



# STATE OF CONNECTICUT

## PUBLIC UTILITIES REGULATORY AUTHORITY

October 18, 2019

Ms. Marlene H. Dortch, Secretary  
Federal Communications Commission  
445 12th Street, SW  
Washington, DC 20554

Re: Lifeline and Link Up Reform and Modernization, WC Docket No. 11-42 – Petition for Waiver of National Verifier Launch by the Connecticut Public Utilities Regulatory Authority

Dear Secretary Dortch,

The enclosed Petition for a Waiver of the National Verifier Launch is submitted by the Connecticut Public Utilities Regulatory Authority (PURA), on behalf of the State of Connecticut, pursuant to the Federal Communications Commission's (FCC) Public Notice announcing the hard launch of the National Lifeline Verifier (National Verifier) for all new Lifeline enrollments in Connecticut on October 23, 2019. Pursuant to this notice and for the reasons outlined in the Petition, PURA respectfully submits the Petition which asks for a nine month waiver of the timeframe for implementation of the National Verifier.

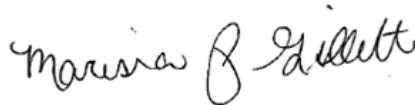
In 2016, the FCC directed the Universal Service Administrative Company (USAC) to establish a comprehensive nationwide system to determine eligibility for the FCC's Universal Service Fund Lifeline program, the National Verifier. On September 23, 2019 FCC issued a noticed to Connecticut announcing that it will be hard launched into the National Verifier, effective October 23, 2019.

Connecticut and USAC have been working diligently on addressing certain legal and technical issues so that the National Verifier can process applications using an automated eligibility processing system. This system would determine eligibility using an Application Programming Interface that connects USAC to the necessary data on enrollment in Connecticut's Medicaid and Supplemental Nutrition Assistance Program. Without access to state data, USAC must attempt manual verification, which is more time consuming, less accurate, and more likely to result in otherwise eligible individuals being denied. In other states where USAC has resorted to manual verification, Lifeline enrollment and reverification has dropped dramatically.

PURA requests that the hard launch date for the National Verifier be extended by nine months in Connecticut. This extension would give USAC and the State of Connecticut the time necessary to enable automated eligibility processing.

In addition to this Petition by PURA, the Governor of Connecticut and Commissioner of Social Services have submitted ex parte communication regarding WC Docket Nos. 17-287, 11-42, and 09-197.

Sincerely,

A handwritten signature in black ink, reading "Marissa P. Gillett". The signature is written in a cursive, flowing style.

Marissa P. Gillett  
Chairman, Public Utilities Regulatory Authority

**Before the  
Federal Communications Commission  
Washington, D.C. 20554**

In the Matter of	)	
	)	
Bridging the Digital Divide for Low-Income Consumers	)	WC Docket No. 17-287
	)	
	)	
Lifeline and Link Up Reform and Modernization	)	WC Docket No. 11-42
	)	
	)	
Telecommunications Carriers Eligible for Universal Service Support	)	WC Docket No. 09-197
	)	
	)	October 18, 2019

**PETITION OF THE STATE OF CONNECTICUT  
FOR A WAIVER OF  
THE IMPLEMENTATION OF THE NATIONAL VERIFIER  
PURSUANT TO 47 C.F.R. § 1.3**

## **I. INTRODUCTION**

The Connecticut Public Utilities Regulatory Authority (“PURA”) hereby seeks a temporary waiver pursuant to 47 C.F.R. § 1.3 regarding implementation of the National Lifeline Eligibility Verifier (“National Verifier”) system. Connecticut and the Universal Service Administrative Company (“USAC”) have been diligently negotiating a data-sharing agreement that would allow for the automated processing of Lifeline Program (“Lifeline”) applications in a manner which comports with Connecticut state-specific privacy laws. Unfortunately, the agreement is not yet in place, and without it, Connecticut’s Lifeline-eligible applicants risk having to verify their eligibility for Lifeline manually, a process that is labor-intensive and more prone to error than an automated process. For the reasons outlined below, Connecticut asserts that a nine-month delay in the hard launch of the National Verifier will serve the public interest by allowing Connecticut to work with USAC to avoid the above problems before they occur.

