

**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
	)	

**ORDER**

**Adopted: July 1, 2022**

**Released: July 1, 2022**

By the Chief, Wireline Competition Bureau:

**I. INTRODUCTION**

1. In this Order, the Wireline Competition Bureau (Bureau) maintains the status quo and extends, for an additional year, the waiver pausing both the phase-out of Lifeline support for voice-only services and the increase in Lifeline minimum service standards for mobile broadband data capacity. Without this decision, support for services that meet only the voice minimum service standard, which currently stands at \$5.25 per month, would be eliminated in most areas on December 1, 2022.<sup>1</sup> Additionally, the minimum service standard for mobile broadband data capacity would rise from 4.5 GB to 6.5 GB per month beginning December 1, 2022.<sup>2</sup>

2. Last year, we found that the creation of the Emergency Broadband Benefit Program (EBB Program), the ongoing COVID-19 pandemic, and new data collected as part of the Bureau’s State of the Lifeline Marketplace Report all provided good cause to pause the scheduled changes to the Lifeline program for one year to consider whether longer-term changes to the program were warranted.<sup>3</sup> As discussed below, we find good cause to extend this pause for one more year to consider additional implications related to the newly established Affordable Connectivity Program and the Commission’s forthcoming Report on the Future of the Universal Service Fund. This pause will extend to December 1, 2023, giving the Commission time to consider how the longer-term Affordable Connectivity Program and any findings in the forthcoming Report on the Future of the Universal Service Fund should bear on the future of the Lifeline Program.

**II. BACKGROUND**

3. In the *2016 Lifeline Order*, the Commission adopted changes to the Lifeline program meant to expand low-income consumers’ access to robust and affordable broadband services.<sup>4</sup> The

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<sup>1</sup> See *Lifeline and Link Up Reform and Modernization et al.*, WC Docket No. 11-42, Third Report and Order, Further Report and Order, and Order on Reconsideration, 31 FCC Rcd 3962, 3989-97, paras. 73-98 (2016) (*2016 Lifeline Order*); 47 CFR § 54.403(a)(2)(iv), (v).

<sup>2</sup> *2016 Lifeline Order*, 31 FCC Rcd at 3997, para. 97. We note that this year’s calculation follows a different path from previous years as the data needed to calculate the new standard is more than 18 months old.

<sup>3</sup> See *Lifeline and Link Up Reform and Modernization et al.*, WC Docket No. 11-42, Order, DA 21-1389, paras. 13-18 (WCB 2021) (*2021 Waiver Order*).

Commission coupled a phase-in of higher mobile broadband data capacity minimum service standards with a phase-down in Lifeline support for voice-only services.<sup>5</sup> This effort was meant to “avoid undue consumer disruption and to allow Lifeline providers sufficient time to adjust operations as the Commission moves from a primarily voice-only Lifeline program to a Lifeline program embracing broadband services.”<sup>6</sup>

4. The *2016 Lifeline Order* scheduled the first step of the phase-down in Lifeline support for voice-only services to begin on December 1, 2019, when support was reduced from \$9.25 to \$7.25.<sup>7</sup> The next step was taken on December 1, 2020, when support was reduced from \$7.25 to \$5.25.<sup>8</sup> The *2016 Lifeline Order* contemplated a complete phase-out of Lifeline support for such services on December 1, 2021, when support for voice-only services was to be eliminated in most areas.<sup>9</sup> The Bureau, however, took action to pause the phase-out of voice-only services for one year, until December 1, 2022, recognizing the importance that voice service plays to some Lifeline subscribers and the role it plays in ensuring consumers’ access to emergency services during the pandemic.<sup>10</sup>

5. The mobile broadband data capacity minimum service standards were created to provide consumers services that allow them to experience modern day connectivity, without mandating the purchase of prohibitively expensive offerings.<sup>11</sup> To this end, the *2016 Lifeline Order* adopted a gradual increase in minimum service standards until December 1, 2019.<sup>12</sup> Starting in 2019, the Bureau was to use a formula for future annual minimum service standard increases for mobile broadband data capacity with data contained in the Commission’s annual Mobile Wireless Competition Report.<sup>13</sup> The *2016 Lifeline Order* noted that an updating mechanism was necessary “[b]ecause technology develops at a rapid pace, [and] any minimum standards [the Commission] set[s] would quickly become outdated.”<sup>14</sup> Similarly, the *2016 Lifeline Order* provided a default calculation, should “any of the data sources required by the calculations [be] older than 18 months,” by which the minimum service level for mobile broadband data capacity would automatically increase from its previous level by the most recent year over year percentage change in smartphone data usage per subscriber.<sup>15</sup>

