Universal service is the principle that all Americans should have access to communications services.

The Federal Communications Commission (FCC) and the states have always supported and promoted the principle of universal service which ensures that all Americans have access to affordable communications.

At that time, landline telephone delivered primarily through a pair of copper wires to the home was the dominant mode of service that consumers relied upon to connect with other people and emergency services and to access information.
In order to fulfill the goal of promoting universal service at the federal level, the FCC established the Universal Service Fund (Fund) and the Fund has helped make telephone voice service ubiquitous, even in remote rural areas.

The FCC established four programs within the Universal Service Fund to implement the statute mandate of universal service, but we shall only focus on the following two of the four programs of the Fund:

- The Federal Universal Service High-Cost Support program for rural areas, and
- Lifeline Program (low-income support program established in 1985, after the divestiture of AT&T, that required carriers to offer discounted service to qualifying low income consumers, including initiatives to expand phone service for residents of Tribal lands.)
THE VAST DIGITAL DIVIDE

- The Telecommunications Act of 1996 (Act) expanded the traditional goal of universal service to include increased access to both telecommunications and advanced services – such as high-speed Internet – for all consumers at just, reasonable and affordable rates. The Act established principles for universal service that specifically focused on increasing access to evolving services for consumers living in rural and insular areas, and for consumers with low-incomes.

- Thus, despite great strides providing ubiquitous voice service, it was noted that millions of Americans, many residing in rural areas and others mostly low-income Americans, did not have sufficient access to high-speed broadband, Internet service, which has evolved into the essential communications medium of the digital economy for the 21st century.

- The universal service challenge of our present time is to ensure that all Americans are served by networks that support high-speed Internet access-in addition to basic voice service-where they live, work, and travel.
To address this “digital divide,” in November 2010, the Federal-State Joint Board on Universal Service (Joint Board) recommended that the FCC "specifically find that universal service support should be directed where possible to networks that provide advanced services, as well as voice services," and adopt such a principle pursuant to its Section 254(b)(7), 47 U.S.C. § 254(b)(7) authority.

Concurrently, the National Broadband Plan recommended that the FCC implement a low-income pilot program to generate high-quality data about how best to design efficient and effective long-term broadband support mechanisms for low-income consumers within the Lifeline program.
Also, building on recommendations from the Joint Board, proposals in the National Broadband Plan, and input from the Government Accountability Office (GAO), on March 4, 2011, the FCC issued a Notice of Proposed Rulemaking seeking to comprehensively reform and modernize the Universal Service Fund’s Lifeline program to make it more efficient and effective, and to determine how best to meet our national goal of broadband adoption by all Americans. See *Lifeline and Link Up Reform and Modernization et al.*, WC Dkt. No. 11-42 et al., Notice of Proposed Rulemaking, 26 FCC Rcd 2770 (2011) (*Lifeline and Link Up NPRM*).
THE FCC’S DUAL UNIVERSAL SERVICE REFORMS, cont’d

On February 6, 2012, the FCC took important steps to reform the Lifeline program by substantially strengthening protections against waste, fraud, and abuse; improving program administration and accountability; improving enrollment and consumer disclosures; and taking some preliminary steps to modernize the program for the 21st Century. See *Lifeline and Link Up Reform and Modernization et al.*, Report and Order and Further Notice of Proposed Rulemaking, WC Dkt. Nos. 11-42 *et al.*, 27 FCC Rcd 6656 (*Lifeline Reform Order*).
THE FCC’S EMPHASIS ON BROADBAND SERVICES

• The FCC acknowledged that fixed and mobile broadband have become crucial to our nation’s economic growth so it determined that it was appropriate to explicitly adopt support for broadband-capable networks as an express universal service principle under section 254(b) of the Communications Act, and, for the first time, we set specific performance goals for the high-cost component of the USF.

