

November 4, 2011

NOTICE OF EX PARTE

Ms. Marlene Dortch
Secretary
Federal Communications Commission
445 12th St. SW
Washington, D.C. 20554

Re: Lifeline Link Up Reform and Modernization - WC Docket No. 11-42
Federal-State Joint Board on Universal Service – CC Docket No. 96-45
Lifeline and Link Up – WC Docket No. 03-109

Dear Ms. Dortch:

The Consumer Advisory Committee (CAC) of the Federal Communications Commission (Commission) respectfully submits these comments in response to the Federal Communications Commission's ("Commission") Public Notice announcing its Further Inquiry into Four Issues in the Universal Service Lifeline/Link Up reform and Modernization Proceeding, released August 5, 2011 ("Further Inquiry Public Notice").¹

The purpose of the CAC is to make recommendations to the Commission regarding consumer issues within the jurisdiction of the Commission and to facilitate the participation of all consumers in proceedings before the Commission.² The Universal Service Fund Working Group of the CAC has focused its attention on the Lifeline/Link-Up programs as an area of the Universal Service Fund where the CAC can offer strong consumer-focused input to the Commission.

¹ Public Notice DA 11-1336

² <http://www.fcc.gov/cgb/cac/>

The Lifeline and Link-Up programs have played a critical role in connecting low-income consumers to voice service and by also providing continuing subscription support. As the Commission draws closer to a decision on updates and changes to the Lifeline and Link-Up programs, the CAC agrees that if the Commission wants to reach all intended participants of the Lifeline and Link Up programs, any “one per household” rule, if adopted, must legitimately encompass consumers that may be living in group homes or who are homeless. Thanks to improvements in technology, we are now able to provide these consumers Lifeline access to communications through mobile telephony. The Commission has recognized that mobile wireless technology can facilitate Lifeline service to low-income consumers, and as we transition to broadband, mobile broadband may be one service that can help this vulnerable population gain access to critical information available on the Internet.

The Commission’s notice of inquiry focused on four areas (1) designing, implementing and evaluating broadband pilot programs (2) limiting the availability to one per residence (3) revising the definition of Link Up service, and reducing Link Up support and (4) improving the verification process. In this set of comments the CAC has focused on the second area noted in the Commission’s notice of inquiry.

The Commission should not limit but rather expand eligibility and improve service for the low-income community

Despite success over the past few years in maintaining and improving telephone subscribership, participation in both Lifeline and Link-Up is still shockingly low. According to the Universal Service Administrative Company (USAC), in 2010, only six states had

participation rates higher than 50%.³ This is due in large part to the programs' low-income eligibility criteria.

The Commission has sought comment on whether to adopt a “one-per-household or one-per-family” rule. To the extent the Commission adopts such a rule, however, in order to improve the overall participation of the program, CAC encourages the Commission to utilize eligibility based on a definition of “household” that focuses on the household as an individual or group of people living and functioning as an economic unit. The CAC also recommends that an applicant's housing status (group home, two households doubling up in a house, occupants of a shelter) not automatically disqualify a household for Lifeline.⁴ The Lifeline and Link Up programs are intended to support individuals facing poverty by providing communications access that could ease connections to assistance, medical services, education, and potential employers. Ultimately, focusing on households as an individual or a group of individuals helps the Commission to accurately identify those persons working together as an economic unit. Participants currently meeting the 135% poverty guideline may be in a transient living situations, thus utilizing a household definition will help the program better serve the target participants that are currently left out of the program.

Utilizing the household definition also allows the program to reach intended participants who may be lucky enough to be connected to private resources (through family or friends.) A participant may be living within the same physical structure but not financially supported by

³ USAC, 201 Lifeline Participation Rate Data, www.usac.org/res/documents/li/pdf/li-participation-rate-map-201.pdf

⁴ While we are recommending that the definition of household not discriminate based on housing status, the different housing situations could merit modified or additional steps in the application process such as certification that an address is a group home and that the applicant is a resident of the group home.

other residents of the home. Connecting these individuals to the program could lessen the burden on the hosting resident and help move the individual in need to independence.

If the program uses the income-focused household definition, the LifeLine and Link Up programs could take advantage of the improvements in mobile telephony to reach all intended participants of the program. We urge the Commission to consider the eligibility requirements used by the Supplemental Nutrition Assistance Program (SNAP), which also focuses on income per household.

The TracFone process outlined by the Commission appears to be limited and because it takes so long to secure the work-around from the one-per residence rule, the benefits of the process seem to be illusory. The Commission should avoid replicating a process that puts considerable burden on the group living facilities and the participants, especially when the process takes so long that those clients may have given up or moved on to a new location. Any work-around that is created must take into account the realities of transient living situations and the burden a work-around could place on temporary housing providers.

The MFY legal services proposal would provide a pathway for group living participants but would not necessarily provide a pathway for transient living situations. Opening the eligibility and verification process to accept bed numbers as unique address identifiers would be a great first step for group homes. However, using the income per household method would be a simple and uniform solution that could be used even for group living facilities that are not set up to use bed numbers.

Further, CAC advises that steps be taken to ensure that expanding the household definition as suggested above not result in program fraud or abuse. As CAC noted in previous comments¹, it is critical that the FCC develop clear guidelines to prevent abuse of this eligibility expansion, and

encourage consultation with nonprofits and other organizations currently working with these populations.

Conclusion

We appreciate the Commission's consideration of our input in this proceeding. It's critical that the Commission also take this proceeding as an opportunity to clarify and expand the eligibility process so that all potential participants can benefit from the Lifeline and Link Up program and are not discriminated against because of their non-traditional housing.

Sincerely,

/s/

Debra Berlyn
Chairperson
Consumer Advisory Committee

ⁱSee Comments of Consumer Advisory Committee, WC Docket 03-109 (August 2010)

Adopted November 4, 2011

Opposed: American Consumer Institute; Verizon Communications

Abstaining: CTIA the Wireless Association; Time Warner Cable; Utility Consumers' Action Network

Re-adopted February 24, 2012

Opposed: American Consumer Institute; Verizon Communications

Abstaining: CTIA the Wireless Association; Time Warner Cable; Utility Consumers' Action Network

Respectfully submitted:

Debra R. Berlyn, Chairperson
FCC Consumer Advisory Committee