6. In 2019, the Commission found good cause to partially grant a petition from CTIA and others to waive the impending increase in the minimum service standard for mobile broadband data capacity, which would have seen the standard increase from 2 GB per month to 8.75 GB per month, and to establish a minimum standard of 3 GB per month.<sup>16</sup> In 2020, when the minimum service standard was

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<sup>4</sup> *2016 Lifeline Order*, 31 FCC Rcd at 3966-77, 3989-97, paras. 12-43, 73-98.

<sup>5</sup> *Id.* at 3985-86, paras. 62-65.

<sup>6</sup> *Id.* at 3985, para. 62.

<sup>7</sup> *Id.* at 3986, para. 64; 47 CFR § 54.403(a)(2)(ii).

<sup>8</sup> *2016 Lifeline Order*, 31 FCC Rcd at 3986, para. 64; 47 CFR § 54.403(a)(2)(iii).

<sup>9</sup> *2016 Lifeline Order*, 31 FCC Rcd at 3986, para. 64; 47 CFR § 54.403(a)(2)(iv).

<sup>10</sup> *See 2021 Waiver Order* at paras. 13-18

<sup>11</sup> *See 2016 Lifeline Order*, 31 FCC Rcd at 3989, para. 71.

<sup>12</sup> *See* 47 CFR § 54.408(b)(2)(ii).

<sup>13</sup> *See* 47 CFR § 54.408(b)(2)(ii).

<sup>14</sup> *Id.* 31 FCC Rcd at 3990-91, para. 77.

<sup>15</sup> *See id.* 31 FCC Rcd at 3997, para. 97.

<sup>16</sup> *See Lifeline and Link Up Reform and Modernization et. al.*, WC Docket No. 11-42, Order, 34 FCC Rcd 11020, 11020, 11024, paras. 2, 13 (2019) (*2019 Waiver Order*); *see also* Joint Petition to Pause Implementation of

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set to increase from 3 GB per month to 11.75 GB per month, the Bureau acted to partially grant a petition from the National Lifeline Association to waive the formula-defined increase and establish a minimum service standard of 4.5 GB per month.<sup>17</sup> In both 2019 and 2020, the Commission and Bureau noted the difficulty of fully considering the affordability of increases in the minimum service standard for mobile broadband data capacity due to the failure of providers to provide cost data.<sup>18</sup> Last year, absent Bureau action, the formula would have yielded an increase in the minimum service standard for mobile broadband data capacity to 18 GB per month.<sup>19</sup> Instead, the Bureau found good cause to pause the increase for one year, until December 1, 2022.<sup>20</sup> This year, absent Bureau action, the minimum service standards for mobile broadband data capacity would increase to 6.5 GB per month, as the most recent Communications Marketplace Report<sup>21</sup> is older than 18 months<sup>22</sup> and the year over year change in average mobile data usage per smartphone user reported in the most recent Communications Marketplace Report was roughly 40 percent.<sup>23</sup>

7. Our action last year was based in part on the Bureau's 2021 Lifeline Marketplace Report, which highlighted the fact that, while Americans are increasingly relying on smartphones for their broadband needs, a persistent minority of Lifeline subscribers opt for voice-only Lifeline plans.<sup>24</sup> Specifically, the Lifeline Marketplace Report found that approximately 8% of Lifeline subscribers still subscribe to either a voice-only plan or a bundle plan that only meets the voice minimum service standard.<sup>25</sup> In the Lifeline Marketplace Report the Bureau also noted that one implication for eliminating Lifeline support for voice-only service may be forcing consumers who only desire voice service to migrate to a potentially more expensive broadband and voice bundled plan.<sup>26</sup> Relying on limited data provided by Lifeline service providers, the Marketplace Report found that 93% of Lifeline subscribers use less than 4 GB of data per month, and 76% of all reported Lifeline subscribers use less than 1 GB per month.<sup>27</sup>

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December 2019 Lifeline Minimum Service Standards Pending Forthcoming Marketplace Study, WC Docket Nos. 11-42, 09-197, 10-90 (filed June 27, 2019).