• The goals are: (1) preserve and advance universal availability of voice service; (2) ensure universal availability of modem networks capable of providing voice and broadband service to homes, businesses, and community anchor institutions; (3) ensure universal availability of modem networks capable of providing advanced mobile voice and broadband service; (4) ensure that rates for broadband services and rates for voice services are reasonably comparable in all regions of the nation; and (5) minimize the universal service contribution burden on consumers and businesses.

• Accordingly, the FCC continues to require that all eligible telecommunications carriers (ETCs) offer voice services, but now also requires that they also offer broadband services.
One of the primary components of the 2011 high-cost universal service support reform was the creation of the Connect America Fund (f/k/a the federal universal service high-cost program) to ensure that consumers in rural, insular, and high-cost areas have access to modern communications networks capable of providing voice and broadband service, both fixed and mobile, at rates that are reasonably comparable to those in urban areas.
By creating the Connect America Fund (CAF), the FCC sought to preserve and advance voice and robust broadband services, both fixed and mobile, in high-cost rural and insular areas of the nation that the marketplace would not otherwise serve.

The CAF, which ultimately replaces all existing high-cost support mechanisms for price cap carriers and rate of return carriers, will help make broadband available to homes, businesses, and community anchor institutions in areas that do not, or would not otherwise, have broadband, including mobile voice and broadband networks in areas that do not, or would not otherwise, have mobile service, and broadband in the most remote areas of the nation.

Accordingly, the CAF is the means by which all carriers will deploy the infrastructure that is necessary to transform the old voice-centric universal service fund for rural areas into an engine for rural broadband deployment.
• In Price cap territories, the CAF will rely on incentive-based, market-driven policies, including competitive bidding, to distribute universal service funds as efficiently and effectively as possible.

• The CAF will also help facilitate our ICC reforms for rate-of-return carriers.
• However, the FCC determined that a transition was necessary so it established CAF Phase I and CAF Phase II.
CAF PHASE I

- CAF Phase I began the process of transitioning all federal high-cost support to price cap carriers to supporting modern communications networks capable of supporting voice and broadband in areas without an unsubsidized competitor.

- Effective January 1, 2012, the FCC froze all existing high-cost support amounts under the existing high-cost support mechanisms, HCLS, forward-looking model support (HCMS), safety valve support, LSS, IAS, and ICLS, on a study area basis for price cap carriers and their rate-of-return affiliates. Additionally, frozen high-cost support was reduced further to the extent that a carrier's rates for local voice service fell below an urban local rate floor that the FCC had adopted in the USF/ICC Transformation Order in order to limit universal service support where there are artificially low rates.

- Moreover, on an interim basis, the FCC determined that it would provide this frozen high-cost support to such carriers equal to the amount of support each carrier received in 2011 in a given study area until Phase II was up and running.

- The FCC required carriers to use their frozen high-cost support in a manner consistent with achieving universal availability of voice and broadband. Specifically, price cap carriers were required to use such support for building and operating broadband capable networks used to offer their own retail service in areas substantially unserved by an unsubsidized competitor.
In addition to the receipt of frozen high-cost support, the FCC stated that it would distribute up to $300 million in incremental support to price cap carriers and their rate of return affiliates using a simplified forward-looking cost estimate, based on our existing cost model.

The FCC made this incremental support available in order to spur the immediate deployment of voice and broadband capable networks while the Commission was in the process of implementing Phase II. Carriers could elect to receive all, none, or a portion of the incremental support for which they are eligible. To the extent incremental support was declined, the FCC determined that it may be used in other ways to advance its broadband objectives pursuant to its statutory authority.

Ultimately, the FCC made two rounds of Phase I incremental support available to price cap carriers. For the first round, price cap carriers elected nearly $115 million in Phase I support, committing to deploy voice and broadband-capable networks to nearly 400,000 previously unserved Americans. For the second round, price cap carriers accepted nearly $324 million to serve over 1.2 million Americans. Accordingly, more than $438 million in incremental funding was authorized for price cap carriers to bring broadband to approximately 1.6 million unserved Americans.

