

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of)	
Lifeline and Link Up Reform and Modernization)	WC Docket No. 11-42
Telecommunications Carriers Eligible to Receive Universal Service Support)	WC Docket No. 09-197
Connect America Fund)	WC Docket No. 10-90
Wireline Competition Bureau Seeks Comment on National Lifeline Association Petition for Waiver of Mobile Broadband Minimum Service Standard and Voice Support Phase-Down)	

COMMENTS OF CTIA

CTIA submits these comments in response to the Commission’s public notice¹ seeking comment on the petition of the National Lifeline Association (NaLA) requesting waiver of the December 1, 2020 increase in the Lifeline mobile broadband minimum service standards (MSS) and decrease in the Lifeline support amount for voice service.²

CTIA appreciates the Commission’s efforts to provide more clarity and predictability to the way that the Commission calculates annual updates to the Lifeline mobile broadband MSS.³

¹ *Wireline Competition Bureau Seeks Comment on National Lifeline Association Petition for Waiver of Mobile Broadband Minimum Service Standard and Voice Support Phase-Down*, Public Notice, DA 20-995 (rel. Aug. 31, 2020).

² Petition of the National Lifeline Association for Waiver of Lifeline Mobile Broadband Minimum Service Standards and Voice Support Phase-Down, WC Docket Nos. 11-42, 09-197, and 10-90 (filed Aug. 27, 2020) (Petition).

³ *FCC Chairman Pai Circulates Order to Ensure Predictable increases in Minimum Standards for Lifeline Mobile Broadband Service*, News Release (July 30, 2020), <https://docs.fcc.gov/public/attachments/DOC-365835A1.pdf> (July 30 News Release) (“The draft order would revise the Commission’s existing methodology to ensure predictable, reasonable yearly updates to the standard so that Lifeline subscribers can receive robust yet affordable mobile broadband service. Under the revised methodology, the Lifeline program’s minimum service standard for mobile broadband data capacity would increase, effective December 1, 2020, from 3 GB to 4.5 GB per month. Absent this reform, the standard would increase from 3 GB to 11.75 GB per month.”).

CTIA is concerned, however, that the draft Order under consideration would require another increase in the mobile broadband MSS without a thorough analysis of the Lifeline marketplace and the impact of this change on the affordability of Lifeline services.

For these reasons, CTIA urges the Commission to freeze any further changes to the mobile broadband MSS for Lifeline until the Commission’s Wireline Competition Bureau (Bureau) has completed the *State of the Lifeline Marketplace Report* next year.⁴ Such a pause is crucial to ensuring that eligible low-income consumers who participate in Lifeline retain access to affordable mobile wireless services – particularly as Americans continue to grapple with the economic impact of the coronavirus pandemic. CTIA also urges the Bureau to begin, without delay, the process of preparing the *State of the Lifeline Marketplace Report*, including collecting the necessary data and seeking public input on its conclusions before submitting the report to the Commission.

I. THE COMMISSION SHOULD FREEZE THE MOBILE BROADBAND MSS FOR LIFELINE AT CURRENT LEVELS PENDING EVALUATION OF THE MSS FORMULA IN THE STATE OF THE LIFELINE MARKETPLACE REPORT

CTIA appreciates the Commission’s efforts to provide more clarity and predictability to the way that the Commission calculates annual updates to the minimum service standards for mobile wireless broadband services supported by the Lifeline program.⁵ CTIA agrees that the current formula for annually updating the mobile broadband MSS “is flawed” in that it “results in drastic year-over-year increases that could impact the ability of Lifeline carriers to continue to offer affordable service.”⁶ CTIA supports the goals of the draft Order which seeks to ensure that

⁴ *Lifeline and Link Up Reform and Modernization*, Third Report and Order, Further Report and Order, and Order on Reconsideration, 31 FCC Rcd 3962, 3987 ¶ 66 (2016) (*2016 Lifeline Order*)

⁵ See generally, *July 30 News Release*.

⁶ *Id.* at 1. See also Joint Petition to Pause Implementation of December 2019 Lifeline Minimum Service Standards Pending Forthcoming Marketplace Study, WC Docket Nos. 11-42 *et al.*, at 3-5 (filed June 27, 2019) (“Joint

low-income consumers who rely on mobile wireless services supported by Lifeline remain connected, especially during a challenging time when COVID-19 is affecting the health and economic well-being of millions of Americans.

