# Before the FEDERAL COMMUNICATIONS COMMISSION Washington, DC 20554

In the Matter of )	
Bridging the Digital Divide for Low-Income ) Consumers )	WC Docket No. 17-287
Lifeline and Link Up Reform and	WC Docket No. 11-42
Modernization )	WC Docket No. 09-197
Telecommunications Carriers Eligible for ) Universal Service Support	

### COMMENTS OF COMMON SENSE KIDS ACTION

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#### I. Introduction

Common Sense Kids Action, the policy arm of Common Sense Media, (collectively "Common Sense") respectfully submits these comments to the Federal Communications

Commission ("Commission" or "FCC") in the above-captioned proceeding. Common Sense is the nation's leading independent nonprofit organization dedicated to helping kids and families thrive in a world of media and technology. We empower parents, teachers, and policymakers by providing unbiased information, trusted advice, and innovative tools to help them harness the power of media and technology as a positive force in all kids' lives. Common Sense Kids Action is building a movement of parents, teachers, business leaders, and advocates dedicated to making kids our nation's top priority by supporting policies at the state and federal level that contribute to the building blocks of opportunity for kids.

Common Sense has an uncommon reach among parents and teachers, with more than 68 million users and half a million educators across its network.

We agree with the Commission that "[t]he Lifeline program has an important role in bringing digital opportunity to low-income Americans.<sup>1</sup>" Lifeline is a connectivity bridge for millions of families and children, at a time when too many Americans, including millions of children, still lack critical digital connectivity. When schools, work, and life turn increasingly digital, and vast numbers of children and teens in low-income homes have only a mobile phone with no high-speed Internet access, these kids are going to be left behind. We need programs like Lifeline to close the digital divide, and what Commissioner Rosenworcel and others have termed its cruelest component – the "homework gap."<sup>2</sup>

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<sup>&</sup>lt;sup>1</sup> Bridging the Digital Divide for Low-Income Americans, 83 Fed. Reg. 2075, para 62 (proposed November 16, 2017) (to be codified at 47 CFR 54).

<sup>&</sup>lt;sup>2</sup> The homework gap is the number of students assigned Internet-required homework but who lack broadband access in the home. *See, e.g.* Statement of Commissioner Rosenworcel, 29 FCC Rcd. at 15634.

Unfortunately, current proposed program changes are not necessary and could actually hamper meeting these connectivity goals. Past modernization efforts, including in the most recent 2016 Order, already ensure that Lifeline support "is faithful to Congress's stated universal service goals and is focused on helping low-income households obtain the benefits that come from access to modern communications networks." Lifeline is currently helping to close the homework gap, and helping kids and families not only survive but succeed in our modern networked economy. Given its recent overhaul, Lifeline should be afforded an opportunity to further thrive. In contrast, many proposed changes would move Lifeline backward, hurting families, students, and our country's future competitive advantage. To that end, we respectfully urge the Commission to reconsider its plans, and request in particular that the Commission reject:

- Proposals for a hard cap budget, lifetime benefit limits, and other needlessly complex administrative systems that would cut eligible families off from the program.
- A proposal to remove at least 70 percent of Lifeline providers from the program, which would also cut off families and increase costs.
- A proposal to limit WiFi devices and hotspots—which families rely upon so children can do their homework and share a connection.

These changes, as well as many others not detailed here, could effectively destroy the program, and will at the very least make it significantly less effective in closing the digital divide. Instead, we respectfully suggest that the Commission focus its efforts on implementing the National Verifier and other Lifeline modernizations, and enable the program to continue to serve as an important tool in closing the digital divide.

<sup>&</sup>lt;sup>3</sup> *Ibid*.