<sup>17</sup> See *Lifeline and Link Up Reform and Modernization et. al.*, WC Docket No. 11-42, Order, 35 FCC Rcd 12958, para. 2 (WCB 2020) (*2020 Waiver Order*); see also National Lifeline Association Petition for Waiver of Lifeline Mobile Broadband Minimum Service standard and Voice Support Phase-Down, WC Docket No. 11-42 et. al. (filed Aug. 27, 2020).

<sup>18</sup> See *2019 Waiver Order*, 34 FCC Rcd at 11023, para. 10; *2020 Waiver Order*, 35 FCC Rcd at 12963, para. 16.

<sup>19</sup> See 47 CFR § 54.408(b)(2)(ii)(D); see also *July 2021 Minimum Service Standards Update* at \*1, para 1.

<sup>20</sup> See *2021 Waiver Order* at paras. 13-18.

<sup>21</sup> Section 54.408(c)(2)(ii) of title 47 of the Code of Federal Regulations requires the use of the Mobile Competition Report for this calculation; however, the RAY BAUM'S Act of 2018 eliminated the Mobile Competition Report and the Commission now publishes the Communications Marketplace Report in every even numbered year. See RAY BAUM'S Act of 2018, §§ 401-404, 132 Stat. 348, 1087-90 (2018).

<sup>22</sup> *2016 Lifeline Order*, 31 FCC Rcd at 3997, para. 97.

<sup>23</sup> See Federal Communications Commission, 2020 Communications Marketplace Report at 19. Fig. II.A.8 (Dec. 31, 2020); 54 CFR § 54.408(c)(2)(iii). The calculation uses the percentage change in the average monthly GB per subscriber per smartphone: 6.6 GB per month and 9.2 GB per month, yields a 39.39% increase. The current level is 4.5 GB per month \* 1.3939, yields 6.273, rounded up to the nearest 250 MB, yields 6.5 GB per month.

<sup>24</sup> See Wireline Competition Bureau, Report on the State of the Lifeline Marketplace at 21 (June 2021), <https://docs.fcc.gov/public/attachments/DOC-373779A1.pdf> (Lifeline Marketplace Report).

<sup>25</sup> *Id.*

<sup>26</sup> See *id.* at 23.

<sup>27</sup> See *id.* at 17.

8. Last year, the Bureau also considered the heightened concerns related to the pandemic, which continued to dramatically disrupt many aspects of Americans' lives.<sup>28</sup> We noted at the time the emergence of the Delta variant, which proved to be far more infectious and easily transmissible than the original strain of COVID-19.<sup>29</sup> The pandemic continues to affect day-to-day life<sup>30</sup> with the emergence of the Omicron variant, which spreads more easily than the Delta variant.<sup>31</sup>

9. On February 25, 2021, the Commission launched the EBB Program—pursuant to the Consolidated Appropriations Act of 2021—which provided a discount of up to \$50 per month towards broadband service for eligible households and up to \$75 per month for households on qualifying Tribal lands.<sup>32</sup> Subsequently, as part of its investment in broadband affordability, deployment, and access in the Infrastructure Investment and Jobs Act (Infrastructure Act), Congress made several changes to the EBB Program to transform it from an emergency program to a longer-term broadband affordability program, and appropriated to the Commission an additional \$14.2 billion to operate the revised program.<sup>33</sup> On January 21, 2022, the Commission released rules for the new, longer-term broadband affordability program: the Affordable Connectivity Program, which builds upon the EBB Program to offer eligible low-income households discounts off the cost of broadband service and connected devices.<sup>34</sup>

10. The Affordable Connectivity Program provides a monthly discount of up to \$30 for broadband service, and up to \$75 a month for households on qualifying Tribal lands.<sup>35</sup> Under the Affordable Connectivity Program, participating providers, in addition to providing an ACP-supported broadband service to the household, can also offer a reimbursement up to \$100 for a connected device per household, provided that the household contributes more than \$10 but less than \$50 for such connected device.<sup>36</sup> A connected device is defined in the Infrastructure Act as a laptop, desktop computer, or a tablet, and excludes cellular phones, smartphones, and tablets with cellular calling capabilities.<sup>37</sup>

11. The Infrastructure Act also instructs the Commission to initiate two additional actions: issue final rules for an ACP transparency data collection of information about the price and subscription rates of Internet service offerings received by households enrolled in the Affordable Connectivity

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<sup>28</sup> See *2021 Waiver Order* at para. 9

<sup>29</sup> See *id.*

<sup>30</sup> As of June 9, 2022, the Centers for Disease Control indicated that there are approximately 104,511 new COVID cases every day (using a seven-day moving average). See Centers for Disease Control and Prevention, COVID Data Tracker, <https://covid.cdc.gov/covid-data-tracker/#datatracker-home> (last visited July 1, 2022).

