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March 23, 2016

**By ECFS**

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

**Re: Written Ex Parte Presentation – Low-Income Consumer Petition in Support of Free Basic Mobile Voice Service; WC Docket Nos. 11-42, 09-197, 10-90**

Dear Ms. Dortch:

On March 8, 2016, the Federal Communications Commission (FCC) issued a fact sheet outlining its draft proposals to modernize the Lifeline program.<sup>1</sup> While the fact sheet admirably proposes to expand the program to broadband, it also troublingly proposes to impose minimum service standards that could result in the disconnection of millions of low-income consumers from free mobile voice service on or before December 1, 2016, when those minimum service standards would go into effect.

Specifically, the Commission is proposing to set minimum service standards for voice service at the maximum—unlimited minutes per month—for \$9.25 per month in subsidy/reimbursement, reduced by \$2 each year for two years until the subsidy is eliminated entirely. Because the cost of providing unlimited mobile voice service exceeds the \$9.25 subsidy amount, participating ETCs will either need to charge consumers a monthly fee for service (a co-pay), or exit the Lifeline market. For the 11 million Lifeline subscribers that rely on free basic mobile Lifeline service, the consequences of the FCC's action would be dire. A poll conducted by TracFone found that 80 percent of Lifeline customers could not continue to subscribe to their

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<sup>1</sup> See Chairman Wheeler & Commissioner Clyburn Propose Rules to Modernize Lifeline Program to Provide Affordable Broadband for Low-Income Americans, *available at* [http://transition.fcc.gov/Daily\\_Releases/Daily\\_Business/2016/db0314/DOC-338113A1.pdf](http://transition.fcc.gov/Daily_Releases/Daily_Business/2016/db0314/DOC-338113A1.pdf) (last visited Mar. 17, 2016).

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service if there were a co-pay.<sup>2</sup> A similar poll of 5,500 subscribers conducted by another ETC found that 75 percent of those polled said they might have to disconnect from their Lifeline-supported mobile service if there were a co-pay requirement. These consumers—including the most vulnerable members of our society—would lose their communications lifeline to emergency services, government services, jobs, education, healthcare providers and their families.

To raise the voices of these consumers, several wireless ETCs contacted their subscriber bases (except for subscribers in California and Oklahoma, where there is a substantial enhanced subsidy) through free-to-end-user informational messages to inform them of the potential consequences of the Commission's action for their service plan. Out of the approximately two million subscribers who received the message, nearly **500,000** signed a petition in support of free basic mobile voice service. The results of this petition are attached as Exhibit A. Assuming these numbers are representative of the broader Lifeline community, if we were to extrapolate this response rate to all Lifeline participants, it would total nearly 3.1 million subscribers.

We respectfully urge the Commission to recognize the importance of—and preserve the availability of—free basic mobile voice service for these low-income consumers, and not set a minimum service standard for voice service that would force a co-payment on these consumers.

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

Respectfully submitted,



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Enclosure

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<sup>2</sup> See Letter from Mark Rubin, Senior Executive for Government Affairs, TracFone Wireless, Inc., to Marlene H. Dortch, Secretary, Federal Communications Commission, Exhibit A, 6 (Mar. 17, 2016).

# **EXHIBIT A**

## Petition: Don't Hang Up on Low-Income America

The FCC should preserve free basic mobile voice service for eligible Lifeline participants. In response to the following free-to-end-user informational message from their ETC, **476,177** subscribers of the ETCs listed below responded YES:

*URGENT: FCC action could end your free Lifeline plan by December 2016! If free basic wireless voice service is important to you, reply YES to sign the petition!*

Results:

| ETC                                     | Customers Reached | Responses Received | Response Rate |
|---|-------------------|--------------------|---------------|
| Absolute Mobile                         | 74                | 21                 | 28%           |
| American Broadband & Telecommunications | 319,500           | 177,450            | 56%           |
| Assist Wireless                         | 16,331            | 1,635              | 10%           |
| Blue Jay Wireless                       | 141,870           | 14,971             | 11%           |
| Budget Mobile                           | 541,837           | 39,264             | 7%            |
| Easy Wireless                           | 997               | 135                | 14%           |
| Q-Link Wireless                         | 450,000           | 143,285            | 32%           |
| SafetyNet Wireless                      | 26,151            | 1,948              | 7%            |
| Surety Wireless                         | 73                | 18                 | 25%           |
| Telrite Corporation                     | 513,426           | 97,450             | 19%           |
| <b>Total:</b>                           | <b>2,010,259</b>  | <b>476,177</b>     | <b>24%</b>    |