#### II. Common Sense's Efforts to Close the Digital Divide

Common Sense is committed to ensuring that children and families can harness the benefits of technology while remaining cognizant of its risks. We are deeply committed to ensuring that parents, educators, and students know how to be safe, ethical, responsible, and effective online. Internet connectivity is critical for our children's future success; it is undisputed that everyone needs access to broadband to succeed today and tomorrow.<sup>4</sup> Public polling shows that the program enjoys widespread support. 75 percent of Americans agree that everyone needs Internet in the 21st century. Moreover, the public believes that direct assistance to struggling families is the appropriate remedy for the digital divide; 70 percent of Americans, including a majority of both Republicans and Democrats, agree that the federal government should subsidize Internet access for those who need it.<sup>5</sup> Common Sense has long supported a multi-faceted strategy to increase broadband access and adoption. We are strong proponents of the E-rate program and connected classrooms. In addition, we have supported recent Lifeline modernization efforts, which enabled the program to support broadband, while at the same time improving program accountability, efficiency, and effectiveness. 6 We have worked to spread awareness among families about low-cost options providers offer directly, such as Comcast's Internet Essentials, Access from AT&T, and Cox's Connect2Compete. We have also worked to expand access to families living in HUD assisted housing. Common Sense was a founding member in HUD's pilot program, ConnectHome, which has the goal of narrowing the digital

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<sup>&</sup>lt;sup>4</sup> "Every American who wants to participate in our digital economy should be able to do so." Pai, A. (2017, October 10). Remarks by FCC Chairman Ajit Pai at the Ronald Reagan Presidential Library. Retrieved from https://apps.fcc.gov/edocs\_public/attachmatch/DOC-347182A1.pdf

<sup>&</sup>lt;sup>5</sup> (2017, July 10). New poll: Americans overwhelmingly support existing net neutrality rules, affordable access, and competition amongst ISPs. *Freedman Consulting*. Retrieved from <a href="http://tfreedmanconsulting.com.routing.wpmanagedhost.com/wp-content/uploads/2017/08/Tech-Policy-Poll-Summary-Final">http://tfreedmanconsulting.com.routing.wpmanagedhost.com/wp-content/uploads/2017/08/Tech-Policy-Poll-Summary-Final</a> 20170710.pdf.

<sup>&</sup>lt;sup>6</sup> (2015). Lifeline comments. *Common Sense Media*. Retrieved from <a href="https://ecfsapi.fcc.gov/file/60001223211.pdf">https://ecfsapi.fcc.gov/file/60001223211.pdf</a>
<sup>7</sup> See, e.g., a 2016 low-cost broadband informational flyer:

https://www.commonsensemedia.org/sites/default/files/uploads/landing\_pages/low-cost\_broadband\_flyer\_v2\_1.pdf

divide. Through the expanded ConnectHomeUSA program, run by EveryoneOn, Common Sense continues to act as a stakeholder providing digital literacy and digital citizenship resources to public housing across the nation, and specifically in D.C. HUD assisted housing. Closing the digital divide requires efforts on all fronts. Lifeline is a key component of such efforts.

#### III. The Homework Gap Continues to Put Students at a Disadvantage

Seven in ten teachers assign homework that requires Internet access.<sup>8</sup> And almost every high school student says that teachers regularly assign homework that requires the Internet.<sup>9</sup> However, Pew reports that nearly 5 million households with school-aged children do not have high-speed Internet service in the home.<sup>10</sup> The Senate Joint Economic Committee reports that nearly 12 million children live in homes without a broadband connection.<sup>11</sup> These millions of students caught in the gap have to find alternative ways to access the Internet in order to complete assignments, or face penalties and other academic punishment.

Cost is the major contributing factor to the homework gap. In 2015, our *Common Sense Census* found that "children in lower-income families are significantly less likely than their wealthier peers to live in homes with computers, high-speed Internet access, or newer digital technologies.<sup>12</sup>" Higher-income teens are more than twice as likely to own laptops as their peers, and fewer than half of lower-income families have desktop computers.<sup>13</sup> Our latest report, the 2017 *Common Sense Census: Media Use by Kids Age Zero to Eight*, found that while device use

<sup>&</sup>lt;sup>8</sup> Stewart, K. (2014, August 19). Cox proudly extends its commitment to Connect2Compete. *National Cable and Telecommunications Association (NCTA)*. Retrieved from <a href="https://www.ncta.com/platform/industry-news/cox-proudly-extends-its-commitment-toconnect2compete/">https://www.ncta.com/platform/industry-news/cox-proudly-extends-its-commitment-toconnect2compete/</a>.

