions, officers, and departments. The City’s budget for all departments and operations, except the School Department and the Boston Public Health Commission, is prepared under the Mayor’s direction.

² See *Lifeline and Link Up Reform and Modernization, et al.*, Second Further Notice of Proposed Rulemaking, Order on Reconsideration, Second Report and Order, and Memorandum Opinion and Order, 30 FCC Rcd 7818 (2015) (Lifeline Reform and Modernization Second FNPRM) (“FNPRM”).

³ See e.g. *Lifeline and Link Up Reform and Modernization, et al.*, Comments of NATOA and National League of Cities (filed Aug. 26, 2015), WC Docket Nos. 11-42, 09-197, 10-90; Comments of Seattle Mayor Edward Murray (Filed Aug. 25, 2015); and Letter of San Francisco Mayor Ed Lee (filed Sept. 8, 2015). See also The United States Conference of Mayors resolution calling on the Commission to “Modernize the ... Lifeline Program to Support Broadband Adoption.” The final resolve reads: “...The United States Conference of Mayors’ urges the Federal Communications Commission to implement and the Administration and Congress to support the modernization of the Lifeline Program to permit eligible households to qualify for the communications functions they need, including high-speed Internet access, to

make subsidies available for broadband connections. Like Commissioner Rosenworcel, Boston believes expanding Lifeline to include broadband has the potential to not only improve broadband adoption, it might just narrow the “homework” gap.⁴ As Boston explained in its Comments, our experience with “Technology Goes Home” in Boston shows that such programs are most successful when broadband training⁵ and technology⁶ are provided to users in order to truly capture the promise of the broadband economy. The Communications Workers of America and AFL-CIO stated “The Commission...should provide Lifeline customers that purchase a fixed residential service a one-time reimbursement to cover any up-front broadband connection charges. In addition, the Commission should also monitor the cost and availability of broadband products intended for low-income customers, and consider providing Lifeline customers with a partial reimbursement to offset the cost of purchasing equipment.”⁷

eliminate the digital divide and close the homework gap, support job searches, and access necessary services and in engage civic life.” The resolution may be found at http://usmayors.org/resolutions/83rd_Conference/displayresolution.asp?resid=83aReso206 (last visited September 25, 2015).

⁴ As Commissioner Rosenworcel notes, “[w]hile low-income families are adopting smartphones with Internet access at high rates, a phone is not how you want to research and type a paper, apply for jobs, or further your education.” See Jessica Rosenworcel, How to Close the ‘Homework Gap’” (Dec. 5, 2014), found here <http://www.miamiherald.com/opinion/op-ed/article4300806.html> (last visited Sept. 29, 2015) (“How to Close the Homework Gap”).

⁵ New America’s Open Technology Institute (“New America’s OTI”) explained it this way. “[D]igital literacy training, particularly when provided by a trusted and established community partner, is a key component of successful efforts to bridge the digital divide and connect historically marginalized communities to broadband Internet services.” Comments of New America’s Open Technology Institute (filed Aug. 31, 2015) at p. 22.

⁶ See e.g. Comments of California Emerging Technology Fund (“CATF”) (filed Aug. 31, 2015) at 4. CATF points out that “Link Up ... [could] inform the structure of a new fund to make ... essential pieces of equipment ...required for service...affordable.”

⁷ Comments of the Communications Workers of America (“CWA”) and AFL-CIO (filed August 31, 2015) at p. 5. CWA also shared with the Commission the study *Cost as a Barrier to Broadband Adoption: Structuring Subsidy Programs That Work, Connect South Carolina* (Oct. 2012) available at <http://www.connectsc.org/sites/default/files/connectednation/>

Boston also seeks to add our voice to those commenters calling on the Commission to refrain from forcing Lifeline recipients to choose between a subsidy for voice or a subsidy for broadband service. Should a choice between subsidies be required, Boston believes that the subscriber and not the government should make that choice.⁸

I. THE NEED TO MODERNIZE LIFELINE

As Boston noted in its Comments, since its inception some thirty years ago, Lifeline has provided critical subsidies to ensure low-income and rural Americans have access to dial tone services and the benefits that those services made possible. Yet, the last twenty years have seen a sea change in how Americans communicate. Today it is access to broadband capacity and the services made possible by that bandwidth that impact nearly every aspect of our lives.⁹ Lifeline must keep pace with the world around it if it is to be meaningful.

Not surprisingly, then, a review of Comments filed by local elected officials across the country were unanimous in calling for Lifeline's mission to keep pace with the times.¹⁰ Lifeline

[South%20Carolina/files/sc_willingness_finaloct032012.pdf](#) (last visited Sept. 29, 2015) to further buttress its position.

⁸ As the U.S. Conference of Mayors acknowledged in its recently unanimously adopted resolution on Lifeline reform and modernization: Lifeline must “permit eligible households to qualify for the communications functions they need.” It is essential that the modernized Lifeline program allow users the flexibility to pursue multiple service options. Landlines and wireless phone service remain critically important to many communities, particularly for emergency services. The resolution may be found at on the Conference of Mayors’ homepage at: http://usmayors.org/resolutions/83rd_Conference/displayresolution.asp?resid=83aReso206 (last visited Sept. 25, 2015).