<sup>31</sup> See Centers for Disease Control and Prevention, Omicron Variant: What You Need to Know, <https://www.cdc.gov/coronavirus/2019-ncov/variants/omicron-variant.html> (last visited July 1, 2022).

<sup>32</sup> See Consolidated Appropriations Act, 2021, Pub. L. No. 116-260, 134 Stat. 1182 (2020), available at <https://www.congress.gov/bill/116th-congress/house-bill/133/text> (Consolidated Appropriations Act).

<sup>33</sup> Infrastructure Investment and Jobs Act, Pub. L. No. 117-58 (2021), available at <https://www.govinfo.gov/content/pkg/BILLS-117hr3684enr/pdf/BILLS-117hr3684enr.pdf> (Infrastructure Act or Act). The \$14.2 billion appropriation is contained in Division J, *Appropriations*, Title IV – *Financial Services and General Government*, of the Infrastructure Act. The statutory changes to the EBB Program are contained in Division F, *Broadband*, Title V, *Broadband Affordability*, Section 60502, *Broadband Affordability*, of the Infrastructure Act. The statute as modified by the Infrastructure Act is codified at 47 U.S.C. § 1752, *Benefit for broadband service*.

<sup>34</sup> See *Affordable Connectivity Program*, WC Docket No. 21-450, Report and Order and Further Notice of Proposed Rulemaking, FCC 22-2, para. 1 (2022) (*ACP Order*).

<sup>35</sup> See 47 CFR § 54.1803(a).

<sup>36</sup> See 47 U.S.C. § 1752(b)(5).

<sup>37</sup> *ACP Order* at 55-56, paras. 110-12.

Program;<sup>38</sup> and issue “a report [to Congress] on the options of the Commission for improving its effectiveness in achieving the universal service goals for broadband . . . .”<sup>39</sup> In the Report on the Future of the Universal Service Fund, the Commission “may make recommendations for Congress on further actions the Commission and Congress could take to improve the ability of the Commission to achieve the universal service goals for broadband.”<sup>40</sup> With respect to the latter report, the Commission was to initiate a proceeding within 30 days of enactment and complete the report within 270 days of enactment, which would see a report completed by August 12, 2022.<sup>41</sup> The Commission adopted a Notice of Inquiry on this matter on December 15, 2021 and is currently reviewing stakeholder input.<sup>42</sup>

### III. DISCUSSION

12. The Bureau acts on its own motion to extend its waiver of the implementation of the phase-out in Lifeline support for voice-only services and the increase in the Lifeline minimum service standards for mobile broadband data capacity for one additional year, until December 1, 2023. In evaluating whether good cause exists for waiver of its rules,<sup>43</sup> the Commission considers whether the particular facts make strict compliance inconsistent with the public interest.<sup>44</sup> In addition, the Commission may take into account considerations of hardship, equity, or more effective implementation of policy on an individual basis.<sup>45</sup> Waiver of the Commission’s rules is therefore only appropriate if special circumstances warrant a deviation from the general rule, and such deviation will serve the public interest.<sup>46</sup> As further discussed below, the Bureau finds good cause to act on delegated authority to waive the Lifeline rules as described herein.<sup>47</sup>

13. Our decision to extend the waiver stems from careful consideration of several new factors impacting the Lifeline program and the program’s role in providing low-income households access to affordable connectivity services, including factors such as the newly formed Affordable Connectivity Program, the Commission’s upcoming Report on the Future of the Universal Service Fund, and the Affordable Connectivity Program’s transparency data collection. These new factors, as well as information showing a continued preference for voice-only services and the enduring nature of the pandemic, warrant special consideration to avoid undue consumer disruption in the Lifeline marketplace. Moreover, the creation of a longer-term, broadband-focused program—the Affordable Connectivity Program—serves a primary policy goal of the *2016 Lifeline Order*: encouraging the Commission’s low-income program to embrace broadband services, thereby raising significant questions about the further need of the Lifeline program in meeting low-income consumers’ broadband needs, and whether the program should be refocused or otherwise changed. Thus, we find good cause to pause, until December 1, 2023, both the elimination of voice-only support and the increase in minimum service standards for mobile broadband data capacity.

