

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of Bridging the Digital Divide ) for Low-Income Consumers )	WC Docket No. 17-287
In the Matter of Federal-State Joint Board ) On Universal Service Lifeline and Link Up ) Reform and Modernization )	WC Docket No. 11-42
Telecommunications Carriers Eligible for ) Universal Service Support )	WC Docket No. 09-197

**COMMENTS OF  
THE NATIONAL ASSOCIATION OF STATE UTILITY CONSUMER ADVOCATES  
IN SUPPORT OF THE PETITION TO PAUSE IMPLEMENTATION  
OF DECEMBER 2019 LIFELINE MINIMUM SERVICE STANDARDS**

The National Association of State Utility Consumer Advocates (NASUCA)<sup>1</sup> supports the Joint Petition filed by the National Consumer Law Center, National Hispanic Media Coalition, OCA-Asian Pacific American Advocates, United Church of Christ, and OC, Inc. which requests that the Wireline Competition Bureau (WCB) of the Federal Communications Commission (FCC or Commission) exercise its waiver authority to grant a stay of two changes to the Lifeline program which would otherwise take effect by regulation on December 1, 2019. The Joint

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<sup>1</sup> NASUCA is a voluntary association of 56 consumer advocate offices. NASUCA members represent the interests of utility consumers in 42 states, the District of Columbia, Puerto Rico, Barbados and Jamaica. NASUCA is incorporated in Florida as a non-profit corporation. NASUCA's full members are designated by the laws of their respective jurisdictions to represent the interests of utility consumers before state and federal regulators and in the courts. Members operate independently from state utility commissions. Some NASUCA member offices are separately established advocate organizations while others are divisions of larger state agencies (e.g., the state Attorney General's office). NASUCA's associate and affiliate members also represent the interests of utility consumers but are not created by state law or do not have statewide authority. Some NASUCA member offices advocate in states whose respective state commissions do not have jurisdiction over certain telecommunications issues.

Petition requests that the stay extend until the Commission has considered the WCB's 2021 *State of the Lifeline Assessment Marketplace Report*.<sup>2</sup>

## I. COMMENTS

Pursuant to the Federal Communications Commission's 2016 *Lifeline Modernization Order*<sup>3</sup> and regulations 47 C.F.R. §§ 54.403, 54.408, two changes to the Lifeline program are scheduled to occur on December 1, 2019. First, the amount of support provided from the Universal Service Fund (USF) to make voice service more affordable for Lifeline consumers is set to decrease from \$9.25 to \$7.25, followed by future annual decrements to support for Lifeline voice service.<sup>4</sup> Second, the minimum standards for Lifeline mobile broadband service will increase from 2 gigabytes (GB) a month to 8.75 GB per month, based upon a formula and changes in average mobile data usage per household.<sup>5</sup>

In early 2018, NASUCA recommended that the Commission halt the December 1, 2019 scheduled phase down of support for Lifeline voice service in all areas, based upon the importance of affordable voice service to Lifeline consumers and upon consideration of the uneven availability of Lifeline broadband services as an alternative.<sup>6</sup> Voice service is classified as an essential service and should be fully supported through the Lifeline program. Voice

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<sup>2</sup> Joint Petition at 9. [Lifeline and Link-Up Reform and Modernization](#), Third Report and Order, Further Report and Order, Order on Reconsideration, 31 FCC Rcd 3962, 3987, ¶ 66 (2016) (*Lifeline Modernization Order*).

<sup>3</sup> *Lifeline Modernization Order*, 31 FCC Rcd at 3986-87, ¶¶ 63-65.

<sup>4</sup> 47 C.F.R. § 54.403(a)(2)(i), (ii).

<sup>5</sup> 47 C.F.R. § 54.408((b)(2)(ii)(C), (D). Joint Petition to Pause Implementation at 4, fn. 12. The Joint Petition estimated the increased standard would be 9.5 GB. On July 25, 2019, the WCB announced the minimum monthly mobile broadband data usage minimum standard will be 8.75 GB per month, commencing December 1, 2019. See, Public Notice, *Wireline Competition Bureau Announces Updated Lifeline Minimum Service Standards and Indexed Budget Amount*, WC Docket No. 11-42, FCC DA 19-704 (July 25, 2019).

<sup>6</sup> [Bridging the Digital Divide for Low Income Consumers](#), WC Docket No. 17-287, Fourth Report and Order, Order on Reconsideration, Memorandum Opinion and Order, Notice of Proposed Rulemaking, and Notice of Inquiry, 32 FCC Rcd 10475, (*Bridging the Digital Divide for Low-Income Consumers NPRM*) (appellate history omitted), NASUCA Comments at 20-21 (filed Feb. 21, 2018), NASUCA Reply Comments at 6 (filed Mar. 23, 2018).

service provides Lifeline consumers with access to 911, whether by call or text (where supported). Decreasing the amount of monthly support for Lifeline voice service will make the service less affordable for Lifeline consumers who prefer voice service or who have no Lifeline broadband alternative. As noted in the NASUCA 2018 comments, the expansion of fixed and mobile broadband networks and service availability has proceeded at a slower pace than anticipated. Additionally, some ETCs have chosen to relinquish their ETC designation, while other ETCs are not obligated to offer broadband internet access service as an alternative to voice service throughout their service area. The FCC's proposed Rural Digital Opportunity Fund, slated for consideration at the Commission's August 1, 2019 public meeting, illustrates the ongoing need and challenge of expanding broadband networks and services to the Nation's unserved locations.<sup>7</sup>

Through NASUCA Resolution 2019-02, NASUCA has reaffirmed its position that Lifeline support for voice services should not decrease, as otherwise scheduled by regulation, by \$2 effective December 1, 2019 and annually thereafter.<sup>8</sup> The Universal Service Administrative Company (USAC) 2018 Annual Report show that the USF distributed \$312.3 million in support for Lifeline voice services, another \$293.7 million for Lifeline support for bundled voice and data services, and \$526.4 million for Lifeline broadband service. This is evidence that demand for Lifeline voice service is strong.

