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March 27, 2018

By ECFS

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

Re: **AmeriMex Communications Corp. d/b/a SafetyNet Wireless Notice of Oral Ex Parte Presentation; WC Docket Nos. 17-287, 11-42, 09-197**

Dear Ms. Dortch:

On March 23, 2018, Steve Klein of AmeriMex Communications Corp. d/b/a SafetyNet Wireless and John Heitmann and Joshua Guyan of Kelley Drye & Warren LLP met with Dr. Jay Schwarz, Wireline Advisor to Chairman Ajit Pai, to discuss the recent and proposed changes to the Lifeline program in the above-referenced proceedings.¹ The discussion was consistent with the enclosed presentation and the comments and reply filed by the National Lifeline Association on February 21, 2018 and March 23, 2018.²

Pursuant to Section 1.1206(b) of the Commission's rules, this letter is being filed electronically.

¹ See *Bridging the Digital Divide for Low-Income Consumers, Lifeline and Link Up Reform and Modernization, Telecommunications Carriers Eligible for Universal Service Support*, WC Docket Nos. 17-287, 11-42, 09-197, Fourth Report and Order, Order on Reconsideration, Memorandum Opinion and Order, Notice of Proposed Rulemaking, and Notice of Inquiry, FCC 17-155 (rel. Dec. 1, 2017).

² See Comments of the National Lifeline Association, WC Docket No. 17-287 et al. (filed Feb. 21, 2018); Reply Comments of the National Lifeline Association, WC Docket No. 17-287 et al. (filed Mar. 23, 2018).

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Respectfully submitted,



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*Counsel to AmeriMex Communications Corp.
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Enclosure

cc: Dr. Jay Schwarz



Federal Communications Commission Meetings March 23, 2018

Who We Are and What We Do

- Amerimex Communications Corp. d/b/a SafetyNet Wireless is a provider of pre-paid and Lifeline subsidized wireless phone service
- Compliance plan approved Dec. 26, 2012
- Non-Lifeline pre-paid plans also available
- ETC designations in California, Georgia, Kentucky, Pennsylvania, Michigan and Wisconsin
- Federal ETC petition for 12 states filed Feb. 22, 2013 and updated Sept. 12, 2016
- About 165,000 subscribers

Free Lifeline Plans

Lifeline Basic

For those qualified for the Lifeline government subsidy discount.

- \$0 / month
- 750 minutes talk
- 500 text
- Free phone

Lifeline Basic with Data

For those qualified for the Lifeline government subsidy discount.

- \$0 / month
- 50 voice minutes
- 100 text messages
- 1 GB data

Upgraded Lifeline Plans

Lifeline Unlimited

For those qualified for the Lifeline government subsidy discount.

- \$10.00 / month
- Unlimited talk
- Unlimited texts
- Free phone

Lifeline Unlimited Text

For those qualified for the Lifeline government subsidy discount.

- \$10.00 / month
- 500 voice minutes
- Unlimited text messages
- 1 GB data
- Free phone

Upgraded Lifeline Plans and Top Ups

Lifeline
Unlimited
Voice/
Text

For those qualified for the Lifeline government subsidy discount.

- \$19.99 / month
- Unlimited talk
- Unlimited texts
- 1 GB data

\$4 / 100 minutes

\$8 / 250 minutes

\$11 / 400 minutes

\$19 / 1000 minutes

\$9.99 / 1 GB

\$18.99 / 2 GB

California Plans

- **Lifeline Unlimited:** unlimited minutes and texts free to the end user
- **Lifeline Unlimited & 1 GB Data:** unlimited minutes and texts and 1 GB free to the end user
- **Lifeline Promo Unlimited & 1.5 GB Data:** unlimited minutes and texts and 1.5 GB for \$1.00 to the end user; upgraded handset and \$20 pre-payment
- **Lifeline BYOD Promo:** unlimited voice and text and 1.5 GB for 4 months free to the end user

Petitions

- NaLA Petition for Declaratory Ruling
 - Section 54.407(a) states that reimbursement shall be provided for all subscribers an ETC serves as of the snapshot and section 54.405(e)(3) provides for a 15-day cure period before service termination for non-usage, so ETCs should continue to be reimbursed for subscribers in the cure period
 - Sprint, Q Link and Smith Bagley filed comments in support; no opposition
- Petition for Reconsideration
 - 60-day voice port freeze is a key tool to control waste (“flipping”) and program administrative costs (database “dips”)
 - 12-month broadband port freeze was a principal driver of transitioning Lifeline program from primarily voice plans to primarily broadband bundles
 - Commission should adhere to its longstanding policy of technology neutrality rather than limiting Lifeline broadband to licensed, cellular service

Lifeline Rulemaking

- Virtually unanimous opposition to reseller ban
- Some other proposals would have a devastating effect on Lifeline
 - Lifeline pass-through: NaLA, TracFone and Q Link agree that wireless resellers use Lifeline reimbursements for the provision of **service** for which the support was intended consistent with section 254(e); none disagree
 - Maximum discount: vast majority of commenters oppose, including NaLA, AARP, CTIA, Sprint, Florida PSC, Michigan PSC, Mobile Future and two dozen more
 - Minimum percentage of non-Lifeline subscribers: NaLA opposes; Dr. Mayo notes that MVNOs successfully serve niches like low-income and provide the best possible service tailored to the needs and resources of low-income customers
- Wide support for reasonable alternatives to reseller ban
 - Address any remaining waste, fraud and abuse with reasonable and targeted reforms (i.e., the National Verifier, conduct-based requirements and risk-based audits)
 - Reverse prior missteps by (a) retaining support for rural and urban voice service and (b) eliminating the minimum service standards (or at least allowing “units” offerings)
 - Reduce barriers to entry and promote competition by retaining and applying streamlined review process to ETC petitions filed at the FCC and imposing shot clock on state action on ETC petitions
 - Codify agent registration requirement, but reject banning commissions and in-person handset distribution
 - Require proof of eligibility for annual recertification only when eligibility program changes
 - Require duplicate address to collect IEH form with exception for states where notice is not always real-time and no multi-person residence manager certifications
 - Adopt bipartisan NARUC self-enforcing budget proposal to allow rational growth to \$2,279,250,000