



March 24, 2016

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12th Street, SW  
Washington, DC 20554

**Re: 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**

Dear Secretary Dortch:

On behalf of the National Consumers League (NCL)<sup>1</sup> we are pleased to offer the following *ex parte* comments in the above-captioned dockets. Our organization has long supported the Lifeline program. We applaud the Federal Communications Commission's plan to modernize the program, as outlined in your Lifeline Fact Sheet.<sup>2</sup>

As we stated in our filing of September 30, 2015, broadband service is quickly becoming an essential utility, required to participate in modern American life. The Internet has widened the opportunity gap between those who have broadband and those who do not in key areas such as employment, education and healthcare access.<sup>3</sup> We support your goal of including broadband as part of Lifeline. However, we also wish to share some of our concerns with the draft proposal.

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<sup>1</sup> The National Consumers League, founded in 1899, is America's pioneer consumer organization. Our mission is to protect and promote social and economic justice for consumers and workers in the United States and abroad.

<sup>2</sup> Federal Communications Commission. "Chairman Wheeler and Commissioner Clyburn Propose Rules to Modernize Lifeline Program to Provide Affordable Broadband for Low-Income Americans," Fact sheet. March 8, 2016. Online: <https://www.fcc.gov/document/fact-sheet-lifeline-modernization-proposal>

<sup>3</sup> Reply Comments of the National Consumers League. WC Docket 11-42 (Filed September 30, 2015). Online: <http://apps.fcc.gov/ecfs/document/view?id=60001325680>

Mobile Voice Services for Lifeline - We support the positions of other public interest organizations about the importance of no-cost and low-cost standalone mobile voice services for Lifeline subscribers.<sup>4</sup> Mobile voice continues to be essential to daily living for many reasons, including communicating with employers, arranging transportation and childcare, and accessing public safety services.<sup>5</sup> It is therefore critical that the Commission's forthcoming rules preserve the availability of this important service to Lifeline-eligible consumers.

Affordability - Nearly half of Americans who rely on smartphones for broadband access have had to cancel their cell phone service for a period of time because of financial hardship.<sup>6</sup> As noted in many other filings, many low-income consumers are "unbanked" meaning that they do not have checking accounts or credit cards and have no practicable means of remitting monthly payments.<sup>7</sup> It is therefore critical that the Commission's reforms to the Lifeline program preserve the availability of no-cost devices and service to the millions of consumers for whom even a modest monthly fee could put Lifeline service out of reach.

911 Services - We agree with the concerns outlined by Consumer Action regarding 911.<sup>8</sup> Superficially, we concur with their statement that "the FCC's proposal could lead to the loss of access to emergency services by much of existing Lifeline customer base, if they were to opt for the broadband enabled or 'telephone app' services which are not currently able to access 911. This would be inconsistent with Administration's observation that 'there are still situations where voice may take precedence for low-income consumers, including calling 911 for help.'"<sup>9</sup>

We share your desire to modernize the vital Lifeline program. However, we believe this can and should be done without imposition of any unnecessary financial obligations on consumers and without limiting services by removing wireless mobile Lifeline as an option by 2019. We look forward to discussing these issues with you and your staff. Thank you for your time and consideration.

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<sup>4</sup> Public Knowledge *et al*, *Ex Parte* (March 8, 2016). Online: <http://apps.fcc.gov/ecfs/document/view?id=60001409406>

<sup>5</sup> *Ibid*.

<sup>6</sup> Pew Research Center, U.S. Smartphone Use in 2015 at 14 (April 1, 2015) available at: <http://www.pewinternet.org/2015/04/01/us-smartphone-use-in-2015/>

<sup>7</sup> See *e.g.*, Lifeline Connects Coalition Written Ex Parte Presentation; WC Docket Nos. 11-42, 09-197, 10-90 (March 21, 2016) <http://apps.fcc.gov/ecfs/document/view?id=60001545666>; Disability Advocates Ex Parte Presentation, WC Docket Nos. 11-42, 09-197, 10-90 (February 10, 2016); <http://apps.fcc.gov/ecfs/document/view?id=60001426209>

<sup>8</sup> See footnote 6.

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

Sincerely,

/s/

John Breyault

Vice President, Public Policy, Telecommunications and Fraud

National Consumers League