<sup>&</sup>lt;sup>9</sup> See Common Sense Lifeline Comment at 7.

<sup>&</sup>lt;sup>10</sup> 31.4 percent of all households with an annual income below \$50,000 with school-aged children do not have high-speed access. See Horrigan, J.B. (2015, April 20). The numbers behind the broadband "homework gap." Pew Research Center. Retrieved from <a href="http://www.pewresearch.org/fact-tank/2015/04/20/the-numbers-behind-the-broadband-homework-gap/">http://www.pewresearch.org/fact-tank/2015/04/20/the-numbers-behind-the-broadband-homework-gap/</a>

https://www.jec.senate.gov/public/\_cache/files/ff7b3d0b-bc00-4498-9f9d-3e56ef95088f/the-digital-divide-.pdf.
 (2015). The Common Sense census: media use by tweens and teens. *Common Sense Media*. Retrieved from <a href="https://www.commonsensemedia.org/sites/default/files/uploads/research/census\_researchreport.pdf">https://www.commonsensemedia.org/sites/default/files/uploads/research/census\_researchreport.pdf</a>
 *Ibid*.

and ownership among young kids is up, there is a 22 percentage point gap in high speed Internet access between children in lower- and higher-income households, and a slightly higher gap in tablet and home computer access. <sup>14</sup> Indeed, **more than one in four low-income homes with kids aged 0-8 lacks high-speed Internet.** <sup>15</sup>

The homework gap is particularly problematic for ethnic minority students. One study involving more than 3,000 students documented serious disparities in access, particularly for Hispanic students, as well as the importance of home computer and Internet access. <sup>16</sup> Both Hispanic students and African American students were more likely to use smartphones to complete their homework, and nearly 80 percent of Hispanic students without regular home computer access used their smartphones to access the Internet. <sup>17</sup> Hispanic students more frequently reported an inability to complete homework because of lack of access. <sup>18</sup> Hispanic students were also most likely to report they received a lower grade because they lacked access to the Internet. <sup>19</sup>

Without access to Internet in the home, students are at a disadvantage academically, socially, and economically.<sup>20</sup> Young people use the internet to research colleges, and compare prices for supplies. Enterprising and motivated students seeking to further their education, or

<sup>&</sup>lt;sup>14</sup> 74 percent of low-income homes vs. 96 percent of high-income homes have high speed internet. 72 percent of low-income homes and 97 percent of high-income homes have a computer, and 61 percent of low-income homes and 85 percent of high-income homes have a tablet. (2017). The Common Sense census: media use by kids age zero to eight. *Common Sense Media*. Retrieved from

https://www.commonsensemedia.org/sites/default/files/uploads/research/csm\_zerotoeight\_fullreport\_release\_2.pdf 

15 (2017). The Common Sense census: media use by kids age zero to eight. *Common Sense Media*. Retrieved from 

https://www.commonsensemedia.org/sites/default/files/uploads/research/csm\_zerotoeight\_fullreport\_release\_2.pdf 

16 (2015). Taking the pulse of the high school student experience in America. *Family Online Safety Institute*.

<sup>&</sup>lt;sup>17</sup> *Ibid*.

<sup>&</sup>lt;sup>18</sup> *Ibid.* 

<sup>&</sup>lt;sup>19</sup> *Ibid.* 

<sup>&</sup>lt;sup>20</sup> Lack of digital citizenship not only affects grades, but enhances feelings of social isolation and provides a barrier to the online employment process. (2016). State K-12 broadband leadership: driving connectivity and access. Common Sense Kids Action and SETDA. Retrieved from <a href="http://www.setda.org/wp-content/uploads/2016/04/Broadband">http://www.setda.org/wp-content/uploads/2016/04/Broadband</a> 2016.4.11.16 updated.pdf.

start businesses, all need Internet access, and they suffer when it is not available in their homes.

