

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

In the Matter of	)	
	)	
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

**REPLY COMMENTS OF ASIAN AMERICANS ADVANCING JUSTICE, BLACKS IN  
GOVERNMENT, LEAGUE OF UNITED LATIN AMERICAN CITIZENS,  
MULTICULTURAL MEDIA, TELECOM AND INTERNET COUNCIL, NAACP,  
NATIONAL ASSOCIATION OF NEIGHBORHOODS, NATIONAL ACTION  
NETWORK, NATIONAL COALITION ON BLACK CIVIC PARTICIPATION AND  
BLACK WOMEN’S ROUNDTABLE, NATIONAL COUNCIL OF LA RAZA, NATIONAL  
URBAN LEAGUE, NATIONAL ORGANIZATION OF BLACK COUNTY OFFICIALS,  
NATIONAL ORGANIZATION OF BLACK ELECTED LEGISLATIVE WOMEN, OCA-  
ASIAN PACIFIC AMERICAN ADVOCATES, RAINBOW PUSH COALITION, AND U.S.  
BLACK CHAMBERS, INC.**

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The Multicultural Media, Telecom and Internet Council (“MMTC”), National Urban League (“NUL”) and 13 national and regional civil rights, professional, intergovernmental and community-based organizations (collectively, “Lifeline Supporters”), representing tens of thousands of constituents, unanimously recommend the modernization of the Lifeline program to include access to high-speed broadband.<sup>1</sup> As we demonstrated in our Comments, the Commission should adopt rules that will close the digital divide, improve quality of life and create pathways to first class digital citizenship for low-income, veteran, older and disabled consumers.<sup>2</sup>

Lifeline Supporters urge the Commission to advance *reasonably comparable programs* under Lifeline reform that offer voice-only, broadband or both to eligible consumers, and to adopt program eligibility requirements that recognize the prevalence of “shared households” among low-income Americans.<sup>3</sup> Data shows that personal poverty rates are higher for adults living in these types of settings – where two adults combine their families in one physical residence to buffer the effects of poverty.<sup>4</sup> Given this reality among the nation’s most economically vulnerable, Lifeline Supporters recommend that the Commission re-evaluate wooden adherence to the “*one-per-household rule*”<sup>5</sup> requirement. Specifically, the Lifeline Supporters proposed that the Commission transition that rule to “*one Lifeline broadband subsidy per home*” for residential broadband connections and allow broadband service to be bundled with

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<sup>1</sup> See *Lifeline and Link Up Reform and Modernization, et al., WC Docket No. 11-42, et al., Second Further Notice of Proposed Rulemaking, Order on Reconsideration, Second Report and Order, and Memorandum Opinion and Order*, FCC 15-71 (rel. June 22, 2015) (*Lifeline Second FNPRM*).

<sup>2</sup> See Comments of Lifeline Supporters, WC Docket No. 11-42 et al. (August 31, 2015), available at <http://apps.fcc.gov/ecfs/comment/view?id=60001199544> (last visited Sept. 30, 2015) (“Lifeline Supporters Comments”).

<sup>3</sup> *Id.*

<sup>4</sup> *Id.* at 8.

<sup>5</sup> The Commission adopted the one-per-household rule three years ago as part of a series of reforms made in the 2012 Lifeline Reform proceeding. See *2012 Lifeline Reform Order*, 27 FCC Rcd 6656 (2012). The Commission has since acknowledged in the *Lifeline Second FNPRM* that the restructure of the program is still necessary. See *supra* n. 1 at 14. (“Now, 30 years after the Lifeline program was founded, it is past time for a fundamental, comprehensive restructuring of the program.”)

a voice services option.<sup>6</sup> Given that mobile access serves distinct needs for low-income consumers, we urge the Commission to also adjust the “*one-per-household rule*” requirement on wireless to “*one Lifeline subsidy per adult*” to accommodate impoverished residents over the age of 18 residing in the same household.<sup>7</sup>

Lifeline Supporters also encourage the Commission to not entertain proposals that require cash payments from Lifeline participants, nearly all of whom are deeply impoverished.<sup>8</sup> These measures are inconsistent with the Commission’s statutory mandate to provide consumers in all regions of the nation, including low-income consumers, with access to telecommunications and information services.<sup>9</sup> Further, we oppose the implementation of credit or background checks for any eligible consumer who seeks enrollment in the program, and we discourage the collection of unnecessary personal information that could adversely impact program eligibility.<sup>10</sup> Such

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<sup>6</sup> See Lifeline Supporters Comments at 7.

