Commission time and resources wasted on reforming the Lifeline Program.

The Lifeline Program is exactly that – a lifeline – for millions of low-income consumers who couldn't otherwise afford telephone service. The Commission has devoted considerable effort to completely reform and stabilize this program and ensure its survivability so that it can continue to serve our most vulnerable citizens. None of the Commission's time or resources has been wasted in this endeavor. Indeed, former Republican Commissioner Robert McDowell referred to the Commission's efforts to reform the Lifeline program as "a model of entitlement reform."

Please let me know if I can be of any further assistance.

Sincerely,

Mignon L. Clyburn

FEDERAL COMMUNICATIONS COMMISSION

Mignon L. Clyburn
Commissioner

December 9, 2013

The Honorable Brad Wenstrup
U.S. House of Representatives
1223 Longworth House Office Building
Washington, D.C. 20515

Dear Congressman Wenstrup:

Thank you for your inquiry concerning the Lifeline program, which provides a veritable lifeline to millions of families who otherwise might not have access to affordable phone service in our increasingly connected world. I am proud to have been a part of efforts that have fundamentally reformed all of the Commission's universal service programs, including Lifeline.

While the Commission's 2012 reforms to the Lifeline program have made significant progress to address concerns about the program, I also recognize that our work is not complete. The Commission is continuing to monitor the impact of its reforms and evaluating what additional measures are appropriate to ensure the integrity of the Lifeline program. I appreciate your views and am grateful for the opportunity to share my own, and to address some of the concerns you may have.

Importance of the Lifeline Program in relation to other USF priorities.

In the Telecommunications Act of 1996, Congress codified the principle of ensuring that all Americans, including low-income consumers, should have access to telecommunications services, including "advanced" telecommunications services. This principle was one of several universal service principles adopted by Congress. Each universal service principle adopted by Congress is equally important. Thus, each Commission program implementing the universal service statutory requirements is equally important.

Use of a $2 co-pay as a condition to participate in Lifeline.

In the 2012 *Lifeline Reform Order*, the Commission found that it was unnecessary to impose a federal minimum charge requirement in light of the other significant steps that were taken to reform the program. I was proud to support those reforms – actions that are working and are on track to save the Fund over $2 billion by the end of 2014. It is also important to note that while the FCC did not adopt a *federal* minimum charge requirement, the states (who are responsible for approving carrier participation in the program in the vast majority of cases) remain free to adopt such a requirement. Indeed, the Georgia Public Service Commission

recently adopted a $5 minimum charge requirement for all Lifeline providers offering service in the state.

Additional suggestions to cut the spending in the Lifeline Program in half by the end of 2014.

While the Commission's comprehensive 2012 reforms to the Lifeline program (which already saved over $200 million in 2012 and are on track to save $2 billion by the end of 2014) have made significant progress to address concerns about the program, our work is not complete. The Commission is continuing to monitor the impact of its reforms, actively enforce its rules, and evaluate what additional measures are appropriate to ensure the integrity of the Lifeline program. In addition to numerous reforms already in place, the Commission is considering additional potential steps to further reform the program based on proposals contained in a *Further Notice of Proposed Rulemaking* that accompanied the 2012 *Lifeline Reform Order* as well as proposals contained in two petitions for rulemaking that were put out for comment earlier this year. The Commission is actively reviewing the record in response to the proposals in the *Further Notice* and the petitions, in light of developments in the Lifeline market.

Process for verifying Lifeline eligibility and duplication. Number of duplicate names found enrolled in the Lifeline program over the past year.

In the *Lifeline Reform Order*, to ensure that only eligible consumers that affirmatively request Lifeline service are able to receive it, the Commission established the National Lifeline Accountability Database (NLAD) to permanently detect and prevent duplicative support in violation of the one-per-household rule. When the NLAD becomes operational, a lifeline provider must check the database to determine if a prospective subscriber is already enrolled with another carrier prior to providing service to that subscriber. The first five states to be loaded into the database in December 2013 are Arkansas, Louisiana, Maryland, Oklahoma, and Washington, with other states to follow shortly thereafter. While awaiting development and rollout of the NLAD, the Commission, in conjunction with USAC has been working diligently to eliminate duplicative Lifeline support through targeted audits known as In-Depth Data Validations (IDVs). The IDV process has eliminated approximately 2 million duplicate Lifeline subscriptions, saving the Fund approximately $240 million a year.