In 2013, all price cap carriers receiving frozen high-cost support were required to use at least one-third of that support to build and operate broadband-capable networks used to offer the provider's own retail broadband service in areas substantially unserved by an unsubsidized competitor. For 2014, at least two-thirds of the frozen high-cost support must be used in such fashion, and for 2015 and subsequent years, all of the frozen high-cost support must be spent in such fashion. Carriers were required to certify that they had spent frozen high-cost support consistent with these requirements in their annual filings pursuant to new section 54.313 of our rules, 47 CFR § 54.313.
CAF PHASE I BROADBAND SERVICE OBLIGATIONS, cont’d

• A carrier accepting incremental support was required to deploy broadband to a number of locations equal to the amount it accepts divided by $775.

• For example, a carrier projected to receive $7,750,000 will be permitted to accept up to that amount of incremental support. If it accepts the full amount, it will be required to deploy broadband to at least 10,000 unserved locations; if it accepts $3,875,000, it will be required to deploy broadband to at least 5,000 unserved locations.
Carriers accepting incremental support were required to complete deployment to no fewer than two-thirds of the required number of locations within two years, and all required locations within three years, after filing their notices of acceptance.

Carriers were also required to provide a certification to that effect to the FCC, the Administrator, the relevant state or territorial commission, and any affected Tribal government, as part of their annual certifications pursuant to new section 54.313 of our roles, following both the two-thirds and completion milestones.

To fulfill their deployment obligation, carriers, at that time, were required to offer broadband service of at least 4 Mbps downstream and 1 Mbps upstream, with latency sufficiently low to enable the use of real-time communications, including VoIP, and with usage limits, if any, that are reasonably comparable to those for comparable services in urban areas.

Carriers failing to meet a deployment milestone were required to return the incremental support distributed in connection with that deployment obligation and will be potentially subject to other penalties, including additional forfeitures, as the Commission deems appropriate.
CAF PHASE II

• For CAF Phase II, the FCC concluded that support in price cap areas would be provided through a combination of “a new forward-looking model of the cost of constructing modern multi-purpose networks” and a competitive bidding process.

• The forward-looking cost model would be used to estimate the support necessary to serve census blocks in price cap areas where costs are above a specified funding benchmark but below a second “extremely high-cost” threshold (ECHT).

• Each price cap carrier would be offered a model-derived support amount in exchange for a commitment to serve locations in eligible census blocks that fall within the high-cost benchmark range and are not served by a competing, unsubsidized provider in its service territory. An area is classified as “eligible” if the average monthly cost-per-location for that census block, as calculated by the cost model, is above the $52.50 funding benchmark but below the $198.60 ECHT, and is not served by an unsubsidized competitor, subsidized wireline competitor, or was not subject to specific types of bids in the rural broadband experiments.
Eligibility of Census Blocks for CAF Phase II High-Cost Support Dollars

Above
Price cap: $207.81
(Eligible for Remote Area Fund (RAF))

Between
Price cap: > $52.50 and < $207.81
(Eligible for CAF Phase II Funds)

Below
Price cap: ≤ $52.50
(N/A)
CAF PHASE II, cont’d

• Carriers accepting a state-level commitment will receive funding for six years, with an option for a seventh year in certain circumstances.

• In areas where the price cap carrier declines the state-level commitment, support would be determined through a competitive bidding process. The FCC has not yet finalized the process for the CAF Phase II competitive bidding process.

• The Commission further stated that for a carrier declining the state-level commitment is required to continue to deliver voice service to high-cost census blocks and the carrier will continue to receive support throughout its service territory in an amount equal to its CAF Phase I support amount until the first month that the winner of any competitive bidding process receives support under CAF Phase II (another subsidized carrier that is required to deliver voice and 10/1 broadband); at the time, the carrier . . . will cease to receive high-cost universal service support. However, that carrier is eligible to participate in the competitive bidding process.