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<sup>7</sup> See, Public Notice of August 1, 2019 Public Meeting. Available at <https://docs.fcc.gov/public/attachments/DOC-358431A1.pdf>. The FCC has released a draft NPRM to create a \$20.4 billion Rural Digital Opportunity Fund. Available at <https://www.fcc.gov/document/creating-rural-digital-opportunity-fund>.

<sup>8</sup> NASUCA Resolution 2019-02, Urging the FCC to Preserve Lifeline Support for Voice Service and to Stay and Study the Scheduled Changes in Lifeline Minimum Standards. Available: <https://www.nasuca.org/nwp/wp-content/uploads/2019/07/2019-02-NASUCA-Telecom-Resolution-re-Lifeline-for-Voice-Service-Min-Standards.pdf>.

NASUCA has also considered the potential adverse impact from the scheduled change to the minimum standards for Lifeline mobile broadband services, where the minimum will increase December 1, 2019 from 2 GB to 8.75 GB per month. Consistent with NASUCA Resolution 2019-02, NASUCA encourages the Commission to halt the scheduled change and study the impact on the availability and affordability of Lifeline mobile broadband services for the reasons explained below.

NASUCA supports the Joint Petition's request that the WCB pause the phase-down of Lifeline voice support. Subscribership and USF disbursement information available following the *Lifeline Modernization Order* shows that there is still significant demand by Lifeline consumers for Lifeline voice services.<sup>9</sup> The scheduled decreases in support will undoubtedly make Lifeline voice service more expensive for those Lifeline consumers who do not have a choice of Lifeline broadband or do not want to or cannot afford to obtain broadband service with Lifeline support.

NASUCA supports the Joint Petition's request that the WCB pause the change in minimum standards for mobile Lifeline broadband. The Joint Petition cogently points out, the first time application of the regulatory formula would result in a "jump in the data usage allowance from 2 GB to 9.5 GB" and so would "skew the balance that the Commission struck [in 2016] in setting the minimum service standard to ensure that Lifeline plans are affordable and reasonably comparable to non-Lifeline plans given the defined subsidy level."<sup>10</sup> NASUCA shares the concerns of the Joint Petitioners that the formula-indicated increase in minimum standards may result in mobile Lifeline broadband service offerings of 9.5 GB sold at prices

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<sup>9</sup> Joint Petition at 7-9.

<sup>10</sup> Joint Petition at 5-6. As noted in footnote 5, *supra*, the WCB has reported the calculated increase is 8.75 GB, This is less of increase than the 9.5 GB estimate cited by the Joint Petition, but still more than a four-fold increase.

beyond the reach of Lifeline consumers or a dearth of mobile Lifeline broadband service offerings.

NASUCA submits that the Joint Petition has presented strong support for a grant by the WCB of a stay or waiver of these specific regulatory scheduled changes to the Lifeline service program. NASUCA agrees with the Joint Petition that the expected 2021 WCB *State of the Lifeline Marketplace Report* should provide the Commission with better information to determine the future of these specific regulatory provisions in the context of assuring that the Lifeline program meets the needs of low income consumers for access to affordable telecommunications and broadband internet access services. NASUCA supports the Joint Petition's specific request that any stay granted by the WCB extend "until the Commission can consider the Bureau's *State of the Lifeline Marketplace Report*..."<sup>11</sup>

The National Association of Regulatory Utility Commissioners' (NARUC's) recently approved resolution adds further support for grant of the Joint Petition. On July 24, 2019, NARUC Resolution TC-1, "Resolution to Maintain Full Voice Support in the Lifeline Program and Freezing the December 2018 Lifeline Broadband Minimum Standards."<sup>12</sup> In line with the Joint Petition and NASUCA Resolution 2019-02, NARUC urges the FCC to maintain Lifeline support for voice service at \$9.25 per month, without phase-down or elimination, and to freeze the broadband minimum service standards for mobile Lifeline service at 2 GB per month for \$9.25, until the WCB 2021 Lifeline study is completed and has been reviewed by the FCC.<sup>13</sup>

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<sup>11</sup> Joint Petition at 9.

<sup>12</sup> NARUC Summer 2019 Meeting Resolutions available at <https://pubs.naruc.org/pub/673FDE8A-A3A4-9353-E4B5-DB7D61961B0B> .

<sup>13</sup> *Id.*

## II. CONCLUSION

NASUCA requests that the Wireline Carrier Bureau grant the Joint Petition's request for relief and issue a stay of these specific regulatory provisions which would otherwise result in changes to the Lifeline service program effective December 1, 2019 and annually thereafter, pending Commission consideration of the Wireline Carrier Bureau's expected 2021 *State of the Lifeline Marketplace Report*.

Respectfully submitted,

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