

November 11, 2017

The Honorable Ajit Pai, Chairman
The Honorable Mignon Clyburn, Commissioner
The Honorable Michael O’Rielly, Commissioner
The Honorable Brendan Carr, Commissioner
The Honorable Jessica Rosenworcel, Commissioner
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: Bridging the Digital Divide for Low-Income Consumer WC Docket No. 17-287; Lifeline Link Up Reform and Modernization WC Docket No. 11-42; Telecommunications Carriers Eligible for Universal Service WC Docket No. 09-197

Dear Chairman Pai, Commissioner Clyburn, Commissioner O’Rielly, Commissioner Carr, and Commissioner Rosenworcel,

The National Digital Inclusion Alliance (NDIA) wishes to express very serious concerns about the Notice of Proposed Rulemaking and Notice of Inquiry incorporated in the item referenced above.

NDIA currently represents 285 affiliated organizations, including 210 local public and nonprofit organizations in 37 states, the District of Columbia and the US Virgin Islands. Our affiliated organizations operate and advocate practical, effective programs and policies to increase digital literacy, access and adoption for disadvantaged citizens of our communities.

NDIA was first organized in 2015 to provide a needed voice for these experienced digital inclusion practitioners in the proceeding which led to the FCC’s *Third Report and Order, Further Report and Order, and Order On Reconsideration* adopted March 2, 2016 in WC Dockets 11-42, 09-197 and 10-90 – the “Lifeline and Link Up Reform and Modernization” proceeding, which established new Lifeline support for broadband Internet access for low-income Americans.

We have a very serious concern about the current proposed item’s intent to dismantle most of the Lifeline modernization order of 2016 – particularly the elements designed to provide a process for innovative broadband service models and providers from the community nonprofit sector to participate as providers of broadband Lifeline service.

In NDIA’s comments filed with the FCC on 07-31-15, we state:

*In the absence of low-cost commercial broadband service, community anchor institutions, nonprofit organizations and municipalities are creating local Internet access solutions. The Commission should take these community-based solutions into account as alternative solutions in its proposed modernization of Lifeline.*¹ The proposed NPRM will eliminate the elements of

¹ See NDIA’s comments in Lifeline Link Up and Reform Modernization WC Docket No. 11-42, Telecommunications Carriers Eligible for Universal Service Support WC Docket No. 09-197, and Connect America Fund WC Docket No. 10-90. <https://ecfsapi.fcc.gov/file/60001223672.pdf>

provider service innovation at the community level... thus eliminating Lifeline's potential for "Bridging the Digital Divide for Low-Income Consumers" in any meaningful way.

This is an extremely counterproductive direction for the FCC to take, if the FCC is to ensure access to broadband for all Americans.

We agree with the specific questions and concerns of the public interest groups who submitted a letter on November 8, 2017.² We share these additional three observations which should influence the FCC's actions on this matter:

1. The NPRM proposes to limit Lifeline provider eligibility to facilities-based ETCs. This, at a time when AT&T, one of the most important companies qualifying for that role, has recently relinquished its ETC status (other than for Connect America Fund areas) in a dozen states and is asking public service commissions in three additional states for permission to do so. If both AT&T and numerous mobile Lifeline resellers are eliminated as provider options, yet providers of Lifeline broadband service must be ETCs with both broadband and voice service, low-income consumers in the AT&T phone service territories will have few options for Lifeline service.
2. The FCC should not limit Lifeline to areas in need of infrastructure. In Paragraph 120, the NOI asks "*whether the Lifeline program could better reach nonadopters of broadband by focusing Lifeline support in areas where providers need additional incentive to offer high-speed broadband service.*" Adoption is certainly not only a problem in areas lacking high speed infrastructure. Pew Research Center tells us that in 2016, only 73% of urban U.S. adults and 64% of rural adults used broadband at home.³
3. The NOI discusses the possibility of targeting enhanced Lifeline subsidies to "digitally redlined" areas: "*123. Digital Redlining. We next seek comment on whether and how the Commission should also target Lifeline support to bring digital opportunity to low-income areas where service providers have less incentive to deploy facilities or offer robust broadband offerings compared to other areas.*"

As NDIA's research⁴, along with that of Free Press⁵, is a primary source of recent discussion of digital redlining, we are happy to see the FCC acknowledge the importance of the issue. But the NOI's discussion seems to be based on a misunderstanding of the term. "Digital redlining" refers not to a speculative situation in which "*providers have less incentive to deploy facilities or offer robust broadband offerings compared to other areas*", but to actual historical failures (notably by AT&T) to upgrade their fixed networks

² See <https://ecfsapi.fcc.gov/file/110910026721/Lifeline%20Letter%20November%208%2C%202017.pdf>

³ Pew Research Center. "Internet/Broadband Fact Sheet". January 12, 2017.
<http://www.pewinternet.org/fact-sheet/internet-broadband/>

⁴ National Digital Inclusion Alliance. "AT&T's Digital Redlining". March 10, 2017.
<https://www.digitalinclusion.org/blog/2017/03/10/atts-digital-redlining-of-cleveland/>

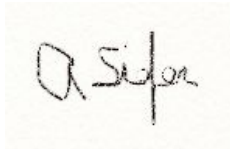
⁵ S. Derek Turner, Free Press, "Digital Denied: Systemic Racial Discrimination in Home-Internet Adoption" December 12 2016.

https://www.freepress.net/sites/default/files/resources/digital_denied_free_press_report_december_2016.pdf

to provide mainstream broadband speeds in large areas of the cities they serve, leaving all the residents of those areas (not just low-income households) with maximum available speeds below 25/3 mbps, and many with speeds of 3 mbps or less. Even if AT&T intended to continue as an ETC in those cities – which it doesn't, see point 1 above – why would an extra \$10-15 a month from a few hundred or even a few thousand Lifeline customers in the redlined areas of Cleveland or Dayton convince the company to install millions of dollars' worth of new fiber to neighborhood nodes, when it wasn't and still isn't prepared to do so to compete for thousands of their non-poor neighbors?

Please contact me with any questions about these or related points. Thank you.

Sincerely,

A handwritten signature in black ink on a light-colored rectangular background. The signature appears to read "A. Siefer" in a cursive, slightly slanted script.

Angela Siefer