

**STATEMENT OF
COMMISSIONER MEREDITH ATTWELL BAKER**

In the Matter of Federal-State Joint Board on Universal Service, CC Docket No. 96-45; Lifeline and Link Up, WC Docket No. 03-109

The Lifeline and Link Up programs have been critical tools to providing low-income Americans with the means to afford basic telephone service and to connect to jobs, schools, and critical 911 services. I support the Joint Board's continued efforts to improve the administration and operation of these low-income programs and to ensure their long-term sustainability.

The low-income programs have almost doubled in size in the past five years from approximately \$800 million in 2005 to a projected \$1.4 billion this year. This increase is a positive indicator of the programs' success in connecting low-income households, but it is also raises important questions about the programs' overall solvency and the risk of waste, fraud, and abuse. The low-income programs lack a central enrollment, verification, and audit functionality inhibiting the ability of the FCC and states to conduct needed oversight and program management.

The Recommended Decision focuses properly on these challenges within the current system and moves towards a more uniform and standardized structure in a manner respectful of our partner states' own programs and statutory provisions. One proposal in particular that merits additional study is the potential establishment of a national database for certification and verification. The Joint Board's overall focus on operational considerations is timely: we must ensure that we have stable programs both financially and operationally before we consider adding the complexity and cost of broadband support to our universal service program.

I am grateful that the Joint Board highlighted critical questions about overall fund size and the inherent challenges of extending universal service support to broadband services. Moving forward, the Joint Board has also provided clear guidance to the Commission as to our legal ability to fund broadband within our existing statutory authority. I support the recommendation to adopt an additional universal service principle, pursuant to section 254(b)(7), to target support to networks that provide advanced and voice services. This is an important step, particularly when coupled with the Joint Board's 2007 recommendation to include broadband as a supported service. I appreciate the efforts of both federal and state staff and the willingness of my colleagues on the Joint Board to work towards a consensus approach to shape the future of these important programs.