In reforming the Lifeline program, the Commission took several steps to ensure that only eligible consumers that affirmatively request Lifeline service are able to receive it. First, Commission rules require documented proof of eligibility for all consumers enrolling in Lifeline. Second, consumers must certify their eligibility at the time of enrollment. Third, the Commission put in place a robust recertification requirement to ensure that only eligible subscribers remain in the program. Subscribers must recertify their continued eligibility annually.

Commission time and resources wasted on reforming the Lifeline Program.

The Lifeline Program is exactly that – a lifeline – for millions of low-income consumers who couldn't otherwise afford telephone service. The Commission has devoted considerable effort to completely reform and stabilize this program and ensure its survivability so that it can continue to serve our most vulnerable citizens. None of the Commission's time or resources has been wasted in this endeavor. Indeed, former Republican Commissioner Robert McDowell referred to the Commission's efforts to reform the Lifeline program as "a model of entitlement reform."

Please let me know if I can be of any further assistance.

Sincerely,

Mignon L. Clyburn

FEDERAL COMMUNICATIONS COMMISSION

Mignon L. Clyburn
Commissioner

December 9, 2013

The Honorable Lynn A. Westmoreland
U.S. House of Representatives
2433 Rayburn House Office Building
Washington, D.C. 20515

Dear Congressman Westmoreland:

Thank you for your inquiry concerning the Lifeline program, which provides a veritable lifeline to millions of families who otherwise might not have access to affordable phone service in our increasingly connected world. I am proud to have been a part of efforts that have fundamentally reformed all of the Commission's universal service programs, including Lifeline.

While the Commission's 2012 reforms to the Lifeline program have made significant progress to address concerns about the program, I also recognize that our work is not complete. The Commission is continuing to monitor the impact of its reforms and evaluating what additional measures are appropriate to ensure the integrity of the Lifeline program. I appreciate your views and am grateful for the opportunity to share my own, and to address some of the concerns you may have.

Importance of the Lifeline Program in relation to other USF priorities.

In the Telecommunications Act of 1996, Congress codified the principle of ensuring that all Americans, including low-income consumers, should have access to telecommunications services, including "advanced" telecommunications services. This principle was one of several universal service principles adopted by Congress. Each universal service principle adopted by Congress is equally important. Thus, each Commission program implementing the universal service statutory requirements is equally important.

Use of a $2 co-pay as a condition to participate in Lifeline.

In the 2012 *Lifeline Reform Order*, the Commission found that it was unnecessary to impose a federal minimum charge requirement in light of the other significant steps that were taken to reform the program. I was proud to support those reforms – actions that are working and are on track to save the Fund over $2 billion by the end of 2014. It is also important to note that while the FCC did not adopt a *federal* minimum charge requirement, the states (who are responsible for approving carrier participation in the program in the vast majority of cases) remain free to adopt such a requirement. Indeed, the Georgia Public Service Commission

recently adopted a $5 minimum charge requirement for all Lifeline providers offering service in the state.

Additional suggestions to cut the spending in the Lifeline Program in half by the end of 2014.

While the Commission's comprehensive 2012 reforms to the Lifeline program (which already saved over $200 million in 2012 and are on track to save $2 billion by the end of 2014) have made significant progress to address concerns about the program, our work is not complete. The Commission is continuing to monitor the impact of its reforms, actively enforce its rules, and evaluate what additional measures are appropriate to ensure the integrity of the Lifeline program. In addition to numerous reforms already in place, the Commission is considering additional potential steps to further reform the program based on proposals contained in a *Further Notice of Proposed Rulemaking* that accompanied the 2012 *Lifeline Reform Order* as well as proposals contained in two petitions for rulemaking that were put out for comment earlier this year. The Commission is actively reviewing the record in response to the proposals in the *Further Notice* and the petitions, in light of developments in the Lifeline market.