CTIA is concerned, however, that the Order under consideration would require another increase in the mobile broadband MSS without a thorough analysis of the Lifeline marketplace and the impact of this change on the affordability of Lifeline services. As CTIA and a coalition of consumer advocates pointed out last year, and as the Commission recognized, the market for mobile wireless data services has changed in ways that the Commission did not anticipate when it adopted the formula setting the annual increases in the wireless Lifeline MSS almost five years ago.⁷ CTIA and a coalition of consumer advocates observed that it is important for the Commission to adopt a new formula that will result in a gradual increase in the mobile broadband MSS based upon complete information about the impact on affordability for eligible low-income consumers.⁸ CTIA and the consumer advocates therefore requested that the Commission pause any further increases to the mobile broadband MSS, pending the Wireline Competition Bureau's *State of the Marketplace Report* in 2021.⁹

By pausing the existing mobile broadband MSS at 3 GB per month pending the *State of the Lifeline Marketplace Report*, the Commission would be acting consistently with its recent

Petition”) (current rule “would have a significant impact on eligible low-income consumers’ ability to access and afford Lifeline broadband plans”).

⁷ See *id.* at 4-5; *Lifeline and Link Up Reform and Modernization*, Order, 34 FCC Rcd 11020, 11022 ¶ 9 (2019) (*2019 MSS Order*).

⁸ Joint Petition at 3-4 (noting how the Commission established a phased-in schedule for increasing the minimum service standards for mobile wireless broadband within the first three years of 500 MB, 1 GB and 2 GBs).

⁹ Joint Petition at 6 (noting that the Wireline Competition Bureau is required by the 2016 Order to submit a *State of the Marketplace Report* to the Commission no later than June 30, 2021); and *2016 Lifeline Order* at ¶ 66.

efforts to ensure that the millions of eligible low-income consumers affected by COVID-19 remain connected to healthcare, school, work and emergency services. The Commission responded quickly to the impacts of the pandemic by freezing action on several aspects of the Lifeline program, including the recertification, reverification, de-enrollment, and usage requirements.¹⁰ In those orders, the Commission “recognize[d] the importance of connectivity for all Americans during this pandemic” by foregoing the enforcement of rules that could lead to disconnections for low-income consumers.¹¹ Pausing the existing mobile broadband MSS at current levels pending a full assessment of the impact on affordability due to further changes to the mobile wireless MSS would be consistent with those actions.

II. THE BUREAU SHOULD BEGIN PREPARING THE STATE OF THE LIFELINE MARKETPLACE REPORT AND SEEK PUBLIC INPUT

In the *2016 Lifeline Order*, the Commission directed the Bureau “by June 30, 2021, to submit to the Commission a State of the Lifeline Marketplace Report” which “should review the Lifeline Marketplace.”¹² One purpose of the Report is to allow the Commission to determine whether the MSS formula is operating as anticipated.¹³ Given the importance of this issue – particularly given the ongoing COVID-19 pandemic and associated economic crisis – the Bureau should move forward with the necessary steps to ensure that the Report is completed by the deadline if not sooner.¹⁴ Further, the Commission should seek public input on its tentative

¹⁰ See, e.g., *Lifeline and Link Up Reform and Modernization*, Order, 35 FCC Rcd 4482 (WCB 2020).

¹¹ See, e.g., *Lifeline and Link Up Reform and Modernization*, Order, 35 FCC Rcd 2729, 2731 ¶ 7 (WCB 2020); See, e.g., *Lifeline and Link Up Reform and Modernization*, Order, 35 FCC Rcd 2950, 2952 ¶ 8 (WCB 2020).

¹² *2016 Lifeline Order*, 31 FCC Rcd at 3987 ¶ 66.

¹³ See, e.g., *id.* at 3995 ¶ 93; 4112-13 ¶ 409.

¹⁴ The Commission directed USAC to procure a third-party evaluation of Lifeline’s “design function, and administration,” consistent with “current GAO guidance on program evaluations.” *Id.* at 4112-13 ¶ 409. USAC is

findings, consistent with Commission practice in other proceedings.¹⁵ This will help ensure that the Bureau has the information and input necessary to prepare the Report so that the Commission can evaluate how to modify the MSS formula to achieve the Commission's goals in the 2016 *Lifeline Reform Order*.

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For these reasons, CTIA urges the Commission to pause any further increases to the mobile broadband MSS until the Commission has the benefit of the *State of the Lifeline Marketplace Report*. The Bureau should move forward without delay to prepare that report, including by collecting the necessary information and seeking public input.

Respectfully submitted,

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September 14, 2020

to deliver this evaluation to the Commission by December 31, 2020, and the evaluation is to be made public to the extent not precluded by law. *Id.*

¹⁵ See, e.g., Consumer and Governmental Affairs Bureau Seeks Comment on Tentative Findings for the 2020 Twenty-First Century Communications and Video Accessibility Act Biennial Report, rel. July 21, 2020 (CG Dkt. 10-213).