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<sup>38</sup> See Infrastructure Act, div. F, tit. V, § 60502(c); Affordable Connectivity Program, WC Docket No 21-450, Notice of Proposed Rulemaking, FCC 22-44 (rel. June 8, 2022), <https://www.fcc.gov/document/fcc-proposes-transparency-rules-affordable-connectivity-program>.

<sup>39</sup> Infrastructure Act, div. F, tit. I, § 60104(c).

<sup>40</sup> *Id.* § 60104(c)(2).

<sup>41</sup> *Id.* § 60104(b), (c).

<sup>42</sup> See *Report on the Future of the Universal Service Fund*, WC Docket No. 21-476, Notice of Inquiry, FCC 21-127 (2021).

<sup>43</sup> See 47 CFR § 1.3.

<sup>44</sup> *Northeast Cellular Telephone Co. v. FCC*, 897 F.2d 1164, 1166 (D.C. Cir. 1990).

<sup>45</sup> *WAIT Radio*, 418 F.2d at 1159; *Northeast Cellular*, 897 F.2d at 1166.

<sup>46</sup> *Northeast Cellular*, 897 F.2d at 1166.

<sup>47</sup> See 47 CFR § 0.291; *2016 Lifeline Order*, 31 FCC Rcd at 4120, para. 433.

14. *Voice Support Phase-Out.* Last year, we paused the scheduled phase-out in Lifeline support for voice-only services due to a heightened reliance on voice service during the ongoing pandemic, the existence of the new EBB Program, and data from the State of the Lifeline Marketplace Report. We emphasized that the elimination of voice-support could potentially disrupt a critical safety net for many low-income Americans who continue to rely on voice service for their basic needs.<sup>48</sup> While conditions surrounding the pandemic are improving, the pandemic endures and continues to evolve, and the world as it has been transformed by the pandemic remains reliant on voice connections for work, healthcare, social connections, and emergency services. Further, we relied on data from the Marketplace Report, which showed that a persistent percentage of Lifeline subscribers continue to prefer voice-only service, despite its lower reimbursement amount.<sup>49</sup>

15. We continue to see a persistent minority of households still relying on qualifying Lifeline voice service for their connection needs. Indeed, nearly 400,000 Lifeline subscribers continue to subscribe to a voice-only plan.<sup>50</sup> It is unclear what effect the elimination of voice support would have on this population's ability to retain an affordable voice-service plan. Last year we noted that retail rates for bundled broadband plans that would meet the Lifeline program's current minimum service standards for broadband data capacity far exceed the cost of plans that would qualify as Lifeline voice-only plans.<sup>51</sup> Our action today ensures that these subscribers are not forced to subscribe to broadband bundled plans—which may be cost prohibitive and not useful to them—and bridges a gap in the pursuit of universal service. Further, we are particularly cognizant of the potential harm if a consumer loses their voice service and their access to help services such as 911, 988, and other critical support hotlines.<sup>52</sup>

16. Also contributing to our consideration for a further pause is the newly implemented Affordable Connectivity Program. Assisting low-income consumers with a broadband connection aligns with a primary justification of the phase-out of voice support: to move the Lifeline program to a program that embraces broadband services.<sup>53</sup> Because the Affordable Connectivity Program offers discounted broadband services, and will for some time, we believe that it is appropriate for the Commission to further examine whether the phase-out in Lifeline support for voice-only services is still the best path forward. We believe that a further pause in the complete phase-out of support would allow the Commission to consider those questions prior to making any changes that impact the availability of support for voice-only services for the Lifeline subscribers that continue to take and rely on those services.

17. Additionally, we know that continued support for voice service in the Lifeline program was a significant interest of commenters in the Commission's proceeding on the future of the Universal Service Fund.<sup>54</sup> Pausing the phase-out of voice-only support maintains the status quo while we

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<sup>48</sup> See 2021 Waiver Order at para. 16.

<sup>49</sup> See *id.*

<sup>50</sup> See USAC, Board Materials for April 2022, *High Cost & Low Income Committee Briefing Book* at p. 52-53, <https://www.usac.org/wp-content/uploads/about/documents/leadership/materials/hcli/2022/2022.04.25-HCLI-Open-Session-Briefing-Book.pdf> (last visited July 1, 2022).

