

Marlene H. Dortch Secretary, Federal Communications Commission 445 12th Street, SW Washington DC 20554

Re: In the Matter of Lifeline Link Up and Reform and Modernization, WC Docket No. 11-42

Dear Secretary Dortch,

Next Century Cities ("NCC")<sup>1</sup> respectfully submits these reply comments to the Wireline Competition Bureau's Public Notice<sup>2</sup> seeking comment on the Petition for Reconsideration submitted by the National Association of State Utility Consumer Advocates' ("NASUCA")<sup>3</sup> on the Third Report and Order, Further Report and Order, and Order on Reconsideration ("Order"), released in these dockets on April 27, 2016, as FCC 16-38.<sup>4</sup>

The Commission's decision to phase out voice-only support cuts directly against the agency's goal of providing universal service. Inevitably, if stand-alone voice service is removed it will disconnect an untold number of low-income individuals, threaten to disconnect households nationwide from critical emergency service information, and force populations with severely limited options to choose between necessities. Therefore, the

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<sup>&</sup>lt;sup>1</sup> Next Century Cities ("NCC") is a nonprofit nonpartisan 501(c)(3) coalition of over 200 member municipalities that works collaboratively with local leaders to ensure reliable and affordable broadband access for every community.

<sup>&</sup>lt;sup>2</sup> See Wireline Competition Bureau Seeks Comment on a Petition for Reconsideration filed by the National Association of State Utility Consumer Advocates, WC Docket No. 11-42, Public Notice, DA 21-641 (WCB June 1, 2021).

<sup>&</sup>lt;sup>3</sup> See National Association of State Utility Consumer Advocates Petition for Reconsideration, WC Docket No. 11-42 et al. (June 23, 2016).

<sup>&</sup>lt;sup>4</sup> See Lifeline and Link Up Reform and Modernization et al., WC Docket No. 11-42 et al., Third Report and Order, Further Report and Order, and Order on Reconsideration, FCC 16-38 (2016).

Commission should not end support for voice-only subscriptions on December 1, 2021, as originally intended.

In 2017, the Commission proposed phasing out the voice-only subsidy for consumers, unless they live in an area that only has one Lifeline provider. Moving forward with this proposal would disadvantage the low-income consumers that Lifeline was designed to help, forcing them to pay for more costly mobile post-paid service plans or move to a bundled package from their current provider. In effect, these options may impose additional costs that low-income households are simply unable to bear.

Being able to afford telecommunications service has increasingly become an obstacle for millions of households. The pandemic caused a significant economic strain on households nationwide, leading one in four adults to have trouble paying their bills. McKinsey and Company estimates that 14% of consumers skipped or partially paid their telecommunications bill in 2020, with younger adults having the highest non-payment rate at 34%. Removing the voice-only option could mean disconnecting current Lifeline subscribers from the only dependable method for contacting employers, healthcare providers, emergency services, and family.

Notably, voice services are the only link that consumers may have to emergency responders. For example, voice services are critical for domestic violence survivors and

https://www.mckinsey.com/industries/financial-services/our-insights/banking-matters/bill-payment-trends-in-the-united-states#.



<sup>&</sup>lt;sup>5</sup> Federal Communications Commission, *Lifeline Program for Low-Income Consumers*, <a href="https://www.fcc.gov/general/lifeline-program-low-income-consumers#:~:text=Since%201985%2C%20the%20Lifeline%20program.jobs%2C%20family%20and%20e">https://www.fcc.gov/general/lifeline-program-low-income-consumers#:~:text=Since%201985%2C%20the%20Lifeline%20program.jobs%2C%20family%20and%20e</a>

consumers#:~:text=Since% 201985% 2C% 20the% 20Lifeline% 20program, jobs% 2C% 20tamily% 20and% 20emergency% 20services (last visited Apr. 11, 2021).