As the evidence shows, giving families the means to be connected can go a long way.<sup>21</sup>

The homework gap is also difficult for educators. As Commissioner Rosenworcel has explained, "[m]ore than half of principals nationwide now cite digital equity as a major challenge in their schools.<sup>22</sup>" And educators in high poverty schools feel this challenge acutely—they are more than twice as likely to say students' lack of access to technology is a challenge, and only three percent of teachers in high poverty schools believe their students have the digital tools needed to complete their homework, compared with 52 percent in more affluent schools.<sup>23</sup>
What's more, educators are modifying preferred lesson plans—limiting what they teach and what all of their students learn because they (rightfully so) do not want some of their students to be at a disadvantage.<sup>24</sup> In this way the homework gap hurts not only those directly within it, who are clearly the most acutely affected, but also those who learn alongside them.

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For example, the Miami-Dade school district used a \$3.5 million American Recovery and Reinvestment Act grant to provide laptops and computer connections at school and at home—90 percent of parents reported "that having the computer and home access enabled them to stay more informed about their children's academic performance." Krueger, K. and James, J. (2017, March/April). Digital equity: the civil rights issue of our time. *Principal*. Retrieved from <a href="https://www.naesp.org/principal-marchapril-2017-technology-all/digital-equity-civil-rights-issue-our-time">https://www.naesp.org/principal-marchapril-2017-technology-all/digital-equity-civil-rights-issue-our-time</a>; (2014, September 10). At the Alvin Dunn school in San Marcos, California, more than half of the sixth grade class does not have Internet access at home. McLaughlin, C. (2016, April 20). The homework gap: the "cruelest part of the digital divide." *neaToday*. Retrieved from <a href="http://neatoday.org/2016/04/20/the-homework-gap/">http://neatoday.org/2016/04/20/the-homework-gap/</a>. AT&T, Qualcomm, and Samsung partnered with the school to provide laptops with mobile broadband access. Project Tomorrow reported that 96 percent of students who suffered from the homework gap stated that these devices helped them become better students, and 78 percent reported more collaboration with their classmates.

22 Rosenworcel L (2016, June 30). Millions of children can't do their homework because they don't have access to

Rosenworcel, J. (2016, June 30). Millions of children can't do their homework because they don't have access to broadband Internet. *The Aspen Institute*. Retrieved from <a href="https://www.aspeninstitute.org/blog-posts/the-homework-gap/">https://www.aspeninstitute.org/blog-posts/the-homework-gap/</a>

gap/
<sup>23</sup> Krueger, K. and James, J. (2017, March/April). Digital equity: the civil rights issue of our time. *Principal*.

Retrieved from <a href="https://www.naesp.org/principal-marchapril-2017-technology-all/digital-equity-civil-rights-issue-our-time">https://www.naesp.org/principal-marchapril-2017-technology-all/digital-equity-civil-rights-issue-our-time</a>; (2014, September 10). Using technology to support at-risk students' learning. *Alliance for Excellent Education*. Retrieved from <a href="https://all4ed.org/reports-factsheets/UsingTechnology">https://all4ed.org/reports-factsheets/UsingTechnology</a>; *Stanford Center for Policy Opportunity in Education*.

<sup>&</sup>lt;sup>24</sup> Fifty-six percent of teachers of the lowest income students say that students' lack of access to digital technologies is a "major challenge" to incorporating more digital tools into their teaching; 21% of teachers of the highest income students report that problem. Purcell, K. et al. (2013, February 28). How teachers are using technology at home and in their classrooms. Pew Research Center. Retrieved from <a href="http://www.pewinternet.org/2013/02/28/how-teachers-areusing-technology-at-home-and-in-their-classrooms/">http://www.pewinternet.org/2013/02/28/how-teachers-areusing-technology-at-home-and-in-their-classrooms/</a>.

Families with kids see the benefits of Internet access, both for their kids and themselves.<sup>25</sup> But cost is a major factor for these households—indeed, households with schoolaged children at home are consistently more likely to cite affordability as a reason for why they do not have broadband.<sup>26</sup> The Lifeline program, which is designed to address cost and make services affordable,<sup>27</sup> is well-positioned as it stands now to help connect more families and close the insidious homework gap.

