

Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

Lifeline and Link Up Reform and Modernization)	WC Docket No. 11-42
)	
Lifeline and Link Up)	WC Docket No. 03-109
)	
Federal-State Joint Board on Universal Service)	CC Docket No. 96-45
)	
TracFone Wireless, Inc. Emergency Petition for Declaratory Ruling and Interim Relief)	

To: The Commission

COMMENTS OF T-MOBILE USA, INC.

T-Mobile USA, Inc. (“T-Mobile”) submits these comments in response to the Emergency Petition for Declaratory Ruling and for Interim Relief (“TracFone Petition”) filed by TracFone Wireless, Inc. (“TracFone”).¹ As discussed in more detail below, T-Mobile supports federal and state efforts to control the size of the Lifeline fund by de-enrolling ineligible customers while protecting eligible customers’ access to emergency services and other benefits of Lifeline.² To be most effective, T-Mobile believes that state and federal efforts should be based on uniform requirements and should follow uniform procedures.

In the Commission’s Lifeline reform proceeding, T-Mobile consistently supported reform measures to eliminate waste, fraud, and abuse of program resources and eliminate funding for

¹ TracFone Wireless, Inc., Emergency Petition for Declaratory Ruling and for Interim Relief, WC Docet Nos. 11-42, 03-109, CC Docket No. 96-45 (filed Feb. 22, 2012) (“TracFone Petition”). *See also Comment Sought on TracFone Wireless, Inc. Emergency Petition for Declaratory Ruling and Interim Relief*, WC Docket Nos. 11-42, 03-109, CC Docket No. 96-45, Public Notice, DA 12-295 (rel. Feb. 27, 2012).

² In these comments, the term “state” includes the Commonwealth of Puerto and the other U.S. Territories and possessions. *See* 47 U.S.C. § 153(40).

ineligible consumers.³ In particular, T-Mobile supported the creation of centralized databases to facilitate the identification of customers who are receiving duplicate support or otherwise are ineligible to participate in the program.⁴ The public need for Lifeline funding is far too great to provide subsidies to consumers who receive funding from multiple ETCs or are not eligible to participate in the program.

That said, as the Commission has recognized, reform efforts also must “ensur[e] that eligible low-income consumers who do not have the means to pay for telephone service can maintain their current voice service through the Lifeline program and that those who are not currently connected to the networks will have the opportunity to benefit from this program and the numerous opportunities and security that telephone service affords.”⁵ T-Mobile has observed that Lifeline can make the difference in whether low-income consumers can access vital economic and educational opportunities and crucial emergency services.⁶

For this reason, the Commission’s duplicate resolution process identifies individuals receiving multiple Lifeline subsidies and requires those individuals to select a single ETC from which they will *continue* to receive Lifeline service.⁷ As TracFone points out, with the knowledge that an issue existed with duplicate enrollment in a number of states, the Commission began a dialogue that culminated in the Industry Dispute Resolution Process (“IDRP”), which

³ See, e.g., Letter from Kathleen O’Brien Ham, T-Mobile, to Marlene Dortch, FCC, WC Docket No. 11-42 (filed Dec. 16, 2011) at 2-4 (“T-Mobile Lifeline Comments”); Letter from Luisa Lancetti, T-Mobile, to Marlene Dortch, FCC, WC Docket No. 11-42 (filed Jan. 24, 2012), Attachment at 5-6, 8-9 (“T-Mobile Lifeline Presentation”).

⁴ *Id.*

⁵ *Lifeline Reform Order* at ¶ 1.

⁶ T-Mobile Lifeline Comments at 4; T-Mobile Lifeline Presentation at 6.

⁷ See *Lifeline Reform Order* at ¶ 10.

effectively has been codified in the new rules.⁸ This process “identifi[es] such duplicate-enrolled Lifeline customers and limit[s] those customers to one – and only one – Lifeline supported service,” without denying them access to Lifeline altogether.⁹ Relatedly, the Commission’s new rules take specific steps to ensure that different “households” (defined by the rules as any individual or group of individuals who are living together at the same address as one economic unit)¹⁰ residing at the same residential address are entitled to Lifeline service.¹¹

T-Mobile believes it is possible to eliminate duplicative and fraudulent payments without denying the benefits of Lifeline to eligible subscribers.¹² In Puerto Rico, T-Mobile has received similar (but not identical) correspondence as that sent to TracFone by the Telecommunications Regulatory Board (“TRB”) and has been working with the TRB to try to find a solution that successfully eliminates duplicates without denying eligible subscribers benefits to which they are entitled. We are awaiting updated findings from the TRB. Notably, the TRB plans to implement a centralized database that can be used to check for duplicate subscribers across ETCs, but it still needs to establish a process to deal with cases of multiple households that share a single address and has just begun to look into those cases in which subscribers have lost their subsidies but claim to be eligible. T-Mobile periodically provides the TRB with information on its Lifeline subscribers and continues to encourage the TRB to finalize the implementation of a duplicate

⁸ TracFone Petition at 5-6.

⁹ *Id.* at 5.

¹⁰ *Lifeline Reform Order* at ¶ 74.

¹¹ *Id.* at ¶ 80. T-Mobile urged the Commission not to adopt a one-per-household rule, and continues to believe that the Lifeline program should allow low-income consumers to benefit from mobility in the same way that other consumers do. *See* T-Mobile Lifeline Comments at 4. That policy question, however, is not at issue in this case.

¹² *See* TracFone Petition at 5-6.

resolution process and to restart the Lifeline subsidy payments that ceased over a year ago. T-Mobile appreciates the efforts of the TRB to prevent fraud in the program and will continue to work with the TRB to resolve these issues and ensure that Lifeline benefits are properly paid.

In considering a process for identifying duplicate and ineligible customers, uniform nationwide rules and procedures are important.¹³ Many Lifeline ETCs operate in a number of states and territories, and consumers often move from one jurisdiction to another. The Commission's new rules barring duplication of service have been in place for only a matter of months,¹⁴ and the Commission's new rules to guard against providing support for ineligible customers are not yet in force.¹⁵ These new national rules should be allowed to work, and they should form the core of state and federal efforts to prevent support for duplicative or ineligible customers. Any state efforts to address support to duplicative or ineligible customers should be harmonized with the Commission's new rules.

Respectfully submitted,

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¹³ See TracFone Petition at 8-9.

¹⁴ 76 Fed. Reg. 38040 (2011).

¹⁵ 77 Fed. Reg. 12952 (2012).