⁹ Comments of the City of Boston (filed Sept. 2, 2015) (“Boston Comments”).

¹⁰ See e.g. Comments of NATOA and National League of Cities (filed Aug. 26, 2015); Comments of Seattle Mayor Edward Murray (filed Aug. 25, 2015); and Comments of San Francisco Mayor Ed Lee (filed Aug. 31, 2015). See also The United States Conference of Mayors Lifeline Resolution referenced in notes 3 and 8, supra, calling on the Commission to “Modernize the ... Lifeline Program to Support Broadband Adoption.”

presents an opportunity to ensure that low-income children and adults of all ages have access to affordable broadband and the services they support.¹¹

Support to modernize the program was not limited to local elected officials. Carriers¹² and interested parties¹³ all agreed that the Commission should act boldly to restructure Lifeline in a manner that better meets the needs of eligible consumers, service providers, and consumers who pay for the program.¹⁴

With the notable exception of Verizon, support for a broadband Lifeline program was near unanimous. Boston would like to point out, however, absent authorized hardware subsidies and digital literacy programs, broadband Lifeline will be less than fully successful. As New America's OTI noted "[D]igital literacy training, particularly when provided by a trusted and established community partner, is a key component of successful efforts to bridge the digital

¹¹ *Id.*

¹² *See e.g.* Comments of AT&T Services (filed Aug. 31, 2015) ("Because it is limited to voice service, the program does not help to put the critical communications tool for the 21st century – broadband Internet access – within reach of eligible consumers. The program under-performs at reaching eligible low-income consumers compared to other federal programs, and applicants are confronted by confusing requirements and limited service options.") at p.4; Comments of Comcast Corporation (filed Aug. 31, 2015) ("Comcast supports the Commission's efforts to facilitate broader participation in the Lifeline program, particularly by companies with a proven track record for providing high-quality broadband and voice services in the consumer marketplace.") at p. 7.

¹³ *See, e.g.*, Comments of Public Knowledge (filed Aug. 31, 2015); Comments of New America's OTI (filed Aug. 31, 2015). Comments of the Schools, Health & Libraries Broadband ("SHLB") Coalition (filed Aug. 31, 2015).

¹⁴ Boston notes that Verizon, the dominant eligible telecommunications carrier ("ETC") in the Boston area supports the Commission's call for "...eliminating red tape to help beneficiaries..." and for the creation of "an optional national third-party verifier to improve the application process for beneficiaries and improve the efficiency of the program for carriers..." On the other hand, Verizon never endorses expanding the scope of Lifeline supported services to include broadband. Comments of Verizon (filed Aug. 31, 2015) ("Verizon Comments") at p. 1. Such an expansion of services is important to Boston as Verizon has been our traditional ETC. Boston's hope is that the availability of Lifeline support revenues could incent Verizon to expand its FiOS fiber network.

divide and connect historically marginalized communities to broadband Internet services.”¹⁵

Boston agrees with OTI and would add the costs of equipment to access broadband services is an additional barrier. These challenges received very little attention by parties commenting, but must be addressed in the program is to be a success.¹⁶

II. REDUCING WASTE FRAUD AND ABUSE

Boston agrees with the Commission¹⁷ and those commenters¹⁸ that believe the FCC should continue to examine all means to further reduce incentives for waste, fraud, and abuse. Such abuses not only undercut the credibility of the program, but also steal away funds that might otherwise bring another family on line. Boston would counsel that as the Commission seeks to make changes in order to reduce waste, fraud, and abuse that it be mindful that such actions should not result in unreasonable barriers for eligibility. Nor should such efforts burden participants with excessive documentation requirements or, result in lengthy reviews that might result in chilling effect for eligibility.

A. Third Party Administrator

Shifting administrative responsibility from telecom providers to a non-governmental third party appears to have broad support. Boston would tend to agree with the proposal for such a third party administrator given that there is a planned expansion of ETCs to include more than the just the traditional ILEC. With competition among these carriers and a marketplace incentive

¹⁵ Comments of New America’s OTI (filed Aug. 31, 2015) at p. 22 (“OTI”).

¹⁶ The FNPRM at ¶ 30 notes that the Commission’s *Low Income Broadband Pilot Program* in 2012 did identify barriers to digital inclusion such as cost, relevance, and digital literacy.

¹⁷ FNPRM at ¶¶ 3, 12, 54, 59, 63-118.

¹⁸ See e.g. Comments of San Francisco Mayor Edward Lee (filed Sept. 8, 2015).

to compete for these dollars, the program’s credibility could be enhanced by such a third party administrator.

