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For Immediate Release**FCC CHAIRMAN PAI CIRCULATES ORDER TO ENSURE
PREDICTABLE INCREASES IN MINIMUM STANDARD FOR
LIFELINE MOBILE BROADBAND SERVICE**

WASHINGTON, July 30, 2020—Federal Communications Commission Chairman Ajit Pai today circulated an order to his colleagues that would improve the way the FCC calculates annual updates to the minimum service standard for mobile broadband service provided through the Lifeline program. 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.

“The Lifeline program plays an important role in ensuring that low-income Americans have access to affordable broadband service,” Chairman Pai said. “And as the communications marketplace continually evolves, it’s critical that minimum standards for Lifeline service increase so that Lifeline subscribers do not receive second-class service compared to other consumers. But the formula the FCC adopted back in 2016 to update the minimum standard for Lifeline mobile broadband data capacity is flawed. It results in drastic year-over-year increases that could impact the ability of Lifeline carriers to continue providing affordable service. Last year, the first time the formula was applied, the current Commission had to step in to avoid this outcome. Now, I’ve circulated an order that would permanently clean up the mess caused by the 2016 order. I hope that my colleagues will vote for this order, which will provide much-needed certainty to Lifeline subscribers and providers alike.”

The Lifeline program provides monthly discounts on broadband and phone services to qualifying low-income consumers. In 2016, the FCC adopted minimum standards for services provided through the Lifeline program, including mobile broadband service, as well as mechanisms intended to predictably update those standards on an annual basis. However, the existing formula for updating the minimum standard for mobile broadband data capacity results in dramatic year-over-year swings in the standard—fluctuations that risk making Lifeline service unaffordable for many current subscribers. For example, in 2019, the formula would have resulted in an increase from 2 GB to 8.75 GB per month had the Commission not stepped in to limit that increase to 3 GB per month. This year, this standard would again increase dramatically to 11.75 GB per month, absent Commission action.

The draft order would fix several flaws in the existing formula for updating the Lifeline minimum standard for mobile broadband data capacity. These changes would (1) ensure greater predictability in the standard from year-to-year for Lifeline subscribers and providers;

(2) better account for the needs of smaller-than-average households; and (3) enable the Wireline Competition Bureau to rely on the latest data sources in making its calculations.

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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action. See MCI v. FCC, 515 F.2d 385 (D.C. Cir. 1974).