• The FCC concluded that CAF Phase II support awarded through the competitive bidding process should be available for ten years, subject to existing requirements and the availability of funds.
• On April 29, 2015, the Wireline Competition Bureau (Bureau) announced the final details of the offer of Phase II model-based support to price cap carriers, setting an August 27, 2015 deadline to accept or decline the offer.

• Ten carriers accepted over $1.5 billion in annual support to provide broadband to nearly 7.3 million consumers in 45 states and the Commonwealth of the Northern Mariana Islands.

CAF PHASE II cont’d

• The FCC determined that it should provide more flexibility to parties in Phase II to design effective bids for areas where the average cost is equal to or above the Connect America Phase II funding benchmark.

• The FCC acknowledged that many of the census tracts containing census blocks potentially eligible for the offer of model-based support (i.e., those census blocks where the average cost per location is equal to or exceeds the funding benchmark but is lower than the extremely high-cost threshold) also contain one or more census blocks where the average cost per location, as determined by the model, exceeds the extremely high-cost threshold.

• Accordingly, the FCC concluded that including both high-cost and extremely high-cost areas in the competitive bidding process will enable parties to build integrated networks that span both types of areas in adjacent census blocks as appropriate.
• The FCC, also for the first time, established a firm and comprehensive budget for the federal universal service high-cost programs.

• The annual funding target is set at no more than $4.5 billion over the next six years, the same level as the high-cost program for Fiscal Year 2011, with an automatic review trigger if the budget is threatened to be exceeded. However, within the total $4.5 billion annual budget, the FCC set the total annual CAF budget for areas currently served by price cap carriers at no more than $1.8 billion for a five-year period.

• The FCC also anticipated that it may revisit and adjust accordingly the appropriate size of each of high-cost support programs by the end of the six-year period, based on market developments, efficiencies realized, and further evaluation of the effect of these programs in achieving our goals.
The FCC also established specific and robust broadband performance requirements and metrics (e.g., speed, latency, and data usage limits) for recipients of high-cost support.

Specifically, the FCC requires minimum broadband speeds of 10/1 Mbps to ensure that the services delivered using CAF funds are reasonably comparable to the services enjoyed by consumers in urban areas of the country. These same performance obligations apply uniformly to all recipients of Phase II support and to rate-of-return carriers.
# CAF FEDERAL BROADBAND SERVICE OBLIGATIONS

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<th>Component of CAF</th>
<th>Broadband Performance Characteristics</th>
<th>Obligation</th>
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| Price Cap CAF (Phase I) (Incremental support) | • Speed of at least 4 Mbps/1 Mbps to a specified number of locations, depending on level of incremental support  
• Latency sufficient for real-time applications, including VoIP  
• Usage at levels comparable to terrestrial residential fixed broadband service in urban areas | Extend broadband to areas lacking 768 kbps according to National Broadband Map and carrier’s best knowledge; can’t use for areas already in capital improvements plan or to fulfill merger commitments or Recovery Act projects. |
| CAF in Price Cap Areas (Phase II) | • Minimum speed of at least 10 Mbps/1 Mbps to all supported locations, with at least 6 Mbps/1.5 Mbps to a number of supported locations to be specified by model  
• Latency sufficient for real-time applications, including VoIP  
• Usage at levels comparable to terrestrial residential fixed broadband service in urban areas | Extend Broadband to supported locations; supported locations do not include areas where there is an unsubsidized competitor offering 3 Mbps/768 Mbps. |
| Areas with no Terrestrial Backhaul | • Speed of at least 1 Mbps/256 kbps in locations where otherwise would be obligated to provide 10 Mbps/1 Mbps |  |
| Mobility Fund, Phase I | • 3G (200 kbps/50 kbps minimum at cell edge) OR 4G (768 kbps/200 kbps minimum at cell edge)  
• Latency sufficient for real-time applications  
• Usage at levels comparable to mobile 3G/4G offerings in urban areas | Provide coverage of between 75 and 100 percent of road miles is unserved census blocks.  
OR  
For Tribal Mobility Fund: Provide coverage of between 75 and 100 percent of pops in unserved census blocks within Tribal lands. |
For rate-of-return carriers, the Commission implemented a number of reforms to eliminate waste and inefficiency and improve incentives for rational investment and operation.