<sup>7</sup> See Lifeline Supporters Comments at 8.

<sup>8</sup> For a family of four the Federal Poverty guideline is \$24,250 per year in the 48 contiguous states and the District of Columbia. In states that use the 135% of the poverty level to determine eligibility, such as Alaska and Hawaii, a qualifying family of four would have to have a total income of less than \$32,737. In nine states the guidelines differ, in that Lifeline qualifying families’ income is allowed to be as much as 150% of the Federal Poverty guideline. Those states are Arizona, Florida, Kansas, Michigan, Nevada, New Jersey, Ohio, Rhode Island and Texas. See *U.S. Federal Poverty Guidelines Used To Determine Financial Eligibility For Certain Federal Programs*, available at <http://aspe.hhs.gov/poverty-guidelines> (last visited Sept. 30, 2015). The Pew Research Center has found that low-income households are less willing to allocate scarce discretionary funds to broadband because connectivity is not perceived to be something of value. John B. Horrigan, *Home Broadband Adoption 2008* (Pew Research Center) (2008), available at [http://www.pewinternet.org/~media/Files/Reports/2008/PIP\\_Broadband\\_2008.pdf](http://www.pewinternet.org/~media/Files/Reports/2008/PIP_Broadband_2008.pdf) (last visited Sept. 30, 2015). See also <http://www.pewinternet.org/2008/07/02/analysis-of-non-broadband-users/> (last visited Sept. 30, 2015).

<sup>9</sup> See 47 U.S.C. §254 (b)(1), (3). See also 47 U.S.C. §151.

<sup>10</sup> See Comments of the United States Telecom Association, WC Docket No. 11-42 *et al.* (August 31, 2015), available at <http://apps.fcc.gov/ecfs/comment/view?id=60001199413> (last visited Sept. 30, 2015) at 11 (“USTelecom therefore encourages the Commission to establish a reasonable framework under the Lifeline program that would account for customer credit risk and/or bad debt. Providers that receive requests for Lifeline service should be permitted to follow similar policies applied to other customers when assessing customer creditworthiness. For example, the program could be structured to allow Lifeline providers to be reimbursed from the fund for bad debt or credit risk expenses. Or, Lifeline providers could be permitted to require a modest service deposit tailored for Lifeline broadband services.”) See also Comments of Common Cause, WC Docket No. 11-42 *et al.* (August 27, 2015), available at <http://apps.fcc.gov/ecfs/comment/view?id=60001098997> (last visited Sept. 30, 2015) at 16-17 (“The FCC should avoid verification procedures that bar eligible households from utilizing the Lifeline program.”)

actions would be counterintuitive to the purpose of the program, stifle enrollment among credit-challenged individuals and households, and diminish the personal dignity of consumers who opt to receive the program's benefits.

Lifeline reform is critical to closing the "homework gap" and the digital divide by connecting people to vital services. Thus, we concur with other commenters that any established minimum standards for fixed or wireless services should provide the necessary bandwidth for these activities.<sup>11</sup> We also recommend that the Commission give Lifeline recipients the ability to access commercially reasonable high-speed service offerings that can potentially provide more competitive options for them.<sup>12</sup> Moreover, the Commission should gather additional data on whether a permanent \$9.25 price point for the Lifeline subsidy, or other price points, would be sufficient to accommodate the program's desire to include broadband.

Lifeline Supporters also agree with other commenters that the Commission must encourage transparency from service providers to alert consumers to the benefits and limitations of their offerings.<sup>13</sup> It is imperative that information about service offerings and program policies are transparent and properly disclosed to eligible consumers. This can lessen the potential for predatory practices and scams that prey on historically disadvantaged communities.

