

provide service to such consumers, including becoming designated as an Eligible Telecommunications Carrier (“ETC”) which enables it to provide its SafeLink Wireless Lifeline service in many states. That service provides qualified consumers with free wireless handsets and with specified monthly allotments of free minutes of wireless airtime, supported, in part, by the Federal Universal Service Fund

Recently, TracFone has begun to focus its attention on making available broadband service to low income households throughout America, including rural America. In October 2008, TracFone submitted to the Commission a proposal to establish a pilot program for offering a Lifeline-type broadband service to low income consumers.⁴ Under that proposal, the Commission would establish a pilot program in several states which would allow participating providers to offer low income households an Internet access device funded by a \$250 subsidy from the federal Universal Service Fund, and a \$30.00 Lifeline-supported monthly broadband Internet access service, also supported by the federal USF. Depending on the success of the pilot program and the lessons learned from the program, the broadband Lifeline/Link Up trial could be made permanent and expanded nationwide. Although the pilot program would be funded by the Universal Service Fund, a permanent program could be funded by other sources, including direct legislative appropriations.

In November 2008, the Commission proposed and sought comment on the concept of a Lifeline program for broadband in general and on the TracFone proposal in particular. Although no action has yet been taken on the proposal, the program proposal received favorable comment from many parties, including numerous consumer and other public interest groups. While not directed specifically at rural deployment, a Lifeline-type program like that proposed by

⁴ Petition of TracFone Wireless, Inc. to Establish a Trial Broadband Lifeline/Link Up Program, WC Docket No. 03-109, CC Docket No. 96-45, filed October 9, 2008.

TracFone, would make affordable broadband service available throughout the country, including rural America. For that reason, TracFone respectfully urges the Commission to include in its rural broadband strategy plans for ensuring that all rural consumers including those residing in low income rural households, have access to affordable broadband services. A federal subsidy program modeled on the Lifeline and Link Up programs for voice services would contribute to achievement of that important objective. As the Commission considers a strategy for rural broadband as required by the Farm Act and consistent with the nation's overall broadband goals as reflected in the ARRA, TracFone urges the Commission to remain mindful of the fact that deployment of broadband facilities to rural areas will not, by itself, be sufficient; any comprehensive rural broadband strategy must address mechanisms for making access to those facilities affordable for all Americans, including low income consumers who reside in rural as well as urban areas. A federal program modeled on the current Lifeline and Link Up programs should be part of that strategy.

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March 25, 2009