The FCC set an annual budget of up to $2 billion in Connect America support for rate-of-return carriers.

The FCC also largely maintained the existing legacy universal support mechanisms for rate-of-return carriers and required that they provide broadband meeting the Commission’s public service obligations upon reasonable request.
The FCC established a new forward-looking, efficient mechanism for the distribution of support in rate-of-return areas with the main goals being the following:

- To increase consumer choice by providing support for standalone broadband.

- To encourage investment in areas lacking broadband deployment by providing greater capital expenditure allowances for carriers with below average deployment, and limiting allowable investments for those with above average deployment.

- To require broadband deployment, based on number of locations lacking service, the cost of providing service, and support to be received.

- To direct USF to those areas without broadband competition and to those areas where it is most needed by adopting a rule prohibiting rate-of-return carriers from receiving CAF-BLS support in those census blocks that are served by a qualifying unsubsidized competitor.
• The FCC created two following paths to this new forward-looking “Connect America Fund” mechanism for Rate-of-Return Carriers:

  – The Model-Based Option

    • Carriers can voluntarily transition from legacy rate-of-return support to model-based support, similar to Connect America Fund Phase II offer of support to the larger carriers last year
    • Carriers accepting support must deploy service providing 10 Mbps downloads/1 Mbps uploads to all funded locations, with faster 25/3 service required in areas of higher population density
    • Buildout requirement: 40% buildout required by year four, increasing by 10% each year until reaching 100% by year 10

  – The Legacy Mechanism Option

    • Reforms the existing Interstate Common Line support mechanism to provide support for stand-alone broadband, now known as the Connect America Fund Broadband Loop support, meaning that going forward, this reformed mechanism will be known as Connect America Fund Broadband Loop Support (CAF BLS) will provide support for broadband capable loops in an equitable and stable manner, regardless of whether the customer chooses to purchase traditional voice service, a bundle of voice and broadband, or only broadband.
Increase Fiscal Responsibility in the Universal Service Fund by:

- Reduces the allowable rate-of-return from the current 11.25 percent to 9.75 percent, reflecting current market conditions, with a phased transition
- Limits operational and capital expenditures to help target support to those areas with less broadband deployment today
- Enforceable $2 billion budget
The FCC also established the Mobility Fund as the wireless component of the CAF to advance the ubiquitous availability of mobile services. The purpose of the Mobility Fund is to significantly improve coverage of current-generation or better mobile voice and Internet service for consumers in areas where such coverage is currently missing, and to do so by supporting private investment. The Mobility Fund would use market mechanisms – specifically, a reverse auction – to make one-time support available to service providers to cost-effectively extend mobile coverage in specified unserved areas.

For Mobility Fund Phase I, the FCC concluded it would award up to $300 million in one-time Connect America support to mobile service providers through a reverse auction, as well as up to $50 million in one-time Connect America support to mobile service providers serving Tribal lands through a Tribal Mobility Fund reverse auction.

