

# NATIONAL ASSOCIATION OF STATE UTILITY CONSUMER ADVOCATES

## Resolution 2019-02

### URGING THE FCC TO PRESERVE LIFELINE SUPPORT FOR VOICE SERVICE AND TO STAY AND STUDY THE SCHEDULED CHANGES IN LIFELINE MINIMUM SERVICES

**WHEREAS**, the National Association of State Utility Consumer Advocates (NASUCA) has long encouraged the Federal Communications Commission (FCC) and States to support and promote a robust Lifeline program to provide eligible low-income consumers with access to affordable telephone and broadband internet access services (NASUCA Resolutions 2018-01, 2017-05, 2017-04, 2010-02, 2009-05, 2009-04);

**WHEREAS**, Section 254(b) establishes the universal service principles that “Consumers in all regions in the Nation, including low-income consumers ... should have access to telecommunications and information services...” at reasonable and affordable rates;

**WHEREAS**, today’s Lifeline program offers eligible households the opportunity to obtain voice and/or broadband internet access services made more affordable by the availability of \$9.25 per month in federal Universal Service Fund (USF) Lifeline support or \$9.25 plus \$25.00 per month for Tribal Lifeline support;

**WHEREAS**, the FCC’s 2016 *Lifeline Modernization Order* provides that federal Lifeline support for voice-only service will be phased out over time;<sup>1</sup>

**WHEREAS**, the 2016 *Lifeline Modernization Order* provides that federal Lifeline support will eventually apply only to broadband internet access service, either as a stand-alone service or bundled with voice service;

**WHEREAS**, the 2016 *Lifeline Modernization Order* set minimum standards for the provision of broadband internet access service or wireless data with Lifeline support, scheduled to increase over time;

**WHEREAS**, the FCC’s 2017 *Bridging the Digital Divide for Low-Income Consumers* Notice of Proposed Rulemaking (NPRM) opened for comment whether Lifeline support for voice services should be preserved or phased out as scheduled;<sup>2</sup>

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<sup>1</sup> *In the Matter of Lifeline and Link Up Reform and Modernization (WC Docket No. 11-42), et al.*, Third Report and Order, Further Report and Order, and Order on Reconsideration, 31 FCC Rcd 3962 (2016) (*Lifeline Modernization Order*); see also 47 C.F.R. § 54.403(a)(2).

<sup>2</sup> *In the Matter of Bridging the Digital Divide for Low-Income Consumers, (WC Docket No. 17-287), et al.*, Fourth Report and Order, Order on Reconsideration, Memorandum Opinion and Order, Notice of Proposed Rulemaking, and Notice of Inquiry, 32 FCC Rcd 10475 (2017) (*Bridging the Digital Divide for Low-Income Consumers*).

**WHEREAS**, NASUCA comments encouraged the FCC to: 1) halt the phase-down of Lifeline support for voice service, to assure that consumer who rely upon Lifeline support for voice service continue to have affordable access to vital telecommunications service; 2) study current data regarding the demand for Lifeline support for voice service; and 3) recognize that not all Lifeline consumers have access to broadband enabled networks;

**WHEREAS**, Lifeline support for voice service is scheduled to decrease from \$9.25 per month to \$7.25 per month as of December 1, 2019, then decrease by another \$2.00 to \$5.25 per month as of December 1, 2020, and after December 1, 2021 Lifeline support for voice service will be zero (unless there is only one provider of Lifeline service in that census block);

**WHEREAS**, Lifeline minimum broadband service standards apply to Eligible Telecommunications Carriers (ETCs), including Lifeline-only ETCs and many other ETCs. The current Lifeline minimum service standard for fixed broadband data usage is 1000 Gigabits (GB) per month. For mobile broadband data usage, the Lifeline minimum service standard is currently 2 GB per month, using 3G mobile technology;

**WHEREAS**, the Lifeline minimum broadband service standards are scheduled to increase December 1, 2019 and in following years, based upon a formula. The next Lifeline minimum mobile broadband data usage allowance increase be from 2 GB to 9.75 GB per month;

**WHEREAS**, the Universal Service Administrative Company's (USAC) 2018 Annual Report shows 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;

**WHEREAS**, the scheduled phase down and phase out of Lifeline support will make voice service less affordable for those Lifeline consumers who rely upon voice service and may not have access to broadband enabled networks, may not have access to Lifeline broadband services as an alternative to Lifeline voice services, and/or may not be able to afford broadband service even with Lifeline broadband support of \$9.25 per month;

**WHEREAS**, the benefit to Lifeline consumers of the scheduled increase in Lifeline broadband minimum service standards cannot be determined without consideration of the impact on the availability of Lifeline broadband service and the affordability of Lifeline broadband service, particularly if the \$9.25 covers only a small fraction of the retail service cost; and

**WHEREAS**, the FCC's scheduled changes to Lifeline support and service standards hold the potential to increase the cost of voice or broadband internet access services for Lifeline eligible households, making such services less affordable and increase the likelihood of such households going without any communications services;

**NOW, THEREFORE BE IT RESOLVED** that NASUCA supports the continuation of the federal Lifeline program as an important means to help income eligible households obtain and keep vital voice and/or broadband internet access services by making them more affordable with federal USF Lifeline support;

**BE IT FURTHER RESOLVED** that NASUCA urges the FCC to preserve the current Lifeline support for voice service of \$9.25 per month and stay or terminate the scheduled 2019 and future decreases to Lifeline support;

**BE IT FURTHER RESOLVED** that NASUCA urges the FCC to stay and study the proposed changes in the Lifeline broadband minimum service standards, to assure that the minimum standards advance the universal service goals of providing Lifeline consumers with access to broadband services which are both of sufficient quality and affordability;

**BE IT FURTHER RESOLVED** that NASUCA urges the FCC and States to work to assure that the amount of Lifeline support provided is sufficient to make supported universal services – both voice and broadband – affordable, including consideration of the adequacy of today’s \$9.25 per month in federal USF Lifeline support; and

**BE IT FURTHER RESOLVED** that NASUCA authorizes its Executive Committee to develop specific positions and to take appropriate actions, including litigation, consistent with the terms of this resolution. The Executive Committee shall advise the membership of any proposed action prior to taking such action, if possible. In any event, the Executive Committee shall notify the membership of any action taken pursuant to the resolution.

Submitted by Telecommunications Committee

Adopted by the Membership  
Portland, Oregon  
Approved June 20, 2019

Abstaining: Nebraska