



[We] conclude that the imposition of state-level contributions on broadband providers that do not presently contribute would be inconsistent with our decision at the present time to forbear from mandatory federal USF contributions, and therefore, we preempt any state from imposing any new state USF contributions on broadband – at least until the [FCC] rules on whether to provide for such contributions. . . . We . . . are not aware of any current state assessment of broadband providers for state universal service funds.<sup>5</sup>

**2. Does your company offer landline broadband service? If yes, does your company offer broadband-only service? If broadband service is solely available on a bundled basis with voice service, please explain why a broadband-only service is not offered and whether the company intends to eventually offer a broadband-only service.**

AT&T Response: Yes. AT&T offers landline broadband service, and does so on both a packaged and a stand-alone basis.

**3. If your company offers a landline broadband-only service, how comparable are the rates for a broadband-only service versus a bundled package of voice and broadband services?**

AT&T Response: The rate for a stand-alone service generally is discounted when included in a bundled package with other services. Price comparisons will vary depending on the package the customer selects.

**4. If your company participates in the Lifeline program:**

**a. How many Lifeline subscribers are currently provided with landline broadband-only service?**

**b. How many Lifeline subscribers are currently provided with a landline bundled voice/broadband service?**

**c. Will expanding Missouri USF support to a broadband-only service within the Lifeline and Disabled programs cause a significant impact on program participation?**

AT&T Response: AT&T has relinquished its Eligible Telecommunications Carrier status and stopped enrolling new customers in the Lifeline and Disabled programs. AT&T will complete its withdrawal from the State Lifeline and Disabled Programs, effective July 5, 2017.<sup>6</sup> Although AT&T will no longer be a recipient of support under these programs, it will remain a contributor to the USF fund with respect to its wireline voice services and remains interested in the fund's operations.

As noted in the response to Question No. 1 (above), expansion of support to a broadband-only service within the Lifeline and Disabled programs could result in undue and increased financial pressures on the fund because of the mismatch between the contributing services and supported services. To the extent the Commission seeks to make state-based USF support available for broadband service, the state USF statutory scheme will need to be amended to provide the

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<sup>5</sup>Report & Order on Remand, Declaratory Ruling, and Order, *In the Matter of Protecting & Promoting the Open Internet*, FCC 15-24, ¶ 432, ¶ 432 n.1282 (released Mar. 12, 2015) (the “*Open Internet Order*”).

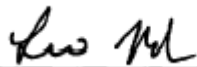
<sup>6</sup> Order Confirming AT&T Missouri's Relinquishment of its Eligible Telecommunications Carrier Designation, File No. IO-2017-0132, issued January 11, 2017, at p. 4.

Commission with necessary jurisdiction and to lay out the general framework for such a change that was not contemplated under the current law. Moreover, participation in any state Lifeline broadband program, like that established under the federal Lifeline program, should be voluntary (i.e., not impose mandatory obligations to offer state Lifeline discounts on internet access services on any provider who does not voluntarily opt to participate in the state program).

Irrespective of whether the state program is modified to provide support for internet access services, more than 30 fixed-location broadband service providers in Missouri, consisting of rate of return and price cap carriers, are receiving considerable amounts of funding from the federal Connect America Fund (“CAF”) program. To be eligible to receive CAF support, each of these carriers must be designated as an eligible telecommunications carrier, and each is required to offer federal Lifeline discounts on internet access service where they make internet access service available pursuant to the CAF. In addition, AT&T understands that a number of mobile wireless Lifeline-only ETCs (such as Safelink Wireless (TracFone); Assurance Wireless; and QLink Wireless) are also offering federal Lifeline discounts on mobile wireless internet access services. Consequently, federal Lifeline discounts on internet access services should be widely available in Missouri.

Respectfully submitted,

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## CERTIFICATE OF SERVICE

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