Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of	)	
	)	
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

COMMENTS OF SPRINT CORPORATION

Sprint Corporation ("Sprint"), pursuant to the Public Notice released February 8, 2018 (DA 18-126), hereby respectfully submits its comments in support of the Petition for Declaratory Ruling filed by the National Lifeline Association ("NaLA") in the above-captioned proceedings.

In its Petition, NaLA has requested that the Commission state that Lifeline service providers are permitted to seek reimbursement for all Lifeline eligible subscribers served as of the first day of the month, including those subscribers that are in an applicable 15-day cure period following 30 days of non-usage. The NaLA petition comes on the heels of a reversal by USAC regarding treatment of Lifeline customers in the cure period. Until recently, USAC guidance (as posted on its website) explicitly allowed ETCs to claim federal support for Lifeline subscribers in the cure period. In late 2017, USAC abruptly reversed its guidance and stated that Lifeline subscribers in the cure period could not be claimed for subsidy; however, if those subscribers did have usage in the cure period, the ETC could subsequently claim the subsidy for those subscribers.

NaLA's request for declaratory ruling should be granted. As NaLA points out (p. 4), FCC rules require ETCs to provide Lifeline customers with service during the cure period (Section 54.405(e)(3)), and mandate provision of Lifeline support to eligible Lifeline subscribers served on the first day of the month (Section 54.407(a)). The reasonable and logical import of these rules is that Lifeline support is due for Lifeline customers who are in the cure period as of the first of the month. This was certainly the conclusion drawn by USAC, at least initially, as evidenced by its public guidance that a service provider "may include subscribers in the cure period in their monthly snapshot" on which Lifeline disbursements are based.

Payment of Lifeline support for subscribers in the cure period is also warranted given the fact that service providers incur significant costs for accounts in mandatory cure status. While a Lifeline subscriber is in the cure period, his or her Lifeline account remains active, and the service provider continues to incur the costs associated with an active account. For example, Assurance Wireless:

- continues to issue the full monthly voice and/or data usage allotment to customers whose service date is within the cure period, and those allotments are fully available to the subscriber;[1]

- continues to incur account maintenance fees assessed by the software vendor that tracks Lifeline customer usage;

- continues to reach out to the subscriber to encourage him to use his Lifeline service and to educate him about the consequences of non-usage;

- continues to provide customer care and account inquiry assistance;

- continues to provide voice mail capability for callers to leave a message for the Lifeline subscriber, and the capability for the Lifeline subscriber to access voice mails from any phone, not just his Lifeline phone;

[1] Sprint provides all of its prepaid customers, including Lifeline subscribers, with service upfront (at the start of their service period), and does not refund them for unused minutes or data.

- continues to provide access to emergency services through 911.

Reversing long-standing policy and refusing to pay the Lifeline subsidy for end users in the cure period also will introduce significant inefficiencies into the process. Service providers will have to identify and suppress from the Form 497 any subscribers who are in the cure period as of the first of the month. Customers who subsequently have usage during the cure period will have to be identified, and added back to the previous month's Form 497, which would then be re-filed with USAC. USAC would then have to adjust the Lifeline support payment due to the service provider. This imposes an administrative burden not only on the service provider, but also on USAC.

It is unclear what triggered USAC's decision to reverse its guidance, or why affected parties were not afforded an opportunity to comment on the new policy prior to its announcement. If, contrary to the recommendations herein, the Commission ultimately upholds USAC's reversal and refuses to provide Lifeline support for consumers in the 15-day cure period, it should only apply this new policy prospectively. It would be unfair to penalize service providers who in good faith and consistent with available guidance requested and received Lifeline support for subscribers in the cure period up to and including the date on which the Commission issues an order in response to the instant petition clarifying the application of the rules.

Respectfully submitted,

SPRINT CORPORATION

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March 12, 2018