<sup>51</sup> See 2021 Waiver Order at para. 16.

<sup>52</sup> See, e.g., National Domestic Violence Hotline, <https://www.thehotline.org/> (last visited July 1, 2022).

<sup>53</sup> See 2016 Lifeline Order, 31 FCC Rcd at 3985, para. 62

<sup>54</sup> See, e.g., Comments of Verizon, Report on the Future of Universal Service Fund, WC Docket No. 21-476, at 9 (Feb. 17, 2022), <https://www.fcc.gov/ecfs/search/search-filings/filing/10217069211580> (stating that the phase-out of Lifeline support for voice-only services should be further paused to allow more time to evaluate the ACP's impact on the Lifeline program); Comments of Vermont Department of Public Service, Report on the Future of Universal Service Fund, WC Docket No. 21-476, at 10 (Feb. 17, 2022), <https://www.fcc.gov/ecfs/search/search-filings/filing/102171713111737> (stating that "Vermont is one of many states where its low-income residents rely solely on voice service with no ability – whether due to lack of availability or excessive cost – to transition to broadband" and that 3,600 Vermont Lifeline consumers subscribe to a standalone voice service); Letter from Robert

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contemplate affordability goals in that proceeding, and will also keep connected those who rely on a voice-only service while the Commission evaluates the future of the Commission's affordability programs.

18. *Mobile Broadband Data Capacity Minimum Service Standards.* Last year, the Bureau paused the increase in the minimum service standard for mobile broadband data capacity, in part due to potential cost barriers that an increase would bring and data showing that Lifeline subscribers may not benefit from an increase in the usage allowance.<sup>55</sup> While these factors continue to influence our decision to extend the pause in minimum service standards for mobile broadband data capacity, the launch of the Affordable Connectivity Program, and the Commission's inquiry into the future of the Universal Service Fund add to our calculation that a further pause is in the public interest.

19. The data capacity minimum service standard for mobile broadband aims to balance the dueling goals of access and affordability, ensuring consumers have access to the robust service needed to participate in modern society while also ensuring consumers are able to afford such access. Absent our action, the minimum service standard for mobile broadband data capacity would increase by roughly 40% year over year, to 6.5 GB per month.<sup>56</sup>

20. The newly established Affordable Connectivity Program also creates a new variable in the Commission's efforts to balance high-quality access and affordability, which was not anticipated by the Commission when it created the formulas for updating the Lifeline minimum service standards in the *2016 Lifeline Order*. The ACP benefit can be used for mobile and fixed broadband connections, and we do not yet have information from the upcoming ACP Transparency Data Collection to help understand how the ACP benefit impacts consumer choice and availability. In the interim, the Bureau must weigh the risk of creating cost barriers by requiring minimum service standards that data show are in excess of consumer needs. As we said in the Lifeline Marketplace Report, 93% of Lifeline subscribers used less than 4 GB of data per month on their Lifeline-supported service, and 76% of all reported Lifeline subscribers used less than 1 GB per month.<sup>57</sup> Given this finding, the current Lifeline minimum service standard for broadband data capacity is likely to satisfy the needs of a significant portion of Lifeline subscribers. The remaining portion of Lifeline subscribers who require additional data may purchase it or can enroll in the Affordable Connectivity Program to receive an additional benefit. Our action in this Order thus reflects avenues for those needing additional data, while ensuring we do not create new cost barriers for those who do not.

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Rosenthal, General Counsel, New York State Public Service Commission to Marlene H. Dortch, Secretary, Federal Communications Commission, WC Docket No. 21-476, at 2 (Feb. 17, 2022), <https://www.fcc.gov/ecfs/search/search-filings/filing/10217129634965> (stating “[w]hile the FCC’s stated intention for the reduction in voice-only support was to transition low-income customers to a more modern service, that transition has not happened as quickly as predicted,” that “Lifeline support should not be eliminated for stand-alone voice customers at present,” and that New York had approximately 102,000 voice-only wireline Lifeline customers in 2016 and 54,000 voice-only wireline Lifeline customers as of November 2021); Comments of the Massachusetts Department of Telecommunications and Cable, Report on the Future of the Universal Service Fund, WC Docket No. 21-476, at 4 (Feb. 17, 2022), <https://www.fcc.gov/ecfs/search/search-filings/filing/10217083610029> (stating that there is a continued need for voice-only service and that voice-only subscribers account for 1 in every 5 Lifeline subscribers in Massachusetts); *see also* Letter from Alan Buzacott, Executive Director, Federal Regulatory and Legal Affairs, Verizon, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 21-476, at 1-2 (June 3, 2022) (stating that there should be a further pause to the phase-out in Lifeline support for voice-only services to allow more time to evaluate the Affordable Connectivity Program’s impact on the Lifeline program).