Process for verifying Lifeline eligibility and duplication. Number of duplicate names found enrolled in the Lifeline program over the past year.

In the *Lifeline Reform Order*, to ensure that only eligible consumers that affirmatively request Lifeline service are able to receive it, the Commission established the National Lifeline Accountability Database (NLAD) to permanently detect and prevent duplicative support in violation of the one-per-household rule. When the NLAD becomes operational, a lifeline provider must check the database to determine if a prospective subscriber is already enrolled with another carrier prior to providing service to that subscriber. The first five states to be loaded into the database in December 2013 are Arkansas, Louisiana, Maryland, Oklahoma, and Washington, with other states to follow shortly thereafter. While awaiting development and rollout of the NLAD, the Commission, in conjunction with USAC has been working diligently to eliminate duplicative Lifeline support through targeted audits known as In-Depth Data Validations (IDVs). The IDV process has eliminated approximately 2 million duplicate Lifeline subscriptions, saving the Fund approximately $240 million a year.

In reforming the Lifeline program, the Commission took several steps to ensure that only eligible consumers that affirmatively request Lifeline service are able to receive it. First, Commission rules require documented proof of eligibility for all consumers enrolling in Lifeline. Second, consumers must certify their eligibility at the time of enrollment. Third, the Commission put in place a robust recertification requirement to ensure that only eligible subscribers remain in the program. Subscribers must recertify their continued eligibility annually.

Commission time and resources wasted on reforming the Lifeline Program.

The Lifeline Program is exactly that – a lifeline – for millions of low-income consumers who couldn't otherwise afford telephone service. The Commission has devoted considerable effort to completely reform and stabilize this program and ensure its survivability so that it can continue to serve our most vulnerable citizens. None of the Commission's time or resources has been wasted in this endeavor. Indeed, former Republican Commissioner Robert McDowell referred to the Commission's efforts to reform the Lifeline program as "a model of entitlement reform."

Please let me know if I can be of any further assistance.

Sincerely,

Mignon L. Clyburn

FEDERAL COMMUNICATIONS COMMISSION

Mignon L. Clyburn
Commissioner

December 9, 2013

The Honorable Robert J. Wittman
U.S. House of Representatives
1317 Longworth House Office Building
Washington, D.C. 20515

Dear Congressman Wittman:

Thank you for your inquiry concerning the Lifeline program, which provides a veritable lifeline to millions of families who otherwise might not have access to affordable phone service in our increasingly connected world. I am proud to have been a part of efforts that have fundamentally reformed all of the Commission's universal service programs, including Lifeline.

While the Commission's 2012 reforms to the Lifeline program have made significant progress to address concerns about the program, I also recognize that our work is not complete. The Commission is continuing to monitor the impact of its reforms and evaluating what additional measures are appropriate to ensure the integrity of the Lifeline program. I appreciate your views and am grateful for the opportunity to share my own, and to address some of the concerns you may have.

Importance of the Lifeline Program in relation to other USF priorities.

In the Telecommunications Act of 1996, Congress codified the principle of ensuring that all Americans, including low-income consumers, should have access to telecommunications services, including "advanced" telecommunications services. This principle was one of several universal service principles adopted by Congress. Each universal service principle adopted by Congress is equally important. Thus, each Commission program implementing the universal service statutory requirements is equally important.

Use of a $2 co-pay as a condition to participate in Lifeline.

In the 2012 *Lifeline Reform Order*, the Commission found that it was unnecessary to impose a federal minimum charge requirement in light of the other significant steps that were taken to reform the program. I was proud to support those reforms – actions that are working and are on track to save the Fund over $2 billion by the end of 2014. It is also important to note that while the FCC did not adopt a *federal* minimum charge requirement, the states (who are responsible for approving carrier participation in the program in the vast majority of cases) remain free to adopt such a requirement. Indeed, the Georgia Public Service Commission

recently adopted a $5 minimum charge requirement for all Lifeline providers offering service in the state.

