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VIA ELECTRONIC FILING

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

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

Dear Ms. Dortch:

On September 21, 2016, Mark Rubin, Senior Executive, Government Relations, TracFone Wireless, Inc. ("TracFone"), Shawn Chang of Wiley Rein, David Avila, Assistant Vice President, Lifeline Services, TracFone, Raymundo Varela, TracFone (Messrs. Avila and Varela participated via teleconference), and undersigned counsel on behalf of TracFone, met with Gigi Sohn, Counselor to Chairman Tom Wheeler, Stephanie Weiner, Legal Advisor to Chairman Wheeler, and with Stephen Klein, an intern in Chairman Wheeler's office.

During the meeting, we discussed TracFone's pending motion for stay or deferral of the effective date of revised 47 C.F.R. § 54.407(c)(2). In that motion, TracFone asked the Commission to stay or voluntarily defer the December 1, 2016 effective date of a rule which would reduce from 60 days to 30 days the period for de-enrolling certain Lifeline customers who do not use their Lifeline service. Positions articulated during the meeting were consistent with those set forth in TracFone's unopposed motion. Specifically, we explained that the reduction in the non-usage period from 60 days to 30 days would impose costs on Lifeline providers, would impose costs on the Universal Service Administrative Company and, most importantly, would disrupt service to many low-income Lifeline-eligible households who are enrolled in the Lifeline program and who intend to remain enrolled, but who temporarily do not use the service for limited periods of time. The most common reasons for non-usage include temporary absence from the country, illness or incapacity and misplaced or broken handsets.

We also discussed an ex parte letter filed with the Commission on September 20, 2016 in which TracFone produced data indicating that for the first quarter 2016, 72 percent of TracFone Lifeline customers who did not use their Lifeline service for 30 days did, in fact, use their service between days 31 and 60 (*i.e.*, within the currently-effective 60 day non-usage period). Had the reduced non-usage period rule been in effect during that period, TracFone would have been constrained to de-enroll from the Lifeline program approximately 1.1 million customers who were in fact active Lifeline customers as evidenced by their usage within the 60 day period. Under the revised rule, those customers would have been forced to re-apply for enrollment in the

Lifeline program and to have their eligibility verified again, thereby straining the resources of the Universal Service Administrative Company (which operates the National Lifeline Accountability Database). More importantly, that re-enrollment process would have disrupted service to those customers for ten days or longer. These data call into question the basis upon which the Commission or anyone else could conclude that a reduction in the de-enrollment for non-usage period to thirty days would prevent waste of Universal Service Fund resources.

Pursuant to Section 1.1206(b) of the Commission's rules, this letter is being filed electronically. If there are questions regarding this letter, please communicate directly with undersigned counsel for TracFone.

Sincerely,

Mitchell F. Brecher

cc: Ms. Gigi Sohn
Ms. Stephanie Weiner
Mr. Stephen Klein