



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
PUBLIC SERVICE COMMISSION

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August 23, 2016

Ms. Marlene H. Dortch
Office of the Secretary
Federal Communications Commission
445 12th Street, S.W., Room TW-A325
Washington, D.C. 20554

Re: *Lifeline and Link Up Reform and Modernization, WC Docket No. 11-42,*
Telecommunications Carriers Eligible for Universal Service Support, WC Docket No. 09-197,
Connect America Fund, WC Docket No. 10-90.

Dear Ms. Dortch:

On April 27, 2016, the Federal Communications Commission (FCC) released a Third Report and Order, Further Report and Order, and Order on Reconsideration in the above-captioned proceedings regarding the Federal Lifeline Program. (*April 27 Order*). In this Order the FCC standardized and streamlined eligibility criteria for the Federal Lifeline Program among other things. On June 23, 2016, the United States Telecom Association (USTelecom) filed a Petition for Reconsideration and Clarification on the April 27 Order. The Michigan Public Service Commission (MPSC) offers support to one of the issues highlighted in USTelecom's Petition for Reconsideration and Clarification.

That issue is their request that the Commission reconsider the effective date of the new streamlined federal eligibility criteria and the obligation to offer Lifeline BIAS, and defer it at least until the later of December 31, 2017, or 12 months after the federal Office of Management and Budget (OMB) approval. The MPSC has similar concerns as those expressed by USTelecom regarding the effective date of the new federal eligibility criteria and its impact on state laws, rules and orders with programs that differ from the new federal eligibility criteria. Michigan is one of the states in which the state eligibility criteria for the state discount are now different than the new federal criteria. For example, Michigan's telecommunication law allows for an income threshold of 150% of the federal poverty guidelines whereas the federal rules restrict the income threshold to 135% of the federal poverty guidelines. In addition, Michigan's state telecommunication law specifically names Low-Income Home Energy Assistance Program (LIHEAP), Temporary Assistance for Needy Families (TANF) and National School Lunch Program (NSLP) as qualifying Lifeline programs which have now been eliminated from the federal criteria and Michigan law does not include Veterans and Survivors Pension Benefit

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which is now added to the federal criteria. Postponing the effective date of the federal eligibility criteria will provide a better opportunity for parties to address the differences between state and federal Lifeline programs, obtain answers to the numerous questions that still remain, and also provide additional time for all parties to work together to ensure a smooth, efficient, and effective transition.

The MPSC's silence regarding other issues in the Petition in no way reflects the MPSC's position on these other issues. The MPSC would encourage the FCC to consider this request to delay the effective date of the new federal eligibility criteria at least until December 1, 2017 or 12 months after OMB approval. This will allow states the opportunity to make informed decisions regarding any necessary changes to state databases, state laws or orders impacted by the FCC's order.

Respectfully submitted,

Sally A. Talberg, Chairman
Michigan Public Service Commission

Norman J. Saari, Commissioner
Michigan Public Service Commission

Rachel Eubanks, Commissioner
Michigan Public Service Commission