

May 11, 2015

Hon. Tom Wheeler

Chairman

Hon. Mignon Clyburn

Hon. Ajit Pai

Hon. Jessica Rosenworcel

Hon. Michael O'Rielly

Commissioners

Federal Communications Commission

445 12th Street S.W.

Washington, DC 20554

Dear Chairman Wheeler and Commissioners:

RE: Lifeline Reform, WC Dockets 11-42 and 03-109

The 36 organizations set out below write on behalf of telecommunications consumers across America to call for the rapid and comprehensive reform of the Commission's critically important Lifeline universal service program.

A bi-partisan effort is required to modernize this program so that millions of Americans can realize the full potential of the digital broadband age, and obtain this benefit in an efficient and effective program. At Stanford University's Rebele Symposium on April 1, 2015, Commissioner Clyburn called the Internet the "*great equalizer of our time*," accurately noting how society's increasing dependence on the rapid exchange of information makes broadband connectivity essential for the average American to access education, employment opportunities, improved health care, civic engagement, family communications and a host of other services.

According to the Pew Research Center, today 70 percent of American adults have a broadband connection, and 90 percent with incomes of \$100,000 or more have broadband at home. Yet disparities in broadband access by income still persist. Sixty-four percent of Americans with incomes of less than \$30,000, 54 percent of citizens with incomes under \$20,000, and 42 percent of those with incomes less than \$10,000 have broadband service at home. Pew also reports that senior citizens typically have been the slowest adopters of home broadband; only 47 percent of U.S. adults age 65 and older have broadband at home.

A modernized Lifeline program aimed at making broadband more affordable and available for the nation's low-income, older and less able consumers is a fundamental tool in the fight to break the cycle of poverty and connect the under-connected.

In a February 2015 FCC blog article, Commissioner O'Rielly noted that common sense principles that help to protect the universal service fund and ratepayers against waste, fraud and abuse should also be part of the Commission's reforms of its Lifeline universal service program. We believe that a twenty-first century program with "adequate controls and deterrents" can be run far more efficiently and with better safeguards against fraud, waste and abuse than the existing program.

Success in upgrading this 30 year-old program will require policy makers to embrace a new approach. Commissioner Clyburn outlined her thoughts on the subject in a 2012 speech at the American Enterprise Institute referencing immediate Lifeline reform where she stated that reform must occur in a manner that, "...increases the value of other federal investment, reduces administrative burdens, reduces incentives for waste, fraud and abuse, addresses privacy concerns of consumers, streamlines the program to encourage participation and leverages efficiencies from other programs."

On behalf of the constituents that entrust our organizations to ensuring parity in telecommunications services and other public benefits, we believe that the Commission has the tools necessary to create a new twenty-first century model for the Lifeline program that would serve the needs of low income consumers in an efficient, secure and respectful fashion. To do so, any future modernization effort should be guided by the following core principles:

- ***Empowering consumer choice.***

- At bottom, the success of any new Lifeline program will depend on its ability to treat Lifeline customers similarly to other customers in the marketplace. The best way to achieve this is to deliver benefits directly and, when feasible, electronically to Lifeline consumers in a way that allows them to choose the eligible voice and broadband services available in the market that best meet their needs. This will allow market forces to drive increased value for Lifeline consumers as it does for all other customers. It will also help preserve the dignity of Lifeline consumers, putting them on equal footing with other consumers on issues such as privacy.

- ***Leveraging the efficiencies of coordinated enrollment through existing assistance programs.***

- An intelligently designed program can achieve new program efficiencies, improve Lifeline participation, and reduce waste, fraud and abuse. We should further these goals, simplify the consumer experience, and better protect consumer privacy **by allowing consumers to enroll in Lifeline at the same time as they apply for other government benefits**. This process would also de-enroll consumers from Lifeline only when they are no longer covered by one of the qualifying low-income assistance programs.

Eliminating a service providers' role in eligibility, enrollment and de-enrollment will increase overall program efficiency and bolster the integrity of the program by eliminating harmful incentives and opportunities for waste, fraud, and abuse.

- ***Encouraging broader provider participation in Lifeline.***

- The current Lifeline program was built for a marketplace that looks very different today. As such, the existing structure and program requirements contain unnecessary barriers that currently discourage participation across the broad spectrum of service providers. Increased participation and competition will offer consumers a greater range of service options.
- The program should also incentivize public private partnerships and coordinated outreach. The challenge of digital adoption is too large and too important to think that it can be solved by an isolated effort of a few.

This letter represents diverse and strong support for rapidly reforming and improving Lifeline. In light of this emerging consensus and the millions whose lives can be improved by a reformed program, we urge you to prioritize action on Lifeline reform in the days ahead, and we encourage you to be creative and realistic in budget needs and interagency coordination as you accommodate this program.

We appreciate your interest in improving this vital program and look forward to working with the Commission as it moves forward to bring Lifeline service into the twenty-first century.

Sincerely,

American Foundation for the Blind
Asian & Pacific Islander American Health Forum
Asian Americans Advancing Justice (AAJC)
Asian Pacific American Labor Alliance (APALA)
Asian Pacific Islander American Public Affairs Association (APAPA)
Consumer Policy Solutions
Council for Native Hawaiian Advancement
Dialogue on Diversity
Filipina Women's Network
Hawaiian Community Assets
Hispanic Technology and Telecommunications Partnership (HTTP)
Hmong National Development
International Leadership Foundation
Japanese American Citizens League (JACL)
League of United Latin American Citizens (LULAC)
LGBT Technology Partnership & Institute
MANA - A National Latina Organization
Multicultural Media, Telecom and Internet Council (MMTC)
National Association of Neighborhoods
National Action Network
NAACP
National Black Caucus of State Legislators
National Coalition on Black Civic Participation and Black Women's Roundtable
National Council of Asian Pacific Americans (NCAPA)
National Policy Alliance
National Puerto Rican Chamber of Commerce
National Urban League (NUL)
National Organization of Black County Officials (NOBCO)
NOBEL Women
OCA - Asian Pacific American Advocates
Rainbow PUSH Coalition
The Association of People with Disabilities (AAPD)
The National Farmers Union
The National Grange
Southeast Asia Resource Action Center (SEARAC)
U.S. Black Chambers, Inc.

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