

**Before the
FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON, DC 20554**

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

**COMMENTS OF AT&T ON PETITIONS FOR WAIVER OF
LIFELINE ELIGIBILITY RULES**

I. INTRODUCTION AND BACKGROUND

The aggressive deadlines that the Commission established for its new Lifeline rules relating to consumer eligibility are not achievable in some states. To date, four states have sought waivers of these new eligibility rules, as has USTelecom on behalf of its members operating in certain states.¹ AT&T supports all of these waiver requests and recommends that the Commission grant them as soon as possible given the June 1, 2012, effective date for the new

¹ Petition for Waiver of the California Public Utilities Commission and the People of the State of California, WC Docket No. 11-42 *et al.* (filed April 26, 2012) (California Petition); Petition for Waiver of the Colorado Public Utilities Commission, WC Docket No. 11-42 *et al.* (filed April 6, 2012); Petition for Waiver of the Montana Public Service Commission, WC Docket No. 11-42 *et al.* (filed March 20, 2012); Petition for Waiver Jointly Submitted by the Public Utility Commission of Oregon and the Oregon Telecommunications Association, WC Docket No. 11-42 *et al.* (filed April 19, 2012); The United States Telecom Association’s Petition for Waiver, WC Docket No. 11-42 *et al.* (filed April 25, 2012) (USTelecom Petition).

eligibility rules. All petitioners have demonstrated good cause to support their waiver requests and, by granting USTelecom's petition, the Commission will ensure that there will be no unnecessary interruption in Lifeline enrollments in states that require additional time to comply with the Commission's new rules.

The Commission established national eligibility criteria and enrollment requirements in its *Lifeline Reform Order* to make its Lifeline program more accountable.² As a consequence, the Commission's new enrollment rules apply not only to all eligible telecommunications carriers (ETCs) but also to states, where a state Lifeline administrator or other state agency performs the Lifeline eligibility determination function. In addition to determining that a consumer is eligible for Lifeline based on household income or participation in a qualifying public assistance program, beginning June 1, 2012, ETCs and state entities are responsible for obtaining a certification form that complies with new rule 54.410(d) from every prospective subscriber.³ Specifically, in those states where a state entity determines whether a consumer is eligible for Lifeline, the Commission's new rules require the state to provide "each [ETC] with a copy of each of the certification forms collected by the state Lifeline administrator or other state agency from that carrier's subscribers." 47 C.F.R. § 54.410(e). In such states, the Commission's rules correspondingly require an ETC to obtain both notice from the state entity that the consumer satisfies the program- or income-based eligibility criteria and a copy of the customer's certification form that complies with the Commission's requirements *before* that ETC may

² *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, ¶ 4 (rel. Feb. 6, 2012) (*Lifeline Reform Order*).

³ See 47 C.F.R. § 54.410(d)(2), (3) (requiring ETCs and states to collect Commission-specified information about the subscriber as well as to have the subscriber make up to nine separate certifications under penalty of perjury).

obtain reimbursement for having provided the customer Lifeline discounted-service. *See* 47 C.F.R. § 54.410(b)(2), (c)(2).

In recognition that some states may not be prepared to begin providing copies of customer certification forms to ETCs as of June 1, USTelecom requested a waiver of rules 54.407(d) and 54.410(b)(2) and (c)(2) until such time as the state has met the notice and certification form requirements in section 54.410. USTelecom Petition at 2. All of the states listed in USTelecom's appendix have, to varying degrees, accepted responsibility for determining which consumers are eligible for Lifeline. The Commission should support these states' efforts by granting waivers of its rules, where necessary, to permit these states to continue performing this function while they make adjustments to their processes in order to comply fully with the new federal eligibility rules. How much time each state will require to modify its processes will vary by state. As such, unless the Commission has state-provided information about how long a particular state needs (e.g., one month, three months, seven months, one year), AT&T recommends that the Commission grant this waiver through the end of 2012. In the event that a state is able to come into compliance before January 1, 2013, the Commission should direct states to file a letter, notifying the Commission that ETCs in its state are now receiving copies of customer certification forms, in compliance with section 54.410(b)(2)(ii) and (c)(2)(ii). If a state requires longer than January 1, 2013 because, for example, the state legislature does not reconvene until the spring of 2013, the Commission should grant that state additional time.

Before discussing how USTelecom's waiver request affects AT&T's ETCs (both wireline and wireless), we first want to commend those states that make some or all of the Lifeline eligibility determinations for Lifeline providers. Over the past several years, AT&T has encouraged states to implement so-called coordinated enrollment, whereby a state entity would

deem a consumer eligible for Lifeline at the same time that the state determines that the consumer is eligible for Medicaid or food stamps, or some other qualifying public assistance program.⁴ Consumers in such states are not burdened with having to make copies of documents demonstrating their eligibility for Lifeline to share with service providers, and service providers do not have to review those personally sensitive documents to determine whether the consumer satisfies the Commission's Lifeline eligibility criteria. Moreover, consumers in coordinated enrollment states are not subject to differing interpretations about whether the consumer-supplied documentation is acceptable, particularly in the event that the Commission and the Universal Service Administrative Company (USAC) do not provide carriers with a definitive list of acceptable documentation by state.⁵ As we have said on numerous occasions, it is inappropriate for service providers, which have a financial interest in the outcome, to decide which consumers are eligible for a public assistance program, which Lifeline plainly is. For these reasons, the Commission should support those states that have taken on the responsibility of determining which consumers are eligible for Lifeline benefits, and grant USTelecom's petition with respect to those states that require additional time to comply with section 54.410.

