



March 18, 2016

**VIA ECFS**

Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 Twelfth Street, SW  
Washington, DC 20554

Re: *Notice of Ex Parte Presentations  
Lifeline and Link Up Reform and Modernization (WC Docket  
No. 11-42); Lifeline and Link Up, (WC Docket No. 03-109)*

Dear Ms. Dortch:

On March 16 and 17, 2016, CTIA met separately with Jon Wilkins, Chief of the Wireless Telecommunications Bureau and Amy Bender from the Office of Commissioner Michael O’Rielly. CTIA was represented by Matthew Gerst, Director, Regulatory Affairs and Scott Bergmann, Vice President, Regulatory Affairs.

CTIA has long supported the continued evolution of the Lifeline program to support broadband services, including mobile wireless broadband, and we agree that the proposed reforms to program administration will help to further improve program administration. Given the high value that low income consumers place on mobile wireless services, however, we expressed deep concerns about proposals in the Commission’s recently-released Lifeline Fact Sheet that appear to disregard the significant affordability, equitability and public safety needs of low income consumers and the unintended consequences of minimum service standards.<sup>1</sup>

CTIA stated that affordability for low-income consumers should be the primary basis for determining the minimum offerings for Lifeline-supported services. The Commission’s proposal to “flash cut” mobile wireless voices services to an “unlimited” minimum offering this year appears to disregard affordability as

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<sup>1</sup> See, e.g., Ex Parte Comments of the National Telecommunications and Information Administration, WC Docket No. 11-42 (filed March 9, 2016) at 11-12 (encouraging the FCC to approach minimum service standards with “caution” and raising “concerns” about the Commission’s outright dismissal of objections to broadband service standards).



a primary objective of the Lifeline program. The record and general market offerings demonstrate that “unlimited” mobile wireless voice plans are substantially more expensive than the \$9.25 Lifeline subsidy. This proposal may have the inadvertent effect of placing mobile wireless Lifeline voice services out of reach for millions of low-income consumers. The Commission’s “flash cut” to unlimited voice will also deprive low income consumers of existing mobile wireless service plans that the record clearly demonstrates have been successful in encouraging enrollment.

CTIA also expressed concern that the Commission’s proposed minimum standards for mobile wireless voice services disregard the principles of competitive and technology neutrality that have guided the Commission’s Universal Service programs for nearly twenty years. By eliminating support for mobile wireless voice services while maintaining support for fixed wireline offerings, the proposal appears to violate these principles of competitive and technical neutrality. This proposal also stands in contrast to extensive record evidence of consumer reliance and demand for mobile services<sup>2</sup> and the Commission’s own observation that “[c]onsumers are increasingly replacing traditional landline, telephony with wireless phones; the majority of wireless calls are now made indoors; and the majority of calls to 911 are from wireless phones.”<sup>3</sup>

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<sup>2</sup> See, e.g., Ex Parte Comments of the National Telecommunications and Information Administration, WC Docket No. 11-42 (filed March 9, 2016) at 2, 11-12; Letter from Dallas Harris, Public Knowledge, to Marlene Dortch, FCC, WC Docket No. 11-42 (filed March 8, 2016) at 3; Letter from Paul Meyer and Justin Sims, Voxiva, to Marlene Dortch, FCC, WC Docket No. 11-42 (filed March 11, 2016) at 2; Letter from Mitchell Brecher, counsel to Tracfone, to Marlene Dortch, FCC, WC Docket No. 11-42 (filed Nov. 4, 2015), Attachment at 5; Letter from James Bradford Ramsey, General Counsel to the National Association of State Regulatory Utility Commissioners (filed March 16, 2016), at 6 (summarizing comments of California Commissioner Catherine Sandoval and District of Columbia Commissioner Betty Anne Kane that voice continues to be critical to Lifeline customers); Letter from James Bradford Ramsey, General Counsel to the National Association of State Regulatory Utility Commissioners (filed March 16, 2016), at 2 (summarizing comments of Nebraska Commissioner Chrystal Rhoades that the Commission’s proposal seems to be “a mismatch between the shift to a more data-centric network, the phasing out of support for standalone voice wireless services, and the anticipated timeline for deployment of NG911 services that the FCC should carefully examine before proceeding”).

<sup>3</sup> *Wireless E911 Location Accuracy Requirements*, PS Docket No. 07-114, Order, ¶ 1 (2015).



CTIA explained that the proposed minimum service standards for mobile wireless voice could significantly impact low-income consumers' ability to benefit from the requirements that the Commission has adopted for wireless 9-1-1 emergency services, most recently to improve indoor location accuracy.<sup>4</sup> In fact, the Commission has sought comment on sunseting the requirement that wireless providers support all 9-1-1 calls, even from non-service initialized wireless handsets, on the assumption that access to 9-1-1 through mobile wireless services in the existing Lifeline program has decreased the need for the "all 9-1-1 calls" rule.<sup>5</sup> Further, in supporting the application of Lifeline support for mobile wireless voice services, the Obama Administration recently observed that "there are still situations where voice may take precedence for low-income consumers, including calling 911 for help."<sup>6</sup>

CTIA discussed alternative approaches to meeting the Commission's goals, including the role of technological flexibility in meeting minimum service standards and the potential for transition timelines that reflect current and evolving economic, technical, and market realities. CTIA urged the Commission to recognize the real-world impacts of changes to universal service policy and follow the approach of engaging major stakeholders to craft a path forward to meet the Commission's goals. As the Commission has used in other major universal service reform proceedings, CTIA believes that an inclusive process involving the major stakeholders in Lifeline reform could lead to agreement on a path forward to reach the Commission's goals of unlimited Lifeline voice minutes and greater adoption of broadband services, on a reasonable timeline that will avoid flash cuts and loss of critical services for millions of low-income people.

The wireless industry is proud of its role in serving all consumers and in promoting an effective and efficient Lifeline program. Wireless providers' consumer focus and competitive drive have helped the Lifeline program – which consistently under-performed at reaching its target audience – to bring the benefits of voice service connectivity to millions of low-income consumers. To continue to promote affordability, equitability and access to emergency

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

<sup>5</sup> *911 Call Forwarding Requirements for Non-Service Initialized Phones*, PS Dkt. No. 08-51, Notice of Proposed Rulemaking, 30 FCC Rcd 3449, 3458-60 ¶¶ 19-23 (2015) (noting that "[s]everal commenters have also noted the potential of Lifeline-supported wireless services to provide a sufficient alternative to NSI phones.").

<sup>6</sup> Ex Parte Comments of the National Telecommunications and Information Administration, WC Docket No. 11-42 (filed March 9, 2016) at 11-12.



services, mobile wireless services must continue to be a significant part of Lifeline if the program is to be a success in the broadband era.

This letter is filed consistent with the Commission's ex parte rules. Please direct any questions regarding this filing to the undersigned.

Sincerely,

/s/ Scott Bergmann

Scott Bergmann  
Vice President  
Regulatory Affairs

cc: Amy Bender  
Jon Wilkins