# IV. The Modernized Lifeline Program Is Well Positioned to Close the Homework Gap and Narrow the Digital Divide

The Lifeline program is tailor-made to help low-income American families afford necessary communications services like high-speed Internet. The Lifeline program was recently overhauled and modernized in a lengthy proceeding, with, for example, changes made to: enable broadband subsidies, establish a National Broadband Provider designation, and create a National Verifier to remove providers from eligibility determinations. These changes help cement the program's effectiveness and reliability in a 21st century world. For example, despite the short timeframe since its implementation, broadband support in the Lifeline program already shows great promise. Indeed, just six months after broadband support became available, 70 percent of subscribers chose to receive a Lifeline product including broadband support.<sup>28</sup> About 3.5 million Americans, including kids, parents, and veterans, now enjoy high-speed Internet services with

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<sup>&</sup>lt;sup>25</sup> Broadband access is economically beneficial for the entire family. Having high-quality Internet at their disposal empowers parents to communicate with potential employers, improve their skills through an online course, or run a small business. Unemployed workers in households with Internet access were significantly more likely to be employed one month later than those in unconnected households. (March 2016). The digital divide and economic benefits of broadband access. *White House Council of Economic Advisers*. Retrieved from <a href="https://obamawhitehouse.archives.gov/sites/default/files/page/files/20160308">https://obamawhitehouse.archives.gov/sites/default/files/page/files/20160308</a> broadband cea issue brief.pdf

<sup>&</sup>lt;sup>26</sup> (2015). Digital Nation data explorer. *National Telecommunications & Information administration, U.S. Department of Commerce*. Retrieved from <a href="https://www.ntia.doc.gov/data/digital-nation-data-explorer#sel=tooExpensiveMainReason&demo=scChldHome&pc=prop&disp=chart">https://www.ntia.doc.gov/data/digital-nation-data-explorer#sel=tooExpensiveMainReason&demo=scChldHome&pc=prop&disp=chart</a>

<sup>&</sup>lt;sup>27</sup> (2016). Lifeline modernization order. *Federal Communications Commission*. Retrieved from <a href="https://apps.fcc.gov/edocs-public/attachmatch/FCC-16-38A1.pdf">https://apps.fcc.gov/edocs-public/attachmatch/FCC-16-38A1.pdf</a>.

<sup>&</sup>lt;sup>28</sup> Garber, Michelle. "Lifeline Business Update." USAC High Cost Low Income Quarterly Committee Meeting. Washington, DC. July 24, 2017. Board presentation.

Lifeline assistance.<sup>29</sup> Further, even though the National Verifier—which is poised to make the program simpler for providers and less prone to abuse—is just launching, it is building on earlier efforts to root out fraud and abuse that have already provided a decrease in program expenditures. In extending broadband access to Lifeline, and building upon prior reforms to make the program more efficient and effective, the 2016 Lifeline order carries out the United States' commitment to universal service.

# V. The NPRM and NOI Make Shortsighted Recommendations that Will Further the Digital Divide and Decimate the Program

Despite Lifeline's promise and very recent overhaul, the NPRM and NOI inexplicably propose a wide swathe of changes--changes which are not called for by constituents or justified by any cost benefit analyses. As providers and consumer groups alike maintain, the focus now should be on implementation of the modernized program—not further sweeping changes that will destabilize if not destroy Lifeline.<sup>30</sup>

#### A. Arbitrary Caps Will Disconnect Kids

The NPRM and NOI propose numerous measures that could raise program costs while at the same time cutting eligible families off from essential services. A hard cap budget will be difficult to administer and, once hit, will necessarily cut off families even if they are eligible. Similarly, a benefit limit, once reached, would cut off families while their need and inability to pay for services persists. It would also require even lengthier recordkeeping and administration.<sup>31</sup>

<sup>&</sup>lt;sup>29</sup> Nasr, A. (2017, September 21). Crying wolf on waste, fraud, and abuse for low-income Americans. *New America*. Retrieved from <a href="https://www.newamerica.org/weekly/edition-177/crying-wolf-waste-fraud-and-abuse-low-income-americans/">https://www.newamerica.org/weekly/edition-177/crying-wolf-waste-fraud-and-abuse-low-income-americans/</a>

