Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, DC 20554

In the Matter of	)	
	)	
Lifeline and Link Up Reform And Modernization	)	WC Docket No. 11-42
	)	WC Docket No. 03-109
Lifeline and Link Up	)	
	)	
Federal-State Joint Board on Universal Service	)	CC Docket No. 96-45
	)	
Advancing Broadband Availability Through Digital Literacy Training	)	WC Docket No. 12-23

REQUEST FOR POSTPONEMENT

TracFone Wireless, Inc. ("TracFone") requests the Commission to postpone the effective date of Commission Rule 54.410(c)(1)(i)(B) for a period of not less than one year to afford Eligible Telecommunications Carriers ("ETCs") such as itself and others a reasonable period to work with state departments and agencies which administer program eligibility databases arrangements that allow ETCs access to those databases to verify Lifeline program-based eligibility.[1] This rule, which currently has an effective date of June 1, 2012, requires Lifeline applicants to produce documentation of their participation in qualifying programs in states where access to state consumer eligibility databases is not available.[2] This documentation requirement, commonly referred to as "full certification," is an extremely burdensome requirement that

[1]To the extent that the Commission deems TracFone's request to be a request for temporary waiver pursuant to Section 1.3 of the Commission's Rules (47 C.F.R. § 1.3), TracFone submits that there is good cause for the Commission to grant its request.

[2] See Lifeline and Link Up Reform and Modernization *et al.*, WC Docket No. 11-42 et al., Report and Order and Further Notice of Proposed Rulemaking, FCC 12-11 (rel. Feb. 6, 2012) ("Lifeline Reform Order"), ¶ 515.

discourages low-income consumers from completing the enrollment process necessary to receive the Lifeline benefits to which they are entitled and which they need to have available affordable access to public telecommunications networks. TracFone requests that the Commission grant its request for at least a one-year postponement, until June 1, 2013 or after, of the full certification requirement to enable ETCs sufficient time to work with states to facilitate access to state databases.[3]

ARGUMENT

In the Lifeline Reform Order, the Commission adopted a series of reforms related to the Lifeline program funded by the Universal Service Fund. One of the major reforms concerns ETCs' certification of consumers' initial eligibility to receive Lifeline benefits. Specifically, the Commission found:

> establishing a fully automated means for verifying consumers' initial and ongoing Lifeline eligibility from governmental data sources would both improve the accuracy of eligibility determinations, ensuring that only eligible consumers receive Lifeline benefits, and reduce burdens on consumers as well as ETCs. We therefore direct the Bureau and USAC to take all necessary actions so that, as soon as possible and no later than the end of 2013, there will be an automated means to determine Lifeline eligibility for, at a minimum, the three most common programs through which consumers qualify for Lifeline.[4]

Thus, the Commission has recognized that using an automated means, specifically, a national program-based eligibility database, is the ultimate solution to ensure that only qualified low-income households receive Lifeline benefits. Prior to development and implementation of a

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[3] On April 2, 2012, TracFone filed a Petition for Reconsideration in which it explains in detail why the Commission should reconsider full certification of initial Lifeline eligibility for all situations in which an eligibility database is unavailable. Interested parties filed responsive comments and/or oppositions on May 7, 2012 and replies are due May 15, 2012.

[4] Lifeline Reform Order, ¶ 97. Prior to the Lifeline Reform Order, consumers who relied on participation in a Lifeline-qualifying program as the basis for eligibility to receive Lifeline benefits were required to self-certify under penalty of perjury that they participated in the relevant program.

national database, the Commission properly recognized that state databases of enrollment in Lifeline-qualifying programs are the most reliable and most efficient way to determine Lifeline applicants' program-based eligibility. For that reason, the Commission has encouraged allowing ETCs to access state databases to confirm whether Lifeline applicants are eligible to receive benefits. Indeed, full certification is not required in those states where ETCs have access to such program-based eligibility databases. However, under the Commission's amended rules, in states where access to eligibility databases is not available, ETCs must obtain documentation from the Lifeline applicant evidencing the applicant's program-based eligibility.[5] This is a significant problem since currently only a small number of states allow such database access.

The intent of this new "full certification" rule, scheduled to take effect on June 1, 2012, is to encourage states and ETCs to work cooperatively to establish arrangements for access to such state eligibility databases. Currently, several states allow for such database access (e.g., Florida, Maryland, Washington, and Wisconsin). Unfortunately, many other states do not. TracFone and other ETCs are working with state governments and with federal governmental departments to make arrangements for access to such databases. In this regard, TracFone representatives have been meeting regularly with various states' departments of human services, departments of children and families, and with similar departments, as well as with state utility commissions, to facilitate database access. However, that process is ongoing and is taking a significant amount of time as ETCs, regulators, and federal and state departments negotiate the terms of the access arrangements.