Additional suggestions to cut the spending in the Lifeline Program in half by the end of 2014.

While the Commission's comprehensive 2012 reforms to the Lifeline program (which already saved over $200 million in 2012 and are on track to save $2 billion by the end of 2014) have made significant progress to address concerns about the program, our work is not complete. The Commission is continuing to monitor the impact of its reforms, actively enforce its rules, and evaluate what additional measures are appropriate to ensure the integrity of the Lifeline program. In addition to numerous reforms already in place, the Commission is considering additional potential steps to further reform the program based on proposals contained in a *Further Notice of Proposed Rulemaking* that accompanied the 2012 *Lifeline Reform Order* as well as proposals contained in two petitions for rulemaking that were put out for comment earlier this year. The Commission is actively reviewing the record in response to the proposals in the *Further Notice* and the petitions, in light of developments in the Lifeline market.

Process for verifying Lifeline eligibility and duplication. Number of duplicate names found enrolled in the Lifeline program over the past year.

In the *Lifeline Reform Order*, to ensure that only eligible consumers that affirmatively request Lifeline service are able to receive it, the Commission established the National Lifeline Accountability Database (NLAD) to permanently detect and prevent duplicative support in violation of the one-per-household rule. When the NLAD becomes operational, a lifeline provider must check the database to determine if a prospective subscriber is already enrolled with another carrier prior to providing service to that subscriber. The first five states to be loaded into the database in December 2013 are Arkansas, Louisiana, Maryland, Oklahoma, and Washington, with other states to follow shortly thereafter. While awaiting development and rollout of the NLAD, the Commission, in conjunction with USAC has been working diligently to eliminate duplicative Lifeline support through targeted audits known as In-Depth Data Validations (IDVs). The IDV process has eliminated approximately 2 million duplicate Lifeline subscriptions, saving the Fund approximately $240 million a year.

In reforming the Lifeline program, the Commission took several steps to ensure that only eligible consumers that affirmatively request Lifeline service are able to receive it. First, Commission rules require documented proof of eligibility for all consumers enrolling in Lifeline. Second, consumers must certify their eligibility at the time of enrollment. Third, the Commission put in place a robust recertification requirement to ensure that only eligible subscribers remain in the program. Subscribers must recertify their continued eligibility annually.

Commission time and resources wasted on reforming the Lifeline Program.

The Lifeline Program is exactly that – a lifeline – for millions of low-income consumers who couldn't otherwise afford telephone service. The Commission has devoted considerable effort to completely reform and stabilize this program and ensure its survivability so that it can continue to serve our most vulnerable citizens. None of the Commission's time or resources has been wasted in this endeavor. Indeed, former Republican Commissioner Robert McDowell referred to the Commission's efforts to reform the Lifeline program as "a model of entitlement reform."

Please let me know if I can be of any further assistance.

Sincerely,

Mignon L. Clyburn

FEDERAL COMMUNICATIONS COMMISSION

Mignon L. Clyburn
Commissioner

December 9, 2013

The Honorable Ted Yoho
U.S. House of Representatives
511 Cannon House Office Building
Washington, D.C. 20515

Dear Congressman Yoho:

Thank you for your inquiry concerning the Lifeline program, which provides a veritable lifeline to millions of families who otherwise might not have access to affordable phone service in our increasingly connected world. I am proud to have been a part of efforts that have fundamentally reformed all of the Commission's universal service programs, including Lifeline.

While the Commission's 2012 reforms to the Lifeline program have made significant progress to address concerns about the program, I also recognize that our work is not complete. The Commission is continuing to monitor the impact of its reforms and evaluating what additional measures are appropriate to ensure the integrity of the Lifeline program. I appreciate your views and am grateful for the opportunity to share my own, and to address some of the concerns you may have.