The FCC’s Wireless Telecommunications Bureau completed the auction for Mobility Fund Phase I on September 27, 2012 with 33 winning bidders eligible to receive a total of up to $299,998,632 in one-time support to provide 3G or better mobile voice and broadband services. The Wireless Telecommunications Bureau began authorizing Phase I disbursements in April 2013 and anticipates disbursements will continue through 2016 as carriers complete their deployments. It also recently completed the Tribal Mobility Fund Phase I auction, with five winning bidders eligible to receive a total of up to $49,806,874 in one-time support to provide 3G or better mobile voice and broadband services to Tribal lands. [http://wireless.fcc.gov/auctions/default.htm?job=auction_summary&id=901](http://wireless.fcc.gov/auctions/default.htm?job=auction_summary&id=901)

For Mobility Fund Phase II, the FCC established a budget of $500 million per year of the Connect America budget to provide ongoing support to mobile service providers through a competitive bidding process. However, the FCC has not yet finalized the process for the Mobility Fund Phase II competitive bidding process. It is our understanding that interested parties have presented alternatives to the FCC regarding the competitive bidding process for the Mobility Fund Phase II.
Noting that some areas may be too costly to serve with traditional wireline or terrestrial wireless broadband technologies, the FCC also established the Remote Areas Fund (RAF) to provide support for such “extremely high-cost” areas. The Commission set a budget of “at least” $100 million of Connect America funds for the Remote Areas Fund.

As of today, the FCC has not established the RAF. It has proposed to do so after the conclusion of the competitive bidding process of CAF Phase II.
The FCC reaffirmed that entities selected to receive support from CAF Phase II or the RAF must obtain ETC designation from either a state public utility commission pursuant to section 214(e)(2), or the Commission pursuant to section 214(e)(6), of the Act. However, in doing so, the FCC adopted a more liberal process for the timing of ETC designation.

The FCC concluded that potential applicants in the Phase II competitive bidding process need not be ETCs at the time they initially apply for funding. Rather, applicants are permitted to obtain ETC designation after the announcement of winning bidders for the offer of Phase II Connect America funding.
REFORMS TO LIFELINE PROGRAM

• Through a partnership between the states and the FCC, the Lifeline program has become more efficient and effective mechanism to ensure that low-income Americans have affordable access to voice telephony service in every state and territory.

• Over time, the Lifeline program has evolved from a wireline-only program, to one that supports both wireless and wireline voice communications.

• Lifeline helps makes communications services more affordable for low-income consumers by providing a $9.25 a month subsidy wireline and wireless voice services.

• The FCC, however, acknowledged that the Lifeline program needed to continue to evolve to reflect the realities of the 21st Century communications marketplace and ensure low-income consumers gain access to and remain connected to advanced information services.
In the *Lifeline Reform Order*, the FCC focused on changes to eliminate waste, fraud, and abuse in the Lifeline program by, among other things, adopting setting a savings target; creating a National Lifeline Accountability Database (NLAD) to prevent multiple carriers from receiving support for the same household; and confirming a one-per-household rule applicable to all consumers and Lifeline providers in the program.

The FCC also took preliminary steps to modernize the Lifeline program by, among other things: adopting express goals for the program; establishing a Broadband Adoption Pilot Program; and allowing Lifeline support for bundled service plans combining voice and broadband or packages including optional calling features.
• To help close this digital divide, the FCC adopted various reforms that refocused Lifeline support on broadband, which will enable low-income Americans to share in the 21st Century opportunities that access to the Internet provides. See Lifeline and Link Up Reform and Modernization et al., Third Report and Order and Further Report and Order, and Order on Reconsideration, WC Dkt. Nos. 11-42 et al. (released April 27, 2016) (2016 Lifeline Reform Order).

• Accordingly, the FCC also took significant steps to modernize its Lifeline program, by allowing the Lifeline support to be used for bundled services plans combining voice and broadband (e.g., stand-alone mobile or fixed broadband Internet access service, as well as bundles including fixed or mobile voice and broadband) or packages including optional calling features and phases in a mobile broadband requirement over five years.
The newly adopted rules significantly strengthen the Commission’s landmark 2012 reforms of the program by establishing an independent National Eligibility Verifier to confirm subscriber eligibility. At the same time the verifier deters waste, fraud and abuse, it will encourage participation by legitimate providers by removing the burden of eligibility screening.

