

September 14, 2011

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:

On September 13, 2011, F.J. Pollak, President and Chief Executive Officer, TracFone Wireless, Inc., Javier Rosado, Senior Vice President - Lifeline Services, TracFone Wireless, Inc. and I met with Commissioner Michael J. Copps and with Margaret McCarthy, Legal Advisor to Commissioner Copps. We also met with Commissioner, Mignon Clyburn, Angela Kronenberg, Legal Advisor to Commissioner Clyburn, and Loree Stark, an intern in the office of Commissioner Clyburn.

During these meetings, we discussed issues before the Commission in the above-captioned pending Lifeline and Link Up Reform and Modernization proceeding. We presented several mechanisms which could be implemented by the Commission to prevent waste, fraud, and abuse of Universal Service Fund resources. These mechanisms include i) requiring all ETCs to collect date of birth and Social Security numbers (last four digits) so as to confirm Lifeline applicants' identity; ii) requiring all ETCs to verify annually through self-certification under penalty of perjury that all of their enrolled Lifeline customers remain Lifeline-eligible (rather than surveying a random sample of customers), iii) establishment of mandatory non-usage and non-payment de-enrollment policies for prepaid and post-paid Lifeline services respectively; and iv) eliminating Link Up support for wireless ETCs who do not impose customary charges to offset their costs of connecting customers to their networks at the customers' primary place of residence. Specifically, Link Up support from the Universal Service Fund should not be used to subsidize ETCs' marketing and advertising costs, verification of customer eligibility, or provision of telephone handsets.

Importantly, the requirements governing Lifeline enrollment, verification of eligibility and non-usage/non-payment which are intended to prevent wasteful deployment of USF resources and to ensure that Lifeline support only is provided to those consumers who are qualified for support and who, in fact, use their supported services, should be applicable to all ETCs. How ETCs enroll customers, determine their initial or continuing eligibility and de-enroll customers for non-usage should not vary depending on whether the ETCs claim to be "facilities-

based” or provide service via resale, or on whether they offer supported service on a prepaid or post-paid basis.

While the mechanisms described in the preceding paragraph would substantially reduce waste, fraud and abuse of USF resources without impeding the availability of Lifeline service to those who need assistance, certain other proposals before the Commission would not prevent waste, fraud and abuse, but would limit the availability of Lifeline. Specifically, the Commission should not i) impose a cap on the amount of available Lifeline support; ii) it should not require payment of minimum charges by Lifeline customers; and iii) it should not require applicants for Lifeline support based upon participation in qualifying programs to provide documentation of their participation (so-called “full certification”). During the meetings, we explained that mandatory full certification would result in a *de facto* cap on Lifeline enrollment. TracFone has learned based on experience that full certification creates a barrier to enrollment of thousands of qualified low income households who often do not have such documentation readily available and, if they have the requisite documentation, do not have access to copying machines, facsimile machines, scanners or Internet access devices necessary to transmit the documentation to their preferred Eligible Telecommunications Carrier. In short, full certification would deprive many thousands of qualified low income households of Lifeline support just as a cap on Lifeline support would do.

Positions taken during these meetings were consistent with positions asserted by TracFone in prior submissions in this proceeding. During the meetings, a written presentation was provided to each attendee. A copy of that presentation is enclosed herewith for inclusion in the record of the proceeding.

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

Sincerely,



Mitchell F. Brecher

Enclosure

cc: Hon. Michael J. Copps
Hon. Mignon Clyburn
Ms. Margaret McCarthy
Ms. Angela Kronenberg
Ms. Loree Stark
Ms. Kimberly Scardino
Ms. Cindy Spier
Ms. Jamie Susskind
Mr. Jonathan Lechter
Mr. Robert Finley
Ms. Divya Shenoy