Of the states listed in the appendix to USTelecom's petition, as amended by USTelecom's May 14, 2012 filing,⁶ AT&T wireline affiliates provide Lifeline service in California, Florida, Nevada, Ohio, and Texas. Based on our review of the applicable state

⁴ See, e.g., AT&T *Lifeline and Link Up Reform and Modernization NPRM* Comments, WC Docket No. 11-42 *et al.*, at 11-15 (filed April 21, 2011); AT&T *Lifeline and Link Up Reform and Modernization NPRM* May 25 Reply Comments, WC Docket No. 11-42 *et al.*, at 1-5 (filed May 25, 2011).

⁵ See USTelecom Petition for Reconsideration and Clarification, WC Docket No. 11-42 *et al.*, at 10-12 (filed April 2, 2012) (USTelecom Petition for Reconsideration) (urging the Commission to direct USAC to issue a comprehensive and descriptive list of acceptable documentation on which Lifeline providers may rely when reviewing customer-supplied documentation).

⁶ Letter from David Cohen, USTelecom, to Marlene Dortch, FCC, WC Docket No. 11-42 *et al.* (filed May 14, 2012) (removing Kansas and Tennessee from Appendix 1).

statutes and rules governing these affiliates' provision of Lifeline service in those states, we have determined that AT&T's ILECs in California (as well as its CLEC ETC affiliate in California), Florida, Ohio, Nevada, and Texas will not be permitted to seek reimbursement for some or all new Lifeline enrollees beginning June 1, 2012, unless these states are able to comply with the Commission's rules by this date⁷ or the Commission grants USTelecom's petition. And, as USTelecom explains in its petition, if ETCs cannot obtain reimbursement for those consumers, they likely will decline to enroll new Lifeline subscribers in these states. USTelecom Petition at 3.

AT&T's wireless affiliate, AT&T Mobility, is an ETC in the following states listed in USTelecom's petition: Idaho, Oregon, Texas, and Washington. Like AT&T's wireline affiliates, AT&T Mobility requires the rule waivers requested by USTelecom in Idaho, Oregon, and Texas in order to enroll new Lifeline customers beginning June 1, 2012, and obtain reimbursement for providing such customers with Lifeline-discounted service. We provide additional information about California, Florida, Idaho, Ohio, Oregon, Nevada, and Texas, below.

Although not mentioned in USTelecom's waiver petition, AT&T encourages the Commission to waive its rules on its own motion to permit a state Lifeline administrator to certify to an ETC that it has obtained customer certification forms in lieu of providing the ETC with physical copies of such documents. *See* 47 C.F.R. § 54.410(b) and (c) (permitting state entities to notify ETCs that the consumer is eligible for Lifeline based on program participation or household income but then requiring state entities to provide copies of customer certification

⁷ As we discuss, below, AT&T Nevada will not have a compliance problem in Nevada until October.

forms to ETCs). We note that USTelecom sought reconsideration of the requirement that state entities provide copies of documentation (both for the initial eligibility determination and for recertification). USTelecom Petition for Reconsideration at 5-7. AT&T supports USTelecom's request and urges the Commission to grant it as quickly as possible so that states and Lifeline providers have ample notice of this rule modification.

II. STATE-SPECIFIC LIFELINE REQUIREMENTS

California. In California, a third party administers the Lifeline program and “makes the determination as to whether subscribers meet the eligibility requirements.” California Commission Petition at 3. Additionally, the administrator “is in charge of . . . certifying, collecting and keeping the completed certification forms.” *Id.* at 4. Pursuant to the California Commission's rules, AT&T's ILEC and CLEC ETCs in California are required to participate in the state's Lifeline program and must provide Lifeline discounts to subscribers identified and approved by the Lifeline administrator. These ETCs are not permitted to make the eligibility determination themselves.⁸

If the California Commission is not in the position to begin providing AT&T's ILEC ETC (AT&T California) and CLEC ETC (AT&T Communications of California) with copies of customer certification forms that comply fully with rule 54.410(d) on June 1, we urge the Commission to grant both the California Commission's waiver request and USTelecom's petition. Granting both petitions will give California's Lifeline administrator, which is scheduled to change June 1, additional time to comply with the Commission's new rules. We do not believe that granting the California Commission's petition, as filed, alone is sufficient to ensure

⁸ California Public Utilities Commission's D.96-10-066 requires all providers of local exchange residential service to offer Lifeline service. Its General Order 153 provides the rules service providers must follow in administering California LifeLine benefits.

that carriers may continue to enroll new Lifeline subscribers after June 1, 2012. In its petition, the California Commission requests a waiver of the requirement in section 54.410(e) that its Lifeline administrator provide each ETC with a copy of each of the certification forms that it collects from that ETC's subscribers. California Commission Petition at 4. We support this request but the Commission also should waive rules 54.407(d) and 54.410(b)(2)(ii) and (c)(2)(ii) to make clear that AT&T's ETCs in California can continue to seek reimbursement for new Lifeline enrollees despite not having copies of customer certification forms. Based on AT&T's extensive experience with erroneous audit findings, we believe that it is important for the Commission to make this clarification (however obvious it may seem).

Florida. Currently, AT&T Florida provides Lifeline discounts to customