

555 Eleventh Street, N.W., Suite 1000
Washington, D.C. 20004-1304
Tel: +1.202.637.2200 Fax: +1.202.637.2201
www.lw.com

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January 24, 2012

VIA ECFS

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

**Re: Cricket Communications, Inc., Notice of Ex Parte Communication,
WC Docket Nos. 09-197, 11-42, 03-109 & CC Docket No. 96-45**

Dear Ms. Dortch:

On January 20, 2012, Robert Irving and Russell Merbeth of Cricket Communications, Inc. (“Cricket”) and the undersigned met with Zac Katz of the Chairman’s Office together with Sharon Gillett, Carol Matthey, and Trent Harkrader of the Wireline Competition Bureau regarding the anticipated Lifeline reform order. On the same date, we met separately with Angela Kronenberg, Legal Advisor to Commissioner Clyburn, and Christine Kurth, Legal Advisor to Commissioner McDowell, regarding the Lifeline order.

During these meetings, consistent with Cricket’s comments and previous ex parte presentations, we expressed support for proposals to: require Lifeline applicants in all states to provide written documentation of program-based or income-based eligibility prior to enrollment; eliminate Link Up support; eliminate the tiered discount structure that ties subsidies to subscriber line charges, in favor of a flat and competitively neutral mechanism; and require Lifeline carriers in all states to charge a minimum monthly service fee for Lifeline service, in order to ensure that subscribers have incentives to purchase only those services they truly need and will use. In addition, to the extent the Commission does not require Lifeline participants to provide unlimited voice telephony usage, we suggested that the Commission require Lifeline carriers in all states to disclose the total cost that an average Lifeline subscriber should expect to pay in order to maintain connectivity to the PSTN for a full month (including the cost of any additional minutes not included in the base plan).¹ We also expressed support for adoption of an annual budget for

¹ Although the NPRM in this proceeding did not specifically seek comment on disclosure requirements relating to typical monthly charges, it did seek comment on whether the

Lifeline support, rather than a hard cap, to promote fiscal discipline; if program expenditures exceed the targeted amount, it would make more sense to prioritize funding (e.g., by eliminating or curtailing support for calling plans that do not ensure continuous access to the PSTN), rather than arbitrarily withdrawing some amount of support from all providers.

We also expressed the concern that requiring Lifeline participants to obtain annual recertifications of program-based or income-based eligibility from all Lifeline subscribers (rather than maintaining the requirement to conduct a statistically valid survey of subscribers) would impose significant burdens and result in the de-enrollment of many consumers notwithstanding their continued eligibility for support. If the Commission adopts such a requirement, it should not apply it with respect to any subscribers whose eligibility is confirmed directly by a state or its agent (as in California), or where a state (such as Maryland) provides access to databases through which a carrier can confirm program-based eligibility without direct interaction with the subscriber. The Commission also should exclude subscribers who have enrolled within the six months preceding the recertification deadline to avoid subjecting them to the burden of reconfirming eligibility so soon after providing the requisite documentation.

Cricket also requests that the Commission retain the existing August 31 filing deadline for recertifications or some other mid-year deadline; any obligation to obtain recertifications during the fourth quarter of the year, which is the busiest in terms of retail sales activity, would exacerbate the burdens on customer care systems and personnel. Moreover, Cricket recommends that the Commission adopt flexible procedures for obtaining customer recertifications. Although having customers call a toll-free number and confirm eligibility through an interactive voice response system by a particular deadline may be one viable means of achieving the Commission's goal, the Commission should authorize Lifeline providers to obtain the requisite annual recertifications via text message, e-mail, the provider's website, in person, or through any other appropriate method during some reasonable interval preceding the filing deadline. The Commission also should authorize providers to obtain such certifications on a rolling basis (for example, any time between 6 and 12 months after anniversary of the subscriber's enrollment date) as an alternative to a fixed recertification deadline. Cricket submits that, if such rolling

Commission "should impose marketing guidelines on ETCs to ensure that consumers fully understand the benefit being offered" *Lifeline and Link Up Reform Modernization; Federal-State Joint Board on Universal Service; Lifeline and Link Up*, Notice of Proposed Rulemaking, FCC 11-32, WC Docket Nos. 11-42 and 03-109 and CC Docket No. 06-45, ¶ 227 (rel. Mar. 4, 2011) ("NPRM"). The NPRM also identified "concerns about prepaid wireless ETCs [that] do not provide a monthly bill and, in some cases, provide handsets and service at no charge to consumers," and it accordingly sought "comment on how best to prevent waste of universal service funds without creating unnecessary obstacles for low-income households to obtaining vital communications services." *Id.* ¶¶ 85-86. The NPRM suggested imposing a minimum monthly charge to address these concerns, *id.* ¶ 86—a proposal Cricket strongly supports. If the Commission refrains from establishing a minimum charge or minimum usage allowances, however, any requirement to disclose to consumers what they actually would pay a prepaid wireless carrier for typical monthly usage is fairly encompassed by the relevant sections of the NPRM.

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recertifications are permitted, carriers should be required to report the results to USAC on a semi-annual basis.

Finally, in response to a question from the Wireline Competition Bureau, Cricket has determined that Food Stamp cards—which are one of the most common means used by Cricket subscribers to document program-based eligibility—in most states include the participant's name and a program identification number. In a few states, the program number may not be included on the card. To the best of our knowledge, no state includes a photo on a Food Stamp card. For that reason, Cricket requires all Lifeline applicants to present a photo ID in addition to a Food Stamp card (or other proof of program-based eligibility, such as a Medicaid card or SSI award letter). Cricket encourages the Commission to require presentation of photo ID by all Lifeline applicants to minimize waste, fraud, and abuse.

Please contact the undersigned if you have any questions about these issues.

Sincerely,

/s/ Matthew A. Brill

Matthew A. Brill
Counsel to Cricket Communications, Inc.

cc: Zac Katz
Sharon Gillett
Carol Matthey
Trent Harkrader
Angela Kronenberg
Christine Kurth