

**Before the
Federal Communications Commission
Washington, DC 20554**

In the Matter of)	
)	
Lifeline and Link Up Reform and Modernization)	WC Docket No. 11-42
)	
Lifeline and Link Up)	WC Docket No 03-109
)	
Federal-State Joint Board on Universal Service)	CC Docket No 96-45
)	
Advancing Broadband Availability Through Digital Literacy Training)	WC Docket No 12-23
)	

**REPLY COMMENTS OF THE
NATIONAL TELECOMMUNICATIONS COOPERATIVE ASSOCIATION**

The National Telecommunications Cooperative Association (“NTCA”)¹ submits these reply comments in the above referenced Further Notice of Proposed Rulemaking (“FNPRM”).² NTCA joins the chorus of commenters arguing that an automated Lifeline database would help streamline the program and make it more efficient. NTCA also reiterates its position that the Commission should consider the impacts of the already adopted changes and study the results of its pilot program to make informed decisions with respect to certain further proposed changes to the Lifeline program and points out that several other commenters agree.³

¹ NTCA is an industry association representing rural telecommunications providers. Established in 1954 by eight rural telephone companies, today NTCA represents nearly 600 rural rate-of-return regulated telecommunications providers. All of NTCA’s members are full service local exchange carriers (LECs) and many of its members provide wireless, cable, Internet, satellite, and long distance services to their communities. Each member is a “rural telephone company” as defined in the Communications Act of 1934, as amended (Act). NTCA’s members are dedicated to providing competitive modern telecommunications services and ensuring the economic future of their rural communities.

² *In the Matter of Lifeline and Link Up Reform and Modernization*, WC Docket No. 11-42, *Lifeline and Link Up*, WC Docket No. 03-109, *Federal-State Joint Board on Universal Service*, CC Docket No. 96-45, *Advancing Broadband Availability Through Digital Literacy Training*, WC Docket No 12-23, Report and Order and Further Notice of Proposed Rulemaking (released February 6, 2012) (“Order and FNPRM” or “FNPRM”),

³ See Comments of ITTA, Verizon, Public Service Commission of the District of Columbia, USTelecom.

I. AN AUTOMATED DATABASE WOULD MAKE THE LIFELINE PROGRAM MORE EFFICIENT

NTCA agrees that a centralized database would simplify and streamline the process for determining Lifeline eligibility. The establishment of a fully automated means of verifying consumers' initial and ongoing Lifeline eligibility from governmental data sources would both improve the accuracy of eligibility determinations and ensure that only eligible consumers receive Lifeline benefits. It would also reduce burdens on consumers as well as ETCs⁴. NTCA supports efforts by the Commission to encourage states to take all actions necessary to implement a database.⁵

Any privacy concerns associated with allowing ETCs to access eligibility databases could be allayed by limiting database access to only the relevant information. The database administrator should examine income and program documentation submitted by end-users and determine eligibility. Carriers would be relieved of the burden of having to make initial determinations and as the United States Telecom Association points out, the process would result in increased standardization of eligibility determinations.⁶ Following that, ETCs should be able to certify whether an individual applicant is Lifeline eligible with a yes or no database inquiry. There is no reason for ETCs to have access to information about the participation of households that determine Lifeline eligibility. As TracFone points out, "ETCs do not need to have access to an entire database."⁷ With limited information access and an ETC confidentiality requirement,

⁴ FNPRM ¶ 403.

⁵ The Commission should make it clear that carriers may rely on the accuracy of the database and are held harmless in so relying. The Commission should also affirmatively state that once a database is available, carriers have no responsibility to individually verify a subscriber's Lifeline eligibility.

⁶ Comments of US Telecom, p. 3.

⁷ Comments of TracFone, p. 4

the Commission could all but eliminate privacy concerns associated with the existence and use of a centralized database.

II. THE COMMISSION SHOULD ANALYZE THE RESULTS OF THE NEW RULES AND PILOT PROGRAM BEFORE CONSIDERING ADDITIONAL CHANGES

The Commission made significant changes to the Lifeline program and is providing carriers an opportunity to try innovative approaches to promote broadband adoption, but before any of it can be studied, the Commission is proposing additional changes.

The Commission asks whether it should continue with a uniform Lifeline support amount, or provide different levels of support based on the service, geographic region, or other factors and what the amount should be. The Commission must assess the impact of the recent change to a single rate before making further changes. The impact cannot yet be gauged and any estimates would not be reliable. The Commission has the opportunity to make further changes based on actual experience and should wait to do so.

Similarly, the Commission seeks to increase broadband adoption and questions whether it should require carriers to offer voice as part of a bundle of service that includes broadband and whether funds should be used for digital literacy. The broadband pilot program is designed to study actions and offers that lead to increased broadband adoption. Both of the proposals will create additional cost. Without any information about whether either program will lead to increased adoption and measure their benefits, commenters are doing nothing more than guessing that the cost outweighs the benefit or vice versa. Resources are limited and decisions about how to use it should be based only on full consideration of all of the information. There is no rush. Certainty in the near term outweighs the consideration of further changes.

III. CONCLUSION

The Commission has made significant progress in the curbing of waste in the Lifeline program. This positive development will be further enhanced when ETCs can use an automated database to verify subscriber eligibility. However, additional changes to the program should occur only after deliberate and careful consideration of all available information. The Commission should consider the results of its broadband pilot program and the impacts of the recent changes before further reforms are proposed.

Respectfully submitted,



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May 1, 2012

CERTIFICATE OF SERVICE

I, Barbara E. Fitzpatrick, certify that a copy of the foregoing Reply Comments of the National Telecommunications Cooperative Association in WC Docket Nos. 11-42, 03-109, 12-23 and CC Docket No. 96-45, was served on this 1st day of May, 2012 via electronic mail to the following persons:

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