



Federal Communications Commission
Washington, D.C. 20554

April 13, 2016

The Honorable Greg Walden
Chairman
Subcommittee on Communications and Technology
U.S. House of Representatives
2125 Rayburn HOB
Washington, D.C. 20515

Dear Mr. Chairman,

We write to express our strong support for Congressman Austin Scott's effort to enact a budgetary cap on the Commission's Lifeline program (H.R. 4884). This measure represents a necessary and important step toward greater fiscal responsibility for the program, especially as it expands in size and scope to cover broadband services.

As you know, this issue garnered significant attention during the Commission's recent consideration of an order expanding the Lifeline program two weeks ago. At the time, we had hoped that our colleagues would agree that enacting prudent fiscal constraints would strengthen the program and help address the abundant waste, fraud, and abuse prevalent in its operations. We had even reached an agreement among a majority of Commissioners to adopt a firm cap at a level of \$2.0 billion. This represented deep compromise as individually we support a smaller program at funding levels along the lines of Congressman Scott's proposal. Unfortunately, this agreement was undermined by various individuals and groups (encouraged by the FCC leadership) and ultimately abandoned after the Chairman postponed the Commission vote three times.

Moreover, it is extremely disturbing to learn that the association representing America's wireless carriers is now opposing the imposition of any spending limitation on the Lifeline program. This is an interesting position as a number of wireless carriers are either directly or indirectly responsible for some of the waste, fraud and abuse existing in the Lifeline program. It is not surprising that these carriers seek and enjoy federal government subsidies, but it seems that they

April 13, 2016

are ignoring the financial impact of the program on those Americans – and their subscribers – who are not program recipients, especially those who live on incomes just above program eligibility, and will see their wireless bills increase substantially.

We hope these views are helpful as the Subcommittee considers legislation on this matter.

Sincerely,



Michael O'Rielly

Commissioner

Federal Communications Commission

Ajit Pai

Commissioner

Federal Communications Commission