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Via Electronic Submission

Ms. Marlene H. Dortch, Secretary
Federal Communications Commission
445 12th Street, SW
12th Street Lobby – TW-A325
Washington, D.C. 20554

**Re: Ex Parte – Lifeline and Link Up Reform and Modernization
WC Docket No. 11-42**

Dear Ms. Dortch:

On May 11, 2015, representatives of AT&T Services, Inc. (AT&T), specifically Mary Henze, AVP, Federal Regulatory, David Hostetter, AVP, Public Policy, Linda Hood, General Attorney & Associate General Counsel and the undersigned, met with Trent Harkrader, Ryan Palmer, Jonathan Lechter, Garnet Hanly, Gregory Kwan and Christopher Cook of the Wireline Competition Bureau and Eric Feigenbaum of the Office of Media Relations to discuss the anticipated Lifeline Reform Order and Notice of Proposed Rulemaking (NPRM) in the above referenced docket.

The purpose of the meeting was to discuss the Commission's proposal to reform the Lifeline program. AT&T strongly supports Lifeline reform that is designed to remove Eligible Telecommunications Carriers (ETCs) from the administration of the program. AT&T and FCC staff exchanged ideas for reform that would benefit Lifeline recipients and reduce waste, fraud and abuse, such as implementation of coordinated enrollment, automatic de-enrollment and use of an electronic benefit transfer card to distribute Lifeline benefits.

It is AT&T's understanding that, as part of the Order, the Commission is considering requiring Lifeline service providers to retain the confidential documentation that a Lifeline consumer must show to providers in order to prove they are eligible for the program benefit. This rule reversal may make sense on its face because it would enable auditors to confirm that providers gave discounts only to eligible consumers. But AT&T urged the Commission to consider more fully the potential risks this change would pose for consumer privacy. The documents that hundreds of service providers would be required to collect and store for at least a decade or more¹ could include income tax returns, qualification for public benefits, proof of alimony payments, and other highly private information unrelated to the provision of telecommunications service. Assuming

¹ The current retention requirement is length of subscribership plus three years (*See* 47 C.F.R. § 54.417(a)) but staff indicated the Order will extend the three years to ten years to match other USF programs. AT&T argued that ten years from enrollment should be the only requirement.

the retention requirement also covers documents reviewed for the NLAD identity verification process, consumers would have to entrust service providers with copies of their birth certificates, social security cards, and/or passports. When a Lifeline consumer changes provider she would have to produce this documentation again and *both* carriers would be required to retain it for years. In 2011, AT&T expressed concern about the consumer privacy implications of making service providers even review these types of documents. But those concerns pale next to the risks posed by requiring service providers to collect, store, and responsibly safeguard the type of sensitive private information that the Lifeline program requires consumers to provide. AT&T does not believe that it is fair to consumers to require them to turn over sensitive personal information to service providers for those providers to maintain for years in exchange for obtaining Lifeline discounts. It is AT&T's understanding that the Commission will seek comment on moving the eligibility determination out of the hands of Lifeline service providers and into the hands of a third party administrator or public agency. AT&T strongly supports this approach and commends the Commission for recognizing that such bold reform is needed. But given that this is the direction the Commission is moving, it makes no sense to risk consumer privacy or expend resources on implementing a temporary retention requirement. The Commission should instead move ahead immediately to put Lifeline in the hands of a responsible public administrator. This would be the most efficient solution and the only one that can protect both consumer privacy and program integrity.

AT&T and FCC staff also discussed questions and proposals that are expected to be in the NPRM including (1) how to incorporate broadband service into the Lifeline program; (2) transferring responsibility for enrollment and determining Lifeline eligibility from ETCs to a public agency or third party; and (3) restructuring the Lifeline benefit delivery by using a debit card that could be applied to appropriate services from ETCs. AT&T believes that the combination of proposals could significantly improve the Lifeline program, both for consumers and service providers, and looks forward to participating actively the reform effort.

In accordance with section 1.1206(b) (2) of the Commission's rules, this letter is being filed electronically with your office. Please feel free to contact me if you have any questions.

Sincerely,
/s/ **Anisa A. Latif**

Cc: Trent Harkrader
Ryan Palmer
Jonathan Lechter
Garnet Hanly
Gregory Kwan
Christopher Cook
Eric Feigenbaum