

Congress of the United States House of Representatives

Washington, DC 20515-0529

John Legere Chief Executive Office T-Mobile US, Inc. 132nd Avenue Southeast Bellevue, WA

Michel Combes Chief Executive Officer and President Sprint Corp. 6550 Sprint Parkway Overland Park, KS 66251

February 12, 2019

Dear John Legere and Michel Combes:

As you continue to seek approval on the proposed merger of T-Mobile US, Inc. ("T-Mobile") and Sprint Corporation ("Sprint"), we write to emphasize the importance of the Universal Service Fund's Lifeline program and request information about the new T-Mobile's future participation in Lifeline if regulators approve the merger.

We write to you as Members of Congress who have long supported the federal Lifeline program. As you know, Lifeline has helped low-income Americans work through challenging times since 1985. Lifeline is a public-private partnership that provides discounted communications services to low-income Americans so that they can find jobs, stay connected with family and access critical emergency services. Importantly, people who rely on Lifeline can use the discount to purchase mobile services, which is indispensable in the 21st century connected economy. As of 2017, Lifeline helped more than 12 million Americans.

Lifeline has recently come under attack by Federal Communications Commission (FCC) Chairman Pai. Over the past two years, the number of participants in the program has decreased precipitously by almost 25 percent. The proposals introduced by the FCC would eliminate services for about 70 percent of current participants, particularly mobile services, restrict voice services to participants in rural areas, and create an arbitrary cap that would impose additional barriers for millions of veterans, seniors, and single mothers to obtain the service during times of economic insecurity. The proposals would also eliminate the ability of resellers to participate in the program, which would significantly reduce

competition and limit consumer choice. Given that the FCC has been severely undermining this necessary program, we are concerned about the future of Americans who rely on the service for their basic needs.

Furthermore, while we strongly supported the creation of the National Lifeline Eligibility Verifier, we are concerned that its implementation by the Universal Service Administrative Company ("USAC") could create additional barriers that prevent eligible consumers from learning about, applying for, or receiving the service. Recent changes announced by USAC, such as the discontinuation of SNAP Electronic Benefit Transfer (EBT) cards or Medicaid enrollment cards as acceptable proof of eligibility for the Lifeline program, could severely undermine the ability of those who actually qualify for the services from receiving them. Given these ongoing assaults, we are concerned about the viability of the program and the ability for those in need of the Lifeline services to obtain them.

We are encouraged by T-Mobile and Sprint's voluntary commitment to continue providing Lifeline services should the merger be approved. However, given that the FCC can no longer be relied upon as a champion for the Lifeline program, we seek more details about your commitment. According to your Public Interest Statement filed with the FCC on June 18, 2018, the newly formed company that would result from the merger's approval, or "New T-Mobile," will "continue the Lifeline services currently provided by T-Mobile and Sprint." Sprint has demonstrated a commitment to the Lifeline program, having urged the FCC to "avoid policies and rules which could undermine this critical program and threaten affordable access to vital voice and broadband services by low-income Americans." Currently, Sprint is the only facilities-based wireless provider to offer Lifeline wireless services in California. While T-Mobile was a participating provider, in 2014, the company began to withdraw from participation in the Lifeline program in most of the states.

As you continue to seek the merger's approval, please provide responses to the following questions concerning the companies' commitment to the federal Lifeline program going forward:

- 1. Should the merger be approved, for how long will the new company be committed to providing Lifeline services?
- 2. Should the merger be approved, in which states will the new T-Mobile commit to offering Lifeline services? Will the company expand beyond the current level of participation by Sprint?
- 3. If the merger is approved by regulators, will there be any disruption in Lifeline services while the two companies transition to a single entity?
 - a. If yes, what steps will you take to mitigate those disruptions?
- 4. Given that the addition of the new Lifeline National Eligibility Verifier is fundamentally changing how eligible consumers learn about and apply for Lifeline services, what steps will the New T-Mobile take to ensure consumers are made aware of the program and their eligibility to participate through advertising or other means?

¹ Applications of T-Mobile US, Inc. and Sprint Corporation for Consent to Transfer Control of the Licenses and Authorizations, WT Docket No. 18-197, Description of Transaction, Public Interest Statement, and Related Demonstrations (June 18, 2018).

² Comments of Sprint Corp., Bridging the Digital Divide for Low-Income Consumers, Fourth Report and Order, Order on Reconsideration, Memorandum Opinion and Order, Notice of Proposed Rulemaking, and Notice of Inquiry, FCC 17-155, 2017 WL 6015800 (Feb. 21, 2018).

Please provide a written response to this letter by March 8, 2019. We appreciate your public commitments to continue providing affordable services to consumers and look forward to your responses regarding the federal Lifeline program.

Sincerely,

TONY CÁRDENAS Member of Congress

JANICE D. SCHAKOWSKY Member of Congress

ELIOT L. ENGEL

Member of Congress

MARK TAKANO

Member of Congress

AMES P. MCGOVERN Member of Congress RAÚL M. GRIJALVA

Member of Congress

GREGORIO KILILI CAMACHO SABLAN

Member of Congress

DARREN SOTO

Member of Congress

RO KHANNA

Member of Congress

DAVID SCOTT

Member of Congress

MARC A. VEASEY

Member of Congress

WM. LACY CLAY

Member of Congress

J. LUIS CORREA
Member of Congress

AL LAWSON
Member of Congress

Vennica Envlar

VERONICA ESCOBAR Member of Congress

Manette Diez Banagan NANETTE DIAZ BARRAGÁN Member of Congress

GWEN MOORE Member of Congress

MICHAEN F.Q. SAN NICOLAS
Member of Congress

LUCILLE ROYBAL ALLARD

Member of Congress

Calle a Peterson

COLLIN C. PETERSON Member of Congress

ALAN S. LOWENTHAL Member of Congress

NYDIA M. VELÁZQUEZ Member of Congress

HENRY CUELLAR
Member of Congress

JOHN GARAMENDI Member of Congress

ADRIANO ESPAILLAT Member of Congress

FILEMON VELA
Member of Congress

KATIE HILL
Member of Congress

BARBARA LEE
Member of Congress

GRACE F. NAPOLITANO
Member of Congress

GRACE MENG Member of Congress

JOAOJIN CASTRO Member of Congress

STEVE COHEN Member of Congress

JAMMY GOMEZ Member of Congress JOSÉ E. SERRANO Member of Congress

ROSA L. DELAURO
Member of Congress

KURT SCHRADER
Member of Congress

STEVEN HORSFORD Member of Congress

SANFORD D. BISHOP, JR. Member of Congress

DANNY K. DAVIS
Member of Congress

DAV D J. TRONE Member of Congress ESÚS G. "CHUY" GARCÍA Wember of Congress

KATHY CASTOR

VICENTE GONZALEZ
Member of Congress

AMI BERA Member of Congress

LINDA SANCHEZ Member of Congress Wette D. Clarke
Wette D. Clarke
Member of Congress

PRAMILA JAYAPAL
Member of Congress

MIKE LEVIN Member of Congress

SCOTT H. PETERS Member of Congress

SALUD O. CARBAJAL Member of Congress