## **II. LEGAL STANDARD**

Pursuant to 47 C.F.R. § 1.3, the Federal Communications Commission (“FCC”) may waive its rules for good cause shown. Section 1.3 states:

The provisions of this chapter may be suspended, revoked, amended, or waived for good cause shown, in whole or in part, at any time by the Commission, subject to the provisions of the Administrative Procedure Act and the provisions of this chapter. Any provision of the rules may be waived by the Commission on its own motion or on petition if good cause therefor is shown.

More specifically, the Commission has elaborated that it:

may exercise its discretion to waive a rule where the particular facts make strict compliance inconsistent with the public interest. In addition, the Commission may take into account considerations of hardship, equity, or more effective implementation of overall policy on an individual basis. Waiver of the Commission's rules is therefore appropriate only if special circumstances warrant

a deviation from the general rule, and such a deviation will serve the public interest.<sup>1</sup>

As demonstrated below, in this case, a temporary waiver of the hard launch of the National Verifier in the State of Connecticut will serve the public interest because a waiver will: (1) prevent current qualified Lifeline consumers from being de-enrolled; and (2) continue to allow qualified low-income consumers to access Lifeline benefits during the time period that Connecticut and USAC work on a state database sharing agreement to allow for automated verification of a consumer's low-income status and Lifeline eligibility, while also complying with Connecticut's privacy laws. Strict compliance with the hard launch is not in the public interest in this case because it would cause many otherwise eligible low-income consumers not to receive critical Lifeline benefits during this transitional period.<sup>2</sup>

### **III. BACKGROUND**

In 2016, the FCC directed USAC to establish a comprehensive nationwide system to determine subscriber eligibility for the FCC's Universal Service Fund Lifeline program. This system is the National Verifier. Lifeline provides critical telecommunication services and internet access to low-income households across the United States. As of March 2019, approximately 8.8 million low-income households receive Lifeline service. Approximately 2.73

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<sup>1</sup> *In the Matter of Lifeline and Link Up Reform and Modernization*, Order 32 FCC Rcd. 10099 (F.C.C.), 32 F.C.C.R. 10099, 2017 WL 5712829 \*\*2 (footnotes omitted).

<sup>2</sup> *See Id.* (granting New York State Public Service Commission an extension of an existing waiver to align its eligibility criteria with the Commission's Lifeline eligibility rules and update its eligibility database for good cause because without an extended waiver, if an eligible telecommunications carrier relied on New York's database it would risk enrolling customers who are eligible for a New York state subsidy, but the federal subsidy. Consequently, inefficient manual verification would be required to verify federal eligibility, and the potential harm that would result from failing to extend the waiver outweighed the benefits of immediate compliance.); *see also In the Matter of Lifeline and Link Up Reform and Modernization*, Order, 31 FCC Rcd. (F.C.C.), 31 F.C.C.R. 12718, 2016 WL 7036100 (granting Vermont, Michigan, California, Wisconsin, Washington, New York, Utah, Maryland, Oregon, Missouri, New Mexico, and the United States Telecom Association waivers of certain Lifeline requirements for good cause shown.)

million of which are households with single-mothers, 1.06 million of which are veterans, 1.23 million of which are elderly, and 3.5 million of which are minorities. To qualify for Lifeline, a household must be enrolled in a public benefit program, for example the Supplemental Nutrition Assistance Program (“SNAP” or food stamps) or Medicaid, or the household’s income must be at or below federal poverty levels.

