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Net neutrality lawsuit delays USF fee decision, Lifeline revamp

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The move to extend low-cost broadband services to Lifeline recipients continues to draw controversy, with a lawsuit over net neutrality rules delaying the FCC from making a decision on whether to require Universal Service Fund fees of Internet service providers. Proponents of a proposed low-cost broadband option, meanwhile, are continuing to try and convince the commission to move ahead on the issue.

Currently, telecom carriers are required to pay into the USF -- fees that are typically tacked onto consumers' telephone bills to cover the cost. The USF provides basic voice service to consumers with limited income through the federal Lifeline program. With the FCC's net neutrality rules classifying broadband providers as telecommunications services, it's likely that ISPs will need to pay USF fees as well.

However, the FCC has so far delayed making a decision as to whether ISPs will need to pay USF fees as it looks for "more certainty" in its net neutrality decision, according to Commissioner Jessica Rosenworcel, speaking to the Senate Commerce Committee this week.

That had Sen. John Thule (R-S.D.), chairman of the Commerce Committee, wondering if the FCC lacks confidence that its net neutrality rules will withstand a pending decision by the U.S. Court of Appeals for the D.C. Circuit, according to *The Hill*.

FCC Commissioner Tom Wheeler put forth a set of [proposals in May](#) to modernize the Lifeline program. The biggest changes include providing a broadband option to Lifeline, letting customers choose either voice service, broadband service, or a combination of both; and setting a minimum service standard, suggested at 10 Mbps downstream and 1 Mbps upstream, for Lifeline broadband services.

The proposals have generated plenty of public comment so far, with carriers like Frontier complaining that the 10/1 Mbps requirement may be difficult to implement in rural areas and therefore limit availability to people who qualify for Lifeline service. Industry groups like INCOMPAS (formerly COMPTTEL) and NCTA argue that providers should be relieved of the burden of verifying Lifeline eligibility. Public advocacy groups, like the California Emerging Technology Fund, [want a comprehensive](#) Lifeline broadband program in place including \$10 per month standalone broadband service as well as state broadband initiatives that augment the federal Lifeline program.

The USF decision remains in limbo, with Rosenworcel telling the Commerce Committee that she has

"no crystal ball" on what the Circuit Court will decide regarding the net neutrality lawsuit before it. That decision is expected in early 2016, but may then move upward to the Supreme Court, according to *The Hill*.

For more:

- see *The Hill*'s [article](#)
- see this CETF [filing](#)

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[Frontier: FCC's 10/1 Mbps Lifeline proposal could lock out rural customers](#)

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