

ONE HUNDRED THIRTEENTH CONGRESS
Congress of the United States
House of Representatives
COMMITTEE ON ENERGY AND COMMERCE
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May 17, 2013

Ms. Julie Veach
Chief, Wireline Competition Bureau
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Dear Ms. Veach:

Thank you for appearing before the Subcommittee on Communications and Technology on Thursday, April 25, 2013, to testify at the hearing entitled "The Lifeline Fund: Money Well Spent?"

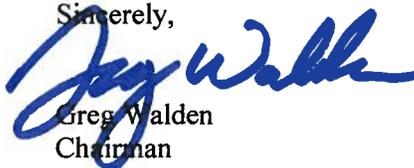
Pursuant to the Rules of the Committee on Energy and Commerce, the hearing record remains open for ten business days to permit Members to submit additional questions for the record, which are attached. The format of your responses to these questions should be as follows: (1) the name of the Member whose question you are addressing, (2) the complete text of the question you are addressing in bold, and (3) your answer to that question in plain text.

Also attached are Member requests made during the hearing. The format of your responses to these requests should follow the same format as your responses to the additional questions for the record.

To facilitate the printing of the hearing record, please respond to these questions and requests by the close of business on May 31, 2013. Your responses should be e-mailed to the Legislative Clerk in Word format at Charlotte.Savercool@mail.house.gov and mailed to Charlotte Savercool, Legislative Clerk, Committee on Energy and Commerce, 2125 Rayburn House Office Building, Washington, D.C. 20515.

Thank you again for your time and effort preparing and delivering testimony before the Subcommittee.

Sincerely,



Greg Walden
Chairman
Subcommittee on Communications and Technology

cc: Anna Eshoo, Ranking Member, Subcommittee on Communications and Technology

Attachments

Attachment 1 -- Additional Questions for the Record

The Honorable Henry Waxman

1. Mr. Gregg's testimony cited data claiming that eight states have more Lifeline subscribers than low income households - Alaska, Arkansas, Georgia, Louisiana, Maryland, Ohio, Oklahoma, and Rhode Island. After our hearing, one analysis questioned this conclusion, arguing that Mr. Gregg's conclusions were based on outdated poverty statistics and an undercount of eligible recipients, among other issues. What is the FCC's perspective on Mr. Gregg's data?
2. Mr. Feiss stated in his written testimony for the hearing that "no application for Lifeline-only ETC designation has been denied anywhere in the U.S." Is that accurate? Has the FCC denied any Lifeline ETC applications?
3. Mr. Feiss' testimony also characterized the FCC's ETC approval process as "lenient." Do you agree? Could you explain the requirement for ETC compliance plans that the FCC adopted as part of the 2012 Lifeline Reform Order?
4. There was some discussion at the hearing about an "explosion" of ETC designations for Lifeline. Does the FCC have information about what percentage of the carriers certified to participate in Lifeline are also receiving high cost support? How many are only certified to participate in Lifeline?

The Honorable Doris Matsui

1. Is there such a thing as a "Free" government phone?
2. Is it accurate to say that the Lifeline program is not contributing to "any current growth" within the Universal Service Fund at this point?
3. What is the current status for the duplicates database?

In the Lifeline Reform Order the FCC adopted a goal for the program to "ensure the availability of broadband service for low-income Americans." The order also established a broadband pilot program which is now underway with 14 pilots in over 20 states to test how the program can potentially support broadband.

4. Can you discuss why the Commission felt a goal of the program should be to ensure broadband availability for low-income Americans and what you hope to learn from the pilots?
5. Does the Lifeline program have any impact on the U.S. budget or our nation's fiscal deficit?

The Honorable Ben Ray Lujan

1. As I mentioned at the hearing, I represent a very rural district. It stretches across the farmlands of eastern New Mexico and the rugged mountains of the Rio Grande valley. Many of

my constituents depend upon Lifeline to follow up on job opportunities, communicate with their doctors, or contact emergency services. Lifeline is often mischaracterized by its critics as being an urban program, but I can assure you that it also serves many of the most vulnerable populations in rural America. How many Lifeline users live in rural communities? Is the participation rate in rural communities comparable to urban areas?

2. My district is also home to a large Tribal population, much of which is severely underserved by modern infrastructure networks, including telecommunications networks. The FCC has recognized the dire needs for network connections and high cost of making those connections in these areas and preserved a higher subsidy to service providers on Tribal lands. This subsidy has gone to good use as Tribal telecom companies have utilized it to connect a large number of their populations to telecommunications networks for the first time. In letters to the Subcommittee, both the Mescalero Apache Telecom, Inc. and Gila River Telecommunications, Inc. expressed their reliance upon the program in their work. They tell us that 611 households on the Mescalero Apache Nation in New Mexico have been connected by the Lifeline program and 78% of Gila River's tribal subscribers in Arizona are subscribers. Does the FCC have any estimates of how important this program is to tribal communities? How many Lifeline users live on tribal lands? What is the FCC doing to keep the program relevant to tribal populations and other underserved communities?

3. If our hearing brought about any agreement between the two parties, it's that a reform of the Lifeline program has been sorely needed. I commend the FCC for the changes to the program announced last year. The FCC is now requiring proof of eligibility for the program and compiling eligibility and enrollment databases to ensure that Lifeline is not abused. How does the implementation of these reforms impact the FCC's decisions regarding the programs funding, modernization, and any additional reform efforts?

- a. What is the current status of the two databases? Do you expect them to be online and in use by the end of the year?
- b. Some have suggested that a minimum co-payment be required for consumers receiving Lifeline service, so that they have some "skin in the game." Did the FCC consider requiring a co-payment as part of the reform Order? Why didn't the FCC adopt one?

Attachment 2—Member Requests for the Record

During the hearing, Members asked you to provide information for the record. For your convenience, relevant excerpts from the hearing transcript regarding these requests are provided below.

The Honorable Steve Scalise

1. How many and what percentage of Lifeline subscribers that receive subsidized mobile service choose to upgrade their cell phone plans?

The Honorable Billy Long

1. What percentage of Lifeline cell phone users go over the free 200 minutes on the cellular phones provided through the program?

2. Are Lifeline cell phone users able to forward their personal cell phone to their Lifeline phone in order to use up the free 200 minutes? This of course would allow 200 minutes of cell phone use paid for by the Lifeline program.