In Connecticut, as of January, 2019, approximately 75,000 low-income households receive Lifeline benefits. Lifeline is critical to health, safety, and wellbeing of low-income residents of Connecticut

Unfortunately, the hard launch of the Verifier has raised concerns in Connecticut regarding enrollment and reverification. Among the most significant concerns is that USAC does not yet have access to databases containing enrollment information for Connecticut’s administered low-income programs, such as SNAP and Medicaid. Without automated access to state databases to automatically verify a Lifeline applicant’s participation in such low-income programs, such as SNAP or Medicaid, consumers must manually attempt to verify their low-income status. This process is more labor intensive and prone to error. Lifeline eligibility, Lifeline re-verification of the eligibility of existing Lifeline subscribers, and Lifeline participation have dropped precipitously in states where USAC has hard-launched the Verifier and where there is no low-income database connection. Where manual review is required, it results in a failure rate of 78%, on average.<sup>3</sup>

In Connecticut, Lifeline subscribers rely upon SNAP and Medicaid data to verify (or reverify) eligibility for Lifeline. While an automated connection between the Medicaid program

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<sup>3</sup> Data for Chart 1 was drawn from Commission Chairman Pai’s May 13, 2019, letters to members of Congress, Attachment and Attachment Table 1 (Letters were directed to Congresswoman Yvette Clarke, Congresswoman Anna Eshoo, Congressman Mike Doyle, Congressman G.K. Butterfield, Congressman Cárdenas, Congressman Jerry McNerney, and Congressman Marc Veasey.

and the National Verifier is now live,<sup>4</sup> no such automated connection is yet available for SNAP. Forty percent of Connecticut Lifeline applicants rely upon SNAP to verify low-income status.

Further, Connecticut must resolve federal and state-specific privacy issues before automation may be fully implemented. Under Connecticut privacy law,<sup>5</sup> an applicant must provide consent before the Connecticut Department of Social Services (“DSS”) may disclose verification information to USAC. Similarly, federal Medicaid law<sup>6</sup> requires that the applicant provide consent before DSS may provide information about Medicaid benefits to an outside source, like USAC, and, because DSS is a covered entity under the Health Insurance Portability and Accountability Act (“HIPAA”) that Medicaid consent would need to be HIPAA-compliant. Connecticut state officials are working diligently with USAC to ensure USAC is collecting appropriate consent from Lifeline applicants to enable DSS to verify eligibility. Specifically, Connecticut is working with USAC to resolve the issue of consent by working with USAC to allow it to accept Connecticut-specific consent language. However, these efforts are not yet complete. Connecticut requires additional time to resolve state-specific privacy issues.

#### **IV. WAIVER REQUEST**

Currently, the State of Connecticut is working diligently with USAC on the issue of secure access to state databases. The process of connecting to state databases is both technically and legally complicated. Connecticut hopes to resolve data-sharing agreements and federal and state law privacy issues with USAC within nine months.

However, if USAC were to hard-launch the National Verifier in Connecticut prior to establishing connections with state databases, experience demonstrates that many otherwise

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<sup>4</sup> <https://docs.fcc.gov/public/attachments/DOC-359731A1.pdf>

<sup>5</sup> Conn. Gen. Stat. § 17b-90.

<sup>6</sup> 42 C.F.R. § 431.306(d)

qualified low-income consumers will be unnecessarily denied Lifeline eligibility, both as initial applicants and in the re-verification process. Veterans who rely of Lifeline for access to doctors and health care provider will lose access, low-income students will lose access to internet service that enables them to complete homework assignments, single mothers will lose communications tools and internet access that allow them to search and apply for jobs, communicate with employers, and communicate with child care and health care providers.

This result, however, can be avoided by briefly delaying the hard-launch of the National Verifier in Connecticut, until the National Verifier's connection to Connecticut is complete. Consequently, it is in the public interest to do so. Therefore, pursuant to 47 C.F.R. § 1.3, Connecticut respectfully requests that the Federal Communications Commission:

1. Grant the State of Connecticut, a waiver of *Lifeline and Link Up Reform and Modernization, et al.*, Third Report and Order, Further Report and Order, and Order on Reconsideration, 31 FCC Rcd 3962, 4022-40, paras. 168-216 (2016), delaying the hard-launch of the National Verifier for nine months to permit Connecticut to negotiate a data-sharing agreement with USAC and to permit completion of the National Verifier's connection with state databases.
2. Grant such other relief as the Commission may deem appropriate.

Respectfully Submitted,

PUBLIC UTILITIES  
REGULATORY AUTHORITY

WILLIAM TONG  
ATTORNEY GENERAL

BY: /s/ Seth A. Hollander  
Seth A. Hollander  
Assistant Attorney General



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