

STATEMENT OF
COMMISSIONER ROBERT M. McDOWELL

RE: *In the Matter of Federal-State Joint Board on Universal Service Lifeline and Link Up*,
CC Docket No. 96-45, WC Docket No. 03-109, Notice of Proposed Rulemaking, FCC
11-32

If I've learned one thing in my nearly five years on the Commission, it is that our work on universal service reform is a bit like painting the Golden Gate Bridge: a project that is always underway and never seems to end. During my time here, I have advocated for a comprehensive review of all of the programs with a primary goal being curbing the growth of expenditures. As such, today's initiation to revamp the Lifeline/Linkup program is a critical part of our overall reform efforts, and I commend the Chairman for launching this Notice of Proposed Rulemaking.

The original goal of the Lifeline/Linkup program was a noble one: to provide an opportunity for Americans with limited means to stay connected to the rest of the world through basic phone service. This program has improved many lives by not only allowing for everyday communications, but it has also helped save lives by allowing consumers to place emergency calls.

Nonetheless, we cannot ignore the fact that the size of the Lifeline/Linkup program has steadily and dramatically increased. In 1997, the total support for the program was \$162 million, and in 2010 it had risen to \$1.3 billion. This trend is unsustainable. It is encouraging to see that this proceeding attempts to examine and address waste, fraud and abuse within this program. It seems that policymakers often speak of "waste, fraud and abuse" when attempting to create efficiencies in government programs to the point where that term has become hackneyed and virtually meaningless. Today, however, the FCC is actually doing something specific to reverse some troubling trends. For instance, the Notice: seeks comment on ways to ensure duplicate support is not provided; explores ways to prevent companies from receiving funds for inactive customers; and asks for the public's advice on possibly imposing a uniform federal standard as a minimum threshold for verifying continued eligibility. Also, regarding duplicate claims, I am supportive of efforts the Chairman may have to find ways to curb excess and inappropriate spending.

I thank the hard-working staff in the Wireline Competition Bureau for their dedication to this Notice, and I look forward to discussing these issues with all of my colleagues and the various stakeholders. It is my hope that we can move forward in a fiscally prudent and thoughtful way.