Importance of the Lifeline Program in relation to other USF priorities.

In the Telecommunications Act of 1996, Congress codified the principle of ensuring that all Americans, including low-income consumers, should have access to telecommunications services, including "advanced" telecommunications services. This principle was one of several universal service principles adopted by Congress. Each universal service principle adopted by Congress is equally important. Thus, each Commission program implementing the universal service statutory requirements is equally important.

Use of a $2 co-pay as a condition to participate in Lifeline.

In the 2012 *Lifeline Reform Order*, the Commission found that it was unnecessary to impose a federal minimum charge requirement in light of the other significant steps that were taken to reform the program. I was proud to support those reforms – actions that are working and are on track to save the Fund over $2 billion by the end of 2014. It is also important to note that while the FCC did not adopt a *federal* minimum charge requirement, the states (who are responsible for approving carrier participation in the program in the vast majority of cases) remain free to adopt such a requirement. Indeed, the Georgia Public Service Commission

recently adopted a $5 minimum charge requirement for all Lifeline providers offering service in the state.

Additional suggestions to cut the spending in the Lifeline Program in half by the end of 2014.

While the Commission's comprehensive 2012 reforms to the Lifeline program (which already saved over $200 million in 2012 and are on track to save $2 billion by the end of 2014) have made significant progress to address concerns about the program, our work is not complete. The Commission is continuing to monitor the impact of its reforms, actively enforce its rules, and evaluate what additional measures are appropriate to ensure the integrity of the Lifeline program. In addition to numerous reforms already in place, the Commission is considering additional potential steps to further reform the program based on proposals contained in a *Further Notice of Proposed Rulemaking* that accompanied the 2012 *Lifeline Reform Order* as well as proposals contained in two petitions for rulemaking that were put out for comment earlier this year. The Commission is actively reviewing the record in response to the proposals in the *Further Notice* and the petitions, in light of developments in the Lifeline market.

Process for verifying Lifeline eligibility and duplication. Number of duplicate names found enrolled in the Lifeline program over the past year.

In the *Lifeline Reform Order*, to ensure that only eligible consumers that affirmatively request Lifeline service are able to receive it, the Commission established the National Lifeline Accountability Database (NLAD) to permanently detect and prevent duplicative support in violation of the one-per-household rule. When the NLAD becomes operational, a lifeline provider must check the database to determine if a prospective subscriber is already enrolled with another carrier prior to providing service to that subscriber. The first five states to be loaded into the database in December 2013 are Arkansas, Louisiana, Maryland, Oklahoma, and Washington, with other states to follow shortly thereafter. While awaiting development and rollout of the NLAD, the Commission, in conjunction with USAC has been working diligently to eliminate duplicative Lifeline support through targeted audits known as In-Depth Data Validations (IDVs). The IDV process has eliminated approximately 2 million duplicate Lifeline subscriptions, saving the Fund approximately $240 million a year.

In reforming the Lifeline program, the Commission took several steps to ensure that only eligible consumers that affirmatively request Lifeline service are able to receive it. First, Commission rules require documented proof of eligibility for all consumers enrolling in Lifeline. Second, consumers must certify their eligibility at the time of enrollment. Third, the Commission put in place a robust recertification requirement to ensure that only eligible subscribers remain in the program. Subscribers must recertify their continued eligibility annually.

Commission time and resources wasted on reforming the Lifeline Program.

The Lifeline Program is exactly that – a lifeline – for millions of low-income consumers who couldn't otherwise afford telephone service. The Commission has devoted considerable effort to completely reform and stabilize this program and ensure its survivability so that it can continue to serve our most vulnerable citizens. None of the Commission's time or resources has been wasted in this endeavor. Indeed, former Republican Commissioner Robert McDowell referred to the Commission's efforts to reform the Lifeline program as "a model of entitlement reform."

Please let me know if I can be of any further assistance.

Sincerely,

Mignon L. Clyburn