<sup>55</sup> See *2021 Waiver Order* at para. 20-21.

<sup>56</sup> See *supra* n.23. We note that this calculation is based on the formula established for years in which the data that the Bureau might otherwise use to determine the mobile broadband standard is older than 18 months. See 47 CFR § 54.408(c)(2)(iii).

<sup>57</sup> See Lifeline Marketplace Report at 17.

21. Next, our task is made more difficult by a lack of appropriate cost information about whether an increase in data capacity would also yield an increase in price to consumers.<sup>58</sup> As noted above, the Commission adopted a Notice of Proposed Rulemaking seeking comment on rules for the Congressionally mandated transparency data collection of price and subscription rates of service offerings through the Affordable Connectivity Program.<sup>59</sup> Although focused on the Affordable Connectivity Program, the information supplied by the large number of ACP participating providers will offer a window into the relationship between mobile data capacity and price. Today's waiver could allow the Commission to consider the results of this data collection in assessing the viability of the Lifeline program's minimum service standards for mobile broadband data capacity and the role mobile broadband can play for low-income consumers.

22. Moreover, the Commission's inquiry into the future of the Universal Service Fund may raise additional considerations for Commission action. Commenters in that proceeding expressed significant interest in how the Commission should address the Lifeline minimum service standards.<sup>60</sup> As such, extending the pause allows the agency to consider issues related to the Commission's broadband universal service goals without program disruption.

23. For all of these reasons, we find good cause to pause the Lifeline minimum service standards for mobile broadband data capacity.

#### IV. ORDERING CLAUSES

24. ACCORDINGLY, IT IS ORDERED, pursuant to the authority contained in sections 1-4 and 254 of the Communications Act of 1934, as amended, 47 U.S.C. §§ 151-154 and 254, and sections 0.91, 0.291, and 1.3 of the Commission's rules, 47 CFR §§ 0.91, 0.291, and 1.3, that section 47 CFR § 54.401(b), 47 CFR § 54.403(a)(2), and 47 CFR § 54.408(b)(2)(ii)(D) of the Commission's rules ARE WAIVED to the limited extent provided herein.

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<sup>58</sup> See *2021 Waiver Order* at para. 5.

<sup>59</sup> *Affordable Connectivity Program*, WC Docket No 21-450, Notice of Proposed Rulemaking, FCC 22-44 (2022), <https://www.fcc.gov/document/fcc-proposes-transparency-rules-affordable-connectivity-program>.

<sup>60</sup> See, e.g., Comments of Verizon, Report on the Future of Universal Service Fund, WC Docket No. 21-476, at 9 (Feb. 17, 2022), <https://www.fcc.gov/ecfs/search/search-filings/filing/10217069211580> (stating that the increase in minimum service standards for mobile broadband data capacity should be further passed to allow more time to evaluate the ACP's impact on the Lifeline program); Comments of Communications Workers of America, Report on the Future of Universal Service Fund, WC Docket No. 21-476, at 3 (Feb. 17, 2022), <https://www.fcc.gov/ecfs/search/search-filings/filing/10217158864421> (stating that the minimum service standards for mobile broadband data capacity should be paused to review study its impact on provider participation in the program); see also Letter from Alan Buzacott, Executive Director, Federal Regulatory and Legal Affairs, Verizon, to Marlene H. Dortch, Secretary, FCC, WC Docket No. 21-476, at 1-2 (June 3, 2022) (stating that there should be a further pause to the increase in the minimum service standards for mobile broadband data capacity to allow more time to evaluate the Affordable Connectivity Program's impact on the Lifeline program).

25. IT IS FURTHER ORDERED, that pursuant to section 1.102(b)(1) of the Commission's rules, 47 CFR § 1.102(b)(1), this Order SHALL BE EFFECTIVE upon release.

FEDERAL COMMUNICATIONS COMMISSION

Trent B. Harkrader  
Chief  
Wireline Competition Bureau