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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 and Link Up Reform and Modernization
CC Docket No. 96-45 - Federal-State Joint Board on Universal Service
WC Docket No. 03-109 - Lifeline and Link Up
NOTICE OF EX PARTE PRESENTATION

Dear Ms. Dortch:

During a recent meeting with members of the Commission staff, my client, TracFone Wireless, Inc. was asked its opinion about whether it is appropriate for low-income consumers to receive Lifeline-supported benefits if those consumers were able to afford such services as cable television. As undersigned counsel for TracFone, this inquiry seemed inappropriate since the Commission's and all states' Lifeline eligibility criteria are based upon income -- either income levels or participation in certain qualifying public assistance programs for low-income consumers (*e.g.*, Supplemental Nutritional Assistance Program, Medicaid, the National School Lunch Program, etc.). Lifeline eligibility criteria never have been based on how low-income households elect to spend whatever limited income they have.

Attached to this letter is the text of a radio announcement used by the Supplemental Nutritional Assistance Program (f/k/a Food Stamps) administered by the United States Department of Agriculture. As indicated in the text of that announcement, otherwise qualified low income consumers may receive SNAP benefits even if they own a car or own a house. Ownership of personal and real property and obtainment of discretionary services such as cable television never has been a disqualifying criterion for SNAP, Medicaid, School Lunches, low income energy assistance, etc. Neither should it be a disqualifying criterion for Lifeline. If a head of a low-income, otherwise Lifeline-eligible household, elects to spend a portion of the household's limited resources on cable television or other multichannel video programming, that should not disqualify that household from receiving Lifeline support. For such households, that cable television subscription service provides a modest amount of home entertainment, often in lieu of dining out, vacations, attending live theater or musical performances, movies, etc. Indeed, it has been documented that not less than fifty-seven percent of the U.S. adult population with household incomes below $25,000 subscribe to cable television services (source: Bloomberg Businessweek August 27, 2010, "Cable Bills Rise as Economy Forces People to Stay on Couch." http://www.businessweek.com/news/2010-08-27/cable-bills-rise-as-economy-forces-people-to-stay-on-the-couch.html). There would be no public interest benefit to denying

Lifeline support to an otherwise eligible low income household solely because that household purchases cable television service.

With a national Lifeline enrollment rate of only about thirty-three percent of qualified low-income households, much remains to be done to ensure that Lifeline benefits are being received by a substantial portion of those households to whom those benefits are intended. Denying support to such households based on how those households spend what little discretionary income they may have will not promote attainment of the national policy of affordable telecommunications services to all Americans, including low-income consumers as codified at Section 254(b)(3) of the Communications Act of 1934, as amended (47 U.S.C. § 254(b)(3)). Just as discretionary purchases does not disqualify low-income households from SNAP benefits, neither should such purchases disqualify low-income Lifeline-eligible households from Lifeline support.

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 the undersigned.

Sincerely,

Mitchell F. Brecher

Attachment

Cc: Mr. Zachary Katz
Ms. Sharon Gillett
Ms. Kim Scardino
Ms. Cindy Spiers
Mr. Trent Harkrider

Client:	**USDA FNS**
Project:	**SNAP National Media Campaign**
Format:	**Radio (Paid) :60**
Title:	**"Interruption" (general audience)**
Date/Ver:	**February 16, 2010 (As Recorded)**

Not only do lots of people have misconceptions about who's eligible for SNAP benefits, but they also have lots of questions. Thus, this concept attempts to bring some clarity through a playful interaction between a serious announcer from USDA and an everyday mom.

Music underneath

MALE ANNCR: *(clears throat)* The following message is from the U.S. Department of Agriculture. Did you know millions of Americans with low-income can get help buying food? Introducing SNAP. It helps you eat right when money's tight... (10)

MOM: Wait. Excuse me! Did you say SNAP? (2.5)

MALE ANNCR: *(taken out of his rhythm)* Uh, yea. SNAP is the new name for the federal Food Stamp Program. Lots of people with low income qualify for SNAP but don't know it. If you qualify, you'll get a card you can use to buy all sorts of foods, including fruits and vegetables. (10)

MALE ANNCR: *(Resumes announcer tone)* SNAP offers help to all kinds of people... (4)

MOM: So, wait... can I be eligible if I have a job?

MALE ANNCR: Yes.

MOM: But what if I have a car?

MALE ANNCR: Well, you may still qualify....

MOM: But ... I own my own house. So can I still qualify?

MALE ANNCR: *(laughs.)* Yes, you might. (8)

MALE ANNCR: Ok. *(announcer tone)* To learn more about SNAP, call ... (3)

MOM: Hold on. Let me get a pen. (2.5)

MALE ANNCR: Ok. *(understanding laugh)* Call 1-800-221-5689. 1-800-221-5689. That's 1-800-221-5689. SNAP. Putting healthy food within reach. (13)

MOM: Hey, thanks!

MALE ANNCR: You're welcome. (2)