<sup>&</sup>lt;sup>30</sup> See, e.g., Sprint Nov 9, 2017 ex parte letter noting FCC should "evaluate impact" of National Verifier before considering whether to "radically change" the program. Retrieved from <a href="https://ecfsapi.fcc.gov/file/1109571700272/Sprint%20LL%20exparte%20110917.pdf">https://ecfsapi.fcc.gov/file/1109571700272/Sprint%20LL%20exparte%20110917.pdf</a>; Stella, S. (2017, June 29). Public Knowledge responds to GAO Lifeline report. *Public Knowledge*. Retrieved from <a href="https://www.publicknowledge.org/press-release/public-knowledge-responds-to-gao-lifeline-report">https://www.publicknowledge.org/press-release/public-knowledge-responds-to-gao-lifeline-report</a>

<sup>&</sup>lt;sup>31</sup> These same concerns plague other proposals, such as one to require a co-pay. A co-pay would be difficult, if not impossible to administer. Minimum standards requirements already mean that for higher-level services, individuals have to pay out of pocket in addition to a subsidy. Moreover, a co-pay would hurt struggling families who are the

## i. A Hard Cap Budget Will Needlessly Hurt Families and the Lifeline Program

The NPRM proposes to cap the size of the program, and contemplates a complex administrative process to prioritize among eligible households. The NPRM provides no cost benefit analysis justifying the need for a cap or additional layers of administration. Indeed, given the strides already made in cleaning up any waste, fraud, or abuse in the program, the cost of the program has gone down in recent years—from a high of \$2.18 billion in 2012 to \$1.51 billion in 2016.<sup>32</sup> There is no demonstrated need to ensure further "efficient use" of limited funds. Moreover, the "self-enforcing" budget will not achieve this purported goal.<sup>33</sup> Rather, it will waste money on administrative expenses at best and cut off deserving families at worst.

Any hard cap budget that goes immediately into effect may cut off families that need connectivity, and will not equip the program to respond in times of great need. Who knows when the next hurricane, tornado, fire, or other horrific natural – or man made – disaster will strike? At such times, connectivity becomes more important than ever, as an Internet connection may truly serve as Lifeline for education, government access, speaking with family, and obtaining healthcare. For example, in the wake of Hurricane Harvey's destruction in Texas, when many schools were closed, school districts relied on digital tools to continue achieving educational objectives.<sup>34</sup> Clearly, in a situation like this a student without reliable Internet access at home is significantly disadvantaged. In times of disaster, program need and eligibility will

most vulnerable and therefore only able to afford the most basic services, what they can get for the Lifeline subsidy itself. See 2017 Sprint letter, retrieved from Sprint Nov 9, 2017 ex parte letter noting FCC should "evaluate impact" of National Verifier before considering whether to "radically change" the program. Retrieved from https://ecfsapi.fcc.gov/file/1109571700272/Sprint%20LL%20exparte%20110917.pdf;

<sup>&</sup>lt;sup>32</sup> See 2016 Annual Report, USAC http://www.usac.org/ res/documents/about/pdf/annual-reports/usac-annualreport-interactive-2016.pdf and 2012 Annual Report, USAC http://www.usac.org/ res/documents/about/pdf/annualreports/usac-annual-report-2012.pdf.

<sup>&</sup>lt;sup>33</sup> Bridging the Digital Divide for Low-Income Americans, 83 Fed. Reg. 2075, para 105 (proposed November 16, 2017) (to be codified at 47 CFR 54).

<sup>&</sup>lt;sup>34</sup> Davis, M. (2017, September 12). Districts keep using social media, digital tools to keep education afloat after hurricane. Education Week. Retrieved from http://blogs.edweek.org/edweek/DigitalEducation/2017/09/districts using social media d.html

understandably increase for a time. But with a self-enforcing hard cap budget, and no requirement for the Commission to re-assess even in times of urgent national need, those families in crisis will be cut off.

Furthermore, a hard cap budget will create unpredictability for providers—providing certainty only that there will never be more money in the program—leading them to flee. This is the opposite of incentivizing providers to enter the program and create a competitive market.

