

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of

Lifeline and Link Up Reform and Modernization

WC Docket No. 11-42

**COMMENTS OF
THE MASSACHUSETTS DEPARTMENT OF
TELECOMMUNICATIONS AND CABLE**

Commonwealth of Massachusetts
Department of Telecommunications and Cable

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Dated: April 14, 2021

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The Massachusetts Department of Telecommunications and Cable (“MDTC”)¹ respectfully submits these comments in response to the Public Notice entitled “Wireline Competition Bureau Seeks Comment on the State of the Lifeline Marketplace” (“the Public Notice”) released by the Federal Communications Commission (“Commission”) on March 19, 2021, in the above-captioned proceeding.² Specifically, the Public Notice seeks comment on, *inter alia*, “the prevalence of subscriptions to various service offerings in the Lifeline program,” “the pace . . . at which voice and data usage has changed,” and “the net benefits of continuing to support voice service as a standalone option.”³ Based on our experience with the Lifeline program and the low-income population in Massachusetts and a review of available data, the MDTC encourages the Commission to preserve the voice-only subsidy in the Lifeline program.

In Massachusetts, there is a continued demand for voice-only service in the Lifeline program. In 2020, the Commission reported that there were approximately 22,000 voice-only

¹ The MDTC regulates telecommunications and cable services within Massachusetts and represents the Commonwealth before the Commission. MASS. GEN. LAWS ch. 25C, § 1; MASS. GEN. LAWS ch. 166A, § 16.

² *In re Lifeline & Link Up Reform & Modernization*, WC Docket No. 11-42, *Wireline Competition Bureau Seeks Comment on the State of the Lifeline Marketplace*, DA 21-336 (Mar. 19, 2021).

³ *Id.*

Lifeline subscribers in Massachusetts, representing 22% of total Lifeline subscribers in Massachusetts.⁴ The Commission also reported that, nationwide, approximately 850,000 low-income consumers subscribed to voice-only Lifeline service.⁵ As explained below, if the Commission allows this phase-out to go into effect, it could leave close to a million vulnerable consumers without any affordable voice option, or at least their preferred option for Lifeline service. As such, the *2016 Lifeline Order*'s planned phase-out of voice-only service in its entirety by December 2021 is, at best, premature.

Indeed, the *2016 Lifeline Order* imposed a voice-only safe harbor for areas with only one Lifeline provider, but this safe harbor is inadequate.⁶ The *2016 Lifeline Order* exempts from the phase-out Census blocks that have only one Lifeline provider, stating that such Lifeline providers may continue to receive voice support of \$5.25 per month after December 1, 2021.⁷ However, as the MDTC has previously remarked, this safe harbor is insufficient in remote or rural areas where consumers rely on wireline voice service due to the unavailability of other reliable options.⁸ Many competitive eligible telecommunications carriers ("ETCs") in areas without broadband are wireless carriers that are designated on a statewide basis. However, as the Commission knows, reliable wireless service is not ubiquitous.⁹ As a result, a carrier's mere designation as an ETC in a service area does not necessarily mean that it offers or is able to

⁴ FED.-STATE JOINT BD. ON UNIVERSAL SERV., UNIVERSAL SERV. MONITORING REPORT: CC DOCKET NO. 96-45 (2020), at 37 tbl. 2.9, <https://docs.fcc.gov/public/attachments/DOC-369262A1.pdf>.

⁵ *Id.*

⁶ See *2016 Lifeline Order* ¶¶ 53, 118-22.

⁷ *Id.*

⁸ See *In re Connect Am. Fund*, MDTC Reply Comments, WC Docket No. 10-90 (Sept. 8, 2014) at 8-9; *In re Lifeline & Link Up Reform & Modernization*, MDTC Reply Comments, WC Docket No. 11-42 (May 1, 2012) at 12-14.

⁹ See *In re Establishing a 5G Fund for Rural Am., Report & Order*, GN Docket No. 20-32, FCC 20-150 (Oct. 29, 2020).

provide reliable voice service to the entire service area. In other words, the presence of a second ETC in a Census block does not necessarily negate the need for continued voice-only support to ensure affordable access to communications services.

Finally, it is important to note the continued national demand for landline telephone service among older Americans. This raises a strong inference that older groups prefer to have voice-only service, Lifeline or otherwise. Although research suggests that many Americans have substituted landlines for cellular phones, a significant portion of Americans aged 65 and over continues to rely on landlines.¹⁰ According to a 2019 Centers for Disease Control and Prevention (CDC) study, nearly 30% of adults aged 65 and older live in households that use landlines mostly or exclusively.¹¹ The removal of voice-only services from the Lifeline program may effectively leave Lifeline-eligible seniors without affordable service, or, if an affordable wireless alternative is available, force them to pay for service that they may not want. Such a compulsion could result in financial hardship for some of our most vulnerable consumers, contravening the Lifeline program's fundamental purpose.¹²

For these reasons, the Commission should preserve the voice-only subsidy in the Lifeline program. Alternatively, the Commission should take this opportunity to reconsider the complete phase-out of the voice-only subsidy in the Lifeline program by December 1, 2021, and consider

¹⁰ See generally STEPHEN J. BLUMBERG, PH.D., AND JULIAN V. LUKE, NAT'L CTR. FOR HEALTH STATISTICS, WIRELESS SUBSTITUTION: EARLY RELEASE OF ESTIMATES FROM THE NATIONAL HEALTH INTERVIEW SURVEY, JANUARY-JUNE 2019 (2019), <https://www.cdc.gov/nchs/data/nhis/earlyrelease/wireless202005-508.pdf>.

¹¹ See *id.* (finding that 11.4% of adults aged 65 and older only use landlines and 18.5% of adults aged 65 and older mostly use landlines).

¹² See 47 U.S.C. § 254(b)(1) (outlining the Lifeline principle that “[q]uality services should be available at *just, reasonable, and affordable* rates.”) (emphasis added); 2016 Lifeline Order ¶ 54 (“The animating principle of the Lifeline program has always been affordability.”).

extending the phase-out period until wireless and broadband service are ubiquitous and Lifeline subscribers no longer rely on voice-only Lifeline service.

The MDTC thanks the Commission for the opportunity to provide comment on the state of the Lifeline marketplace.

Respectfully submitted,

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