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<sup>11</sup> See Comments of the National Association of the Deaf, *et al.*, WC Docket No. 11-42 *et al.*, at 5 (filed August 31, 2015); Comments of Common Sense Kids Action, WC Docket No. 11-42 *et al.*, at 10 (filed August 31, 2015); Comments of Chief State School Officers, WC Docket No. 11-42 *et al.*, at 5 (filed August 31, 2015). All of these Comments urge that any established minimum standards for fixed or wireless services provide the bandwidth for vital activities and are flexible to meet the growing bandwidth demands of online applications. *See supra* n. 2 at 10 ("It is our view that these minimum speed standards must be robust enough to avoid dis-incentivizing low-income consumers from adopting the benefit.")

<sup>12</sup> See Comments of AT&T Services, Inc., WC Docket No. 11-42 *et al.*, at 8-10 (filed August 31, 2015); and Comments of Comcast Corporation, WC Docket No. 11-42 *et al.*, at 12-13 (filed August 31, 2015). These comments urge the Commission to apply the benefit to non-Lifeline services. *See supra* n. 2 ("We further propose that the Commission restructure the Lifeline subsidy to allow consumers the ability to pay the costs of upgrading their services if more data is required to accommodate their needs.")

<sup>13</sup> See Lifeline Supporters Comments at 10-11 ("Moreover, the Commission, in partnership with the Eligible Telecommunications Carriers (ETCs) and other entities, must ensure that all program policies, and especially the new reforms, are transparent to eligible subscribers so that they understand the limitations of their services to avoid predatory practices and scams that prey on historically disadvantaged communities.")

The Commission should also adopt a “Lifeline Benefit Card” that distributes the benefit directly to consumers, giving eligible consumers the opportunity to choose what voice-only, broadband or bundled services best meets their needs. Lifeline Supporters fervently believe that using a benefit card approach values the consumer’s personal dignity to act on their own choices.<sup>14</sup>

Further, we support coordinated enrollment and verification with the SNAP program, which should be part of the initial pilot for testing the program’s expansion.<sup>15</sup> We recommend that the Commission create a national verifier, through either state agencies or the Universal Service Administrative Company (“USAC”), to work directly with the SNAP program to facilitate program eligibility, enrollment and de-enrollment.

As the Commission moves to modernize the Lifeline program, Lifeline Supporters urge the agency to work collaboratively with the public and private sectors and engage community-based organizations to raise program awareness, support digital literacy training, and help underserved communities understand the value proposition of broadband adoption and informed use.<sup>16</sup> Therefore, we endorse approaches that will foster meaningful competition among services and maximize participation in the program.

In sum, the Lifeline Supporters look forward to working with the Commission to ensure that historically disadvantaged populations and the industry receive the positive impact of

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<sup>14</sup> See Lifeline Supporters Comments at 13 (“If the benefit is transferred directly to the consumer, she can then use her voucher or “Lifeline Benefit Card” to purchase residential broadband service directly from an ISP or visit a retailer to acquire voice-only and/or broadband services.”)

<sup>15</sup> See *id.* (“Given the breadth of means-tested government assistance programs, we further recommend that the Commission should initially coordinate with the SNAP program, whose beneficiaries tend to include more households with children. The SNAP program also has an electronic benefit transfer (EBT) card that has already been recognized and used in approximately 40 states.”)

<sup>16</sup> See John Mayo, Olga Ukhaneva, and Scott Wallsten, *Toward a More Efficient Lifeline Program*, Comments, submitted in Lifeline and Link-Up Reform and Modernization, WC Docket No. 11-42 *et al.* (August 31, 2015), available at <http://apps.fcc.gov/ecfs/comment/view?id=60001198649> (last visited Sept. 30, 2015).

Lifeline reforms and are not encumbered by barriers to participation that inhibit the program's ability to be universally available to all citizens.

Respectfully submitted,

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NAACP  
National Association of Neighborhoods  
National Action Network  
National Coalition on Black Civic Participation and Black Women's Roundtable  
National Council of La Raza  
National Urban League  
National Organization of Black County Officials (NOBCO)  
National Organization of Black Elected Legislative Women (NOBEL Women)  
OCA – Asian Pacific American Advocates  
Rainbow PUSH Coalition  
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