Finally, a budget mechanism will limit Lifeline's cost to ratepayers.
The FCC Lifeline established the following reforms that set minimum standards for broadband to enable low-income consumers to fully participate in digital society:

- Fixed speed standard based on what a substantial majority of consumers receive (currently 10 Mbps downloads/1 Mbps uploads)
- Set a minimum monthly fixed broadband usage allowance standard, starting at 150 GB and updated thereafter
- Phases in minimum standards for mobile broadband service, starting at 500 MB per month of 3G data by Dec. 1, 2016, 1 GB by Dec. 1, 2017, and increasing to 2 GB per month by the end of 2018
- Phases in mobile voice monthly standards: 500 min/mo., beginning on Dec. 1, 2016; 750 min/mo. on Dec. 1, 2017; and 1,000 min/mo., starting on Dec. 1, 2018.
- Anticipates technological advances in the convergence of mobile voice and data, phasing in broadband requirement as support for stand-alone voice decreases to $7.25 on Dec. 1, 2019; $5.25 by Dec. 1, 2020; and no support by Dec. 1, 2021, except in areas where there is only one Lifeline provider
- Voice remains eligible for full support as part of a voice and data bundle
- Full review of standards phase-in and report to Commission required by mid-2021
Another component of the FCC’s reforms to the Lifeline program established mechanisms to unlock the Lifeline marketplace so as to encourage participation by broadband providers, increasing availability and consumer choice by:

- Providing a streamlined, nationwide entry for a new category of providers, called Lifeline Broadband Providers.
- Establishing a third-party National Eligibility Verifier, reducing cost to providers of verifying subscriber eligibility.
- Modernizing the rules to improve program flexibility, reduce burdens, and incentivize participation by providers.
The FCC also built on its 2012 reforms to close remaining vulnerabilities to waste, fraud and abuse in the following manner:

- Establishing a National Eligibility Verifier which shall remove the opportunity for providers to enroll ineligible subscribers

- Refines list of federal programs that may be used to validate Lifeline eligibility to those that support electronic validation, are most accountable, and best identify people needing support (SNAP, SSI, Medicaid, Veterans Pension, HUD Federal Public Housing Assistance, Tribal), along with federally-established income-based eligibility criteria.

- Increases transparency by making program data publicly available and understandable, including subscriber counts by provider and uniform disclosure of annual subscriber recertification data
The FCC also established a budget mechanism to minimize impact on ratepayers in the following manner:

- Sets budget of $2.25 billion, indexed to inflation, sufficient to allow for increased participation generated by support for broadband service

- Requires FCC’s Wireline Competition Bureau to notify Commission when spending reaches 90 percent of the budget and to prepare an analysis of the causes of spending growth, with recommended actions for the Commission to consider.

- Maintains current $9.25 monthly household subsidy
PERTINENT CITATIONS

Connect America Fund

– Connect America Fund; A National Broadband Plan for Our Future; Establishing Just and Reasonable Rates for Local Exchange Carriers; High-Cost Universal Service Support; Developing a Unified Intercarrier Compensation Regime; Federal-State Joint Board on Universal Service; Lifeline and Link-Up; Universal Service Reform – Mobility Fund; WC Docket Nos. 10-90, 07-135, 05-337, 03-109, CC Docket Nos. 01-92, 96-45, GN Docket No. 09-51, WT Docket No. 10-208, Report and Order and Further Notice of Proposed Rulemaking, 26 FCC Rcd 17663 (2011) (USF/ICC Transformation Order and/or FNPRM); aff’d sub nom., In re: FCC 11-161, 753 F.3d 1015 (10th Cir. 2014).


Lifeline Program


– Lifeline and Link Up Reform and Modernization et al., WC Docket No. 11-42 et al., Third Report and Order, Further Report and Order on Reconsideration, (Order released April 27, 2016) (2016 Lifeline Reform Order)
QUESTIONS