And it could leave families without a Lifeline provider or with only one provider to choose from, limiting options.

Moreover, a hard cap budget will create a more complex administrative program and divert resources to federal bureaucracy instead of families who need to connect. The NPRM contemplates various complicated schemes of USAC forecasts, adjustments, and different types of spending reductions, all of which cost money to administer. Moreover, removing people from the program is not costless—for the program, for the individuals removed, and for society.

As even critics of Lifeline's current budget have maintained, "the goal of a spending cap is not to deny telecommunications services to those who need them most.<sup>35</sup>" This hard cap, however, would do just that. There is no good or easy way to determine which families or individuals are more deserving of Internet access. When schools, businesses, and governments are increasingly requesting—and requiring—that actions be taken online, access to the Internet is a necessity that everyone deserves.<sup>36</sup>

<sup>&</sup>lt;sup>35</sup> McCaskill, M. (2016, March 1). Retrieved from https://www.mccaskill.senate.gov/imo/media/doc/McCaskill%20Letter%20%20to%20FCC%20on%20Lifeline.pdf

<sup>&</sup>lt;sup>36</sup> Any proposal to prioritize Lifeline "where the business case for deployment is harder to make" (para 108) ignores Lifeline's mandate to connect low-income consumers, all low-income consumers. "The Lifeline program was originally created to promote low-income consumers' access to affordable services." (2016). Lifeline Order 31 FCC Rcd at 4003, para. 116.

# ii. A Benefit Limit Is Particularly Cruel to the Most Vulnerable Populations, Including Children

The Notice of Inquiry seeks comment on "whether the Commission should implement a benefit limit that restricts the amount of support a household may receive or the length of time a household may participate in the program." On behalf of families, the answer is respectfully but emphatically "No." This section of the Notice of Inquiry again makes reference to scarce program funds, with no cost benefit analysis or acknowledgement of the fact that program costs are actually declining. What's more, the NOI improperly implies families are utilizing Lifeline benefits because they want them, not because they need them. Cost is the biggest reason that families with kids don't have Internet access<sup>39</sup>. Lifeline is a necessity for those who rely upon it.

Furthermore, this proposal would harm some of our most vulnerable—our kids. Lifeline is a household benefit, with children obtaining access because their parent has access. Children require Internet access for the entirety of their K-12—around 5 to 18. Some preschools even require it. If a parent only has access for 5 years, or 10 years, what is a child supposed to do for the subsequent years? What is a child supposed to do if a parent has already used all of his or her years of access before s/he is born, before having kids or while an older sibling was in school? What about children who live with their grandparents—a not uncommon reality—who are perhaps the most likely to have already used up their benefits? How is a parent supposed to prioritize which years to get access in order to better help which kids? Children and families should never lose access to the Internet because of a needless and arbitrary benefit limit.

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<sup>&</sup>lt;sup>37</sup> NOI, paragraph 130.

<sup>&</sup>lt;sup>38</sup> (2017, October 26). FCC's senseless proposal would destroy Lifeline program and harm struggling families. *Free Press.* Retrieved from <a href="https://www.freepress.net/press-release/108370/fccs-senseless-proposal-would-destroy-lifeline-program-and-harm-struggling">https://www.freepress.net/press-release/108370/fccs-senseless-proposal-would-destroy-lifeline-program-and-harm-struggling</a>

<sup>&</sup>lt;sup>39</sup> (2015). Digital nation data explorer. *National Telecommunications & Information Administration, U.S. Department of Commerce*. Retrieved from <a href="https://www.ntia.doc.gov/data/digital-nation-data-explorer#sel=onlineClassUser&demo=scChldHome&pc=prop&disp=chart">https://www.ntia.doc.gov/data/digital-nation-data-explorer#sel=onlineClassUser&demo=scChldHome&pc=prop&disp=chart</a>

### B. Barring Resellers from Lifeline Will Cut Off Kids and Families

The NPRM proposes to limit Lifeline participation to facilities-based providers, in effect barring resellers from providing these services. 40 Such a proposal would drastically disrupt the Lifeline market and disconnect millions of kids and families.