It appears that there is less than universal support that the third party be a single national provider and that use of the third party administrator be mandatory. For instance, San Francisco Mayor Edward Lee suggests that while he supports the Commission's proposal for creating an independent national Lifeline eligibility verifier, he does do only if “... the initiative does not supplant effective independent programs such as that administered by the California Public Utilities Commission....”¹⁹ Verizon too cites the California Lifeline Administrator as a good model for the Commission to follow should it seek to establish a new national verifier,²⁰ but Verizon wants such a third party to be optional. Boston notes these reservations and would not be opposed to the Commission accommodating both requests.

B. Vouchers

Boston appreciates the Commission’s consideration of providing vouchers to end users,²¹ but believes that caution should be exercised should the Commission choose to move in this direction. While the Commission’s intention of empowering consumers to make choices among carriers and to encourage carriers to compete for Lifeline subscribers is laudable, Boston’s fear is that vouchers could result in the program being less than fully effective due to the additional paperwork and process.

Boston does believe that should the Commission choose to move forward with its efforts to transfer Lifeline benefits directly to the eligible consumer, that it is advisable for the Commission to capture the lessons and efficiencies of your sister federal agencies that are

¹⁹ *Id.* at p. 2.

²⁰ Verizon Comments at p. 3.

²¹ FNPRM at ¶¶ 104-110.

charged with administering other Federal and state agencies who administer programs that Lifeline participants are eligible to receive.²²

III. DETERMINING ELIGIBILITY

The City of Boston does not offer a position on the role of the Commission versus the roles of the individual states in determining the eligibility of consumers²³ or carriers²⁴ to participate in the Lifeline program. Still, Boston notes the presence of a significant number of state public utility commissions²⁵ in the proceeding, including the Massachusetts Department of Telecommunications and Cable.²⁶ The state commissions seem to share a common message: the FCC must not ignore or exclude the insights of the agencies and their staffs in the eligibility determination.²⁷ In light of their positions, Boston would request that the Commission be cautious in eliminating the roles of these agencies, and not adopt a presumption that Washington know best.

IV. THE NEED TO HONOR SERVICE COMMITMENTS

Boston believes that a carrier that has long obtained the benefits of being an ETC, must not now be able to game the system to escape their obligations to provide any service the Commission deems to be a supported service under 47 USC § 214 (e)(1). As the Commission notes, as far back as 1997, it has had the authority to provide Lifeline support to carriers other

²² FNPRM at ¶ 107.

²³ FNPRM at ¶¶ 111-117.

²⁴ FNPRM ¶¶ 122-131.

²⁵ *See* Comments of the National Association of Regulatory Utility Commissioners (filed Aug. 31, 2015) (“NARUC”).

²⁶ *See* Comments of the Massachusetts’ Department of Telecommunications and Cable (filed Aug. 31, 2015).

²⁷ *Id.*, *see also* NARUC.

than ETC,²⁸ but for the past 20 years it has limited to support to many of the carriers that today seek to escape the universal commitment for offering a broadband Lifeline.

Verizon claims that Section 214(e)(1)²⁹ requires ETCs to offer supported services throughout their designated service areas, and that by designating broadband access as such a supported service, the FCC would obligate all ETCs to offer broadband Internet access service throughout their service footprint resulting in an unfunded mandate.³⁰ Boston hopes that the Commission will oppose the request of parties to create an opt out option so as to ensure those companies that have long enjoyed Lifeline support to underwrite the deployment of their networks not be permitted to withhold those benefits from their subscribers. If the Commission does choose to allow relief from a system wide obligation to offer broadband services, Boston would request that the FCC require an ETC to offer broadband at the Lifeline subsidy rate in a service area that the ETC offers broadband access on a market-priced basis.

V. CONCLUSION

Boston is committed to ensuring all Bostonians are full participants in the broadband economy. The City is doing all it can to ensure that the “homework” gap identified by Commissioner Rosenworcel does not become a new barrier to advancement in our city. Boston

²⁸ FNPRM at ¶ 135.

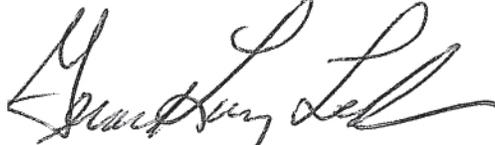
²⁹ 47 USC § 214 (e) (1) provides that “A common carrier designated as an eligible telecommunications carrier under paragraph (2), (3), or (6) shall be eligible to receive universal service support in accordance with section 254 and shall, throughout the service area for which the designation is received—

(A) offer the services that are supported by Federal universal service support mechanisms under section 254(c), either using its own facilities or a combination of its own facilities and resale of another carrier’s services (including the services offered by another eligible telecommunications carrier)....

³⁰ Verizon Comments at p. 7.

supports the Commission's vision of a broadband Lifeline program and relies on the Commission's leadership to make the proposal a reality.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Gerard Lavery Lederer". The signature is fluid and cursive, with a large initial "G" and "L".

Gerard Lavery Lederer
BEST BEST & KRIEGER LLP
2000 Pennsylvania Avenue N.W.
Suite 5300
Washington, DC 20006
Attorney for City of Boston, Massachusetts

September 30, 2015

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