6 Kim Parker, Rachel Minkin and Jesse, Bennet, Economic Fallout From COVID-19 Continues To Hit

Lower-Income Americans the Hardest (Sept. 24, 2020), <a href="https://www.pewresearch.org/social-trends/2020/09/24/economic-fallout-from-covid-19-continues-to-hit-lower-income-americans-the-hardest/">https://www.pewresearch.org/social-trends/2020/09/24/economic-fallout-from-covid-19-continues-to-hit-lower-income-americans-the-hardest/</a>.

7 See Matt Higginson et. al., <a href="https://www.mckinsey.com/industries/financial-services/our-insights/harking-matters/hill-payment-trends

those in emergency situations,<sup>8</sup> as evidenced by the Commission's decision to adopt a three-digit number for the National Suicide Prevention Lifeline.<sup>9</sup> The utility of this hotline fundamentally depends on those in need having access to voice services.<sup>10</sup> Furthermore, localities are also reliant on voice and text-based services to notify their communities of information surrounding natural disasters and other emergencies. In the wake of the California wildfires in 2018, the California Public Utilities Commission found that 80% of calls to 911 originated from a wireless device.<sup>11</sup> Residents should not have to worry that they will be unable to reach emergency services or get disaster response updates because they cannot afford indispensable voice-only services.

Finally, in areas where broadband service is unavailable or is too slow to meet consumer needs, many still rely on the voice-only option. In 2016, the Commission highlighted that voice-only prices had significantly decreased and would continue to do so. As an example, the Commission highlighted that mobile voice adoption rates have exceeded 90% overall and 84% for low-income adults. These adoption statistics may have been compelling in 2016. However, they are in no way representative of the critical importance voice-only services have in responding to the COVID-19 pandemic.

Consumers' personal and financial situations are constantly changing, which may

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<sup>&</sup>lt;sup>8</sup> National Consumer Law Center et. al. Comments, WC Docket Nos. 17-287, 11-42 and 09-197, at 8 (Feb. 21, 2018) (*available at* <a href="https://www.nclc.org/images/pdf/energy\_utility\_telecom/telecommunications/nclc-signon-lifeline-cmmnts.pdf">https://www.nclc.org/images/pdf/energy\_utility\_telecom/telecommunications/nclc-signon-lifeline-cmmnts.pdf</a>) (*NCLC 2018 Comments*).

<sup>&</sup>lt;sup>9</sup> Federal Communications Commission, *Suicide Prevention Hotline*, <a href="https://www.fcc.gov/suicide-prevention-hotline">https://www.fcc.gov/suicide-prevention-hotline</a> (last visited Apr. 11, 2021).

<sup>&</sup>lt;sup>10</sup> NCLC 2018 Comments at 8.

<sup>&</sup>lt;sup>11</sup> See Ryan Johnston, Communities Responding to Natural Disasters Through Network Resilience at 3 (2021), <a href="https://nextcenturycities.org/wp-content/uploads/March-2021-Publication--Network-Resilience-Paper-by-Ryan-Johnston-\_-Final-Publication-1.pdf">https://nextcenturycities.org/wp-content/uploads/March-2021-Publication--Network-Resilience-Paper-by-Ryan-Johnston-\_-Final-Publication-1.pdf</a>.

<sup>&</sup>lt;sup>12</sup> Lifeline Modernization Order at 20-21.

 $<sup>^{13}</sup>$  *Id*.

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preclude them from being able to afford a long-term, postpaid cellular plan with voice

and data capabilities.

The Federal Communications Commission was created with the goal of ensuring

that every American would have access to communications services. 14 Removing voice-

only service from the Lifeline Program will undoubtedly disconnect consumers who are

unable to afford higher cost options. The Commission should not remove this critical

resource from those who need it most.

Respectfully Submitted,

Ryan Johnston

Policy Counsel, Federal Programs

**Next Century Cities** 

<sup>14</sup> See 47 U.S.C. § 151 (1996).