



We are re-broadcasting this g-point to notify you of a typo in the original FCC Order released on December 1, 2016 that granted and denied certain waiver requests for the Lifeline Port Freeze and eligibility criteria. Specifically, the Port Freeze waiver deadline for the state of California is June 1, 2017, not October 31, 2017 as previously noted. We have corrected the date in red text below.

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### **Follow-up on Changes to the Federal Lifeline Program**

You may recall that the FCC released an Order on April 27, 2016 that made significant changes to the Federal Lifeline program.

As a reminder, the following rules became effective on December 2, 2016.

1. Lifeline for Broadband – Broadband Internet Access Service (BIAS), including bundled as well as standalone fixed and mobile broadband is a supported Lifeline service. In order to receive the Lifeline benefit for broadband, the subscriber must purchase a minimum speed of 10/1 Mbps with a data usage allowance of 150 gigabytes per month. If 10/1 Mbps is unavailable at the potential Lifeline subscriber's location, the Lifeline subscriber must purchase the highest available that meets or exceeds 4/1 Mbps.

The Order requires ETCs receiving high-cost support to offer a Lifeline standalone broadband service once they have deployed a broadband network and are commercially offering broadband service to that area. Despite various petitions arguing that standalone broadband is too costly to offer due to current and prospective tariffed rates, the FCC has made no action to revoke this requirement and therefore, ETCs receiving high-cost support must make the offering available upon request. However, if the ETC is not currently offering Consumer Broadband-Only Loop service ("CBOL") and did not project that it will be offering CBOL in 2017 on its Form 508, NECA will not automatically create a CBOL rate for that company. Once there's a taker, the ETC can contact NECA and request them to develop a CBOL rate. If the CBOL rate is developed prior to the 1<sup>st</sup> of the month, NECA will file the tariff and the new CBOL rate will be effective on the 1<sup>st</sup> of the following month. At this point, the ETC will have a rate in the tariff to support what they will charge either their ISP affiliate or their end user (depending upon each company's situation and how broadband is provided) for the standalone broadband connection.

2. Eligibility for Lifeline Support – In order to receive the federal Lifeline benefit of \$9.25, subscribers must meet the below federal income or program based criteria. The new federal eligibility criteria applies to subscribers newly enrolled as of December 2, 2016 and

to current subscribers as they are re-certified. States can continue to use or adopt additional programs but federal Lifeline funds cannot be disbursed based on state income or program eligibility.

- a. 135% at or below current Federal Poverty Guidelines
- b. Supplemental Nutrition Assistance Program (SNAP)
- c. Medicaid
- d. Supplemental Security Income (SSI)
- e. Federal Public Housing Assistance
- f. Veterans Pension & Survivors Pension
- g. Eligible Tribal Programs as defined in C.F.R. 54.409(b)

On December 1, 2016, the FCC released an Order in response to the various eligibility waiver requests. The FCC granted a partial waiver for California, Maryland, Michigan, New York, Utah, Vermont, Washington, and Wisconsin to allow ETCs in these states to continue to enroll customers who qualify for Lifeline through programs that were removed (LIHEAP, NLSP, TANF, and State identified programs). The waiver will run from December 2, 2016 until the state aligns its eligibility criteria with the FCC's Lifeline eligibility rules and updates its eligibility databases accordingly but no later than the dates noted below. USTelecom and all other state waiver requests were denied.

- California – October 31, 2017
- Maryland – October 31, 2017
- Michigan – December 31, 2017
- New York – December 1, 2017
- Utah – October 31, 2017
- Vermont – October 31, 2017
- Washington – June 30, 2017
- Wisconsin – December 31, 2017
- All other states – December 2, 2016

However, the FCC declined to waive the effective date of inclusion of the Veterans and Survivors Pension Benefit program. Therefore, the Veterans and Survivors Pension Benefit program must be added for all states as a program eligible for the federal Lifeline discount effective December 2, 2016.

3. Benefit Port Freeze – Subscribers must remain with their service provider for a minimum of 60 days for voice or 12 months for fixed/mobile broadband before moving their Lifeline benefit to another provider. Limited exceptions apply as follows:
  - a. Subscriber moves residential address
  - b. Provider ceases operations or fails to provide service
  - c. Non-payment late fees for supported service equal to or greater to the monthly subscriber charge for supported service
  - d. Provider is found to be in violation of FCC rules during the benefit year and the subscriber is impacted by the violation

On December 1, 2016, the FCC granted California and Oregon a waiver of the FCC's Port Freeze rules beginning December 2, 2016 until the state databases and processes enable ETCs to fully comply with the Port Freeze rules but no later than the dates as follows:

- **California – June 1, 2017**
  - Oregon – June 1, 2017
  - All other states – December 2, 2016
4. Rolling Re-certifications – All Lifeline subscribers enrolled on or after January 1, 2017 must be re-certified on a rolling basis by the subscriber's service initiation anniversary date. The re-certification process must be complete by the service initiation anniversary date and every 12 months thereafter.
  5. Wi-Fi and Hotspot Enabled Devices – All Lifeline providers that make devices available to Lifeline subscribers (with or without charge) must ensure all devices are Wi-Fi enabled. This requirement is not applicable for devices provided/purchased prior to December 2, 2016. Lifeline providers that make devices available (with or without charge) to Lifeline Mobile subscribers must ensure at least one device is hotspot enabled.
  6. Usage and non-usage – In order to receive the Lifeline benefit, the non-usage period is reduced from 60 days to 30 days. Text messages sent by the subscriber qualify as usage.

Please contact your GVNW Consultant or Courtney Spears (830.895.7221, [cspears@gvnw.com](mailto:cspears@gvnw.com)) or David Cohen (202.236.3947, [dcohen@gvnw.com](mailto:dcohen@gvnw.com)) with any additional questions or concerns you may have about the new rules for the federal Lifeline program.