TracFone, upon learning of the Commission's full certification requirement, immediately increased its efforts to meet with various state and federal agencies to discuss entering into

[5] 47 C.F.R. § 54.410(c)(1).

arrangements to obtain access to eligibility databases. While TracFone has made significant progress in certain states, obtaining access to eligibility databases in the remaining states in which TracFone provides Lifeline service will require additional effort. Neither TracFone nor other ETCs will have access to all necessary databases in all states in which they offer Lifeline service by June 1, 2012. Based on TracFone's experience in working with various state and federal government agencies to obtain access to existing databases, TracFone believes that a postponement of not less than one year of the effective date for the full certification requirement would afford the states and the ETCs a reasonable opportunity to develop and implement database access arrangements.

As further support for its request, TracFone notes that requiring full certification during the interim time when ETCs are working with states to obtain access to databases to certify Lifeline eligibility, imposes a significant obstacle to consumers seeking to enroll in the Lifeline program and to ETCs that want to serve those consumers. In its Petition for Reconsideration filed with the Commission on April 2, 2012, TracFone explains in detail why the Commission should reconsider, or at a minimum, postpone for one year, the full certification of initial Lifeline eligibility for all situations in which an eligibility database is unavailable. TracFone will not repeat those arguments here, but notes that in its experience, full certification is extremely burdensome to applicants who often do not have the required documentation of program-based eligibility readily available, and when available, many applicants lack any effective means to deliver such documentation to their chosen ETC in a timely manner. Such consumers rarely have access to facsimile machines, scanners or copiers, as well as to computers connected to the Internet. TracFone has found that full certification of initial eligibility discourages enrollment but does not prevent enrollment by persons who are not qualified to receive Lifeline benefits.

TracFone has learned from experience in those relatively few states which require full certification that mandatory full certification profoundly reduces Lifeline enrollment by those low-income consumers who benefit from the free or discounted service offered through the Lifeline program.

Finally, TracFone observes that the United States Telecom Association ("USTelecom") has filed a petition for waiver of certain rules for (1) states in which responsibility for making initial Lifeline eligibility determinations rests with a state Lifeline administrator or other state agency, or where there is automatic enrollment and (2) states in which the state is unable to modify its Lifeline enrollment procedures in time to meet the June 1, 2012 deadline.[6] USTelecom's concern is that affected states will not be able to implement the Lifeline enrollment procedures set forth in the Lifeline Reform Order by June 1, 2012. As a result, ETCs will risk not receiving reimbursement if they provide Lifeline service before the states are able to revise their enrollment procedures to be consistent with changes in the Commission's rules. Rather than take that risk, USTelecom says that its member companies (the wireline ILECs) will be forced to deny Lifeline service to customers.

TracFone and other ETCs face a similar situation. The inability of states to allow for access to existing databases by June 1, 2012 will prevent ETCs from enrolling qualified customers who view full certification as a burdensome requirement. The point is that the

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[6] In particular, USTelecom seeks waiver of 47 C.F.R. § 54.407(d) which requires ETCs to certify as part of each reimbursement request that they are compliance with all the rules and have obtained valid certification and recertification forms for each subscriber for whom they are seeking reimbursement. USTelecom also seeks a waiver of 47 C.F.R. § 54.410(b)(2) and (c)(2), which require that where a state administrator is responsible for initial determination of a subscriber's income-based or program-based eligibility an ETC may not seek reimbursement until it has received from the administrator notice that the subscriber meets the eligibility criteria and has received a copy of the subscriber's notification. See The United States Telecom Association's Petition for Waiver, filed in WC Docket No. 11-42 et al., April 25, 2012.

Lifeline rule changes promulgated by the Commission will require states and ETCs to modify their practices and procedures to accommodate those changes. Just as wireline ILECs will need additional time to work with states to conform their Lifeline services with the new requirements, so too will other Lifeline providers, including wireless providers. No one disagrees with the Commission's conclusion that access to program-based eligibility databases is the most reliable means for verifying Lifeline eligibility. It is superior to full certification; it is superior to self-certification. However, as described herein, such database access will require cooperative efforts of many state departments and agencies and ETCs. By postponing the full certification effective date as proposed herein, states and ETCs will be afforded a reasonable opportunity to complete those efforts and make the databases available without impeding the program and preventing thousands of qualified low-income households from receiving Lifeline benefits in the short term.

CONCLUSION

For the reasons set forth in this Request, TracFone respectfully asks the Commission to grant its request to postpone the effective date of Section 54.410(c) of its Rules for a period of not less than one year.

Respectfully submitted,

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