Resellers play an invaluable role in the Lifeline market. A large majority of Lifeline participants—roughly 70 percent—use these resellers, and would be directly disadvantaged by making the switch to a facilities-based provider, if such a provider is even an option. In many states facilities-based providers have opted out of Lifeline markets entirely, which means that under this provision underserved participants could be left completely in the cold. And, for families who are lucky enough to have a facilities-based provider, it may cost them substantially more. Direct, facilities-based carriers oftentimes charge much more for Lifeline—a price that is unlikely to go down when they become the only provider in town—and this can quickly eat up the \$9.25 benefit participants receive. This proposal could effectively bar a majority of kids and families from the access they need to obtain necessary services, an education, and healthcare in today's digital world.

# C. Removing WiFi and Tethering Requirements Will Widen the Homework Gap

The NPRM proposes to allow carriers to charge more for Lifeline devices with WiFi and tethering capabilities, or not offer such devices at all, despite that WiFi and tethering capabilities are essential for accessing wireless Internet and setting up hotspots.<sup>42</sup> Given that many Lifeline consumers access broadband via mobile, WiFi capabilities and tethering enable users to take

<sup>&</sup>lt;sup>40</sup> Bridging the Digital Divide for Low-Income Americans, 83 Fed. Reg. 2075, para 67-72 (proposed November 16, 2017) (to be codified at 47 CFR 54).

<sup>&</sup>lt;sup>41</sup> (2017, October 26). FCC's senseless proposal would destroy Lifeline program and harm struggling families. *Free Press.* Retrieved from <a href="https://www.freepress.net/press-release/108370/fccs-senseless-proposal-would-destroy-lifeline-program-and-harm-struggling">https://www.freepress.net/press-release/108370/fccs-senseless-proposal-would-destroy-lifeline-program-and-harm-struggling</a>

<sup>&</sup>lt;sup>42</sup> Bridging the Digital Divide for Low-Income Americans, 83 Fed. Reg. 2075, para 81 (proposed November 16, 2017) (to be codified at 47 CFR 54).

advantage of available WiFi and use their mobile phones to connect laptops and desktops to the Internet. Tethering in particular is critical for children who only have mobile broadband access but want to do their homework, or fill out financial aid forms, on a larger screen.

Having affordable WiFi and tethering options in Lifeline devices is crucial for Lifeline customers. In 2016, 12 percent of adults, including 21 percent of low-income adults, were smartphone dependent, meaning they relied just on their mobile devices for Internet access. <sup>43</sup> This "device divide" has racial as well as socio-economic trends; while 83 percent of whites report owning a computer, only 66 percent of African Americans and 60 percent of Hispanics report the same. <sup>44</sup> Racial minorities are much more likely to rely on mobile devices rather than home broadband, citing cost as the main barrier.

It's difficult to imagine a kid being able to complete a homework assignment or a college or job application on a tiny screen. And in a household where a mother needs Internet use to complete an online course while her child is doing her homework, being able to access a mobile connection through multiple devices is crucial. Common Sense urges the Commission to maintain requirements that providers offer affordable Lifeline devices that are WiFi and tethering capable.

#### VI. Conclusion

For the reasons detailed above, Common Sense respectfully asks that the Commission reconsider and reject the proposals in the NPRM and NOI, and instead allow Lifeline to continue to bring digital opportunity to families across the country.

We look forward to working with the Commission on this important issue.

<sup>43</sup> (2017, January 12). Mobile fact sheet. *Pew Research Center*. Retrieved from <a href="http://www.pewinternet.org/fact-sheet/mobile/">http://www.pewinternet.org/fact-sheet/mobile/</a>

<sup>&</sup>lt;sup>44</sup> Perrin, A. (2017, August 31). Smartphones help blacks, Hispanics bridge some-but not all-digital gaps with whites. *Pew Research Center*. Retrieved from <a href="http://www.pewinternet.org/fact-sheet/mobile/">http://www.pewinternet.org/fact-sheet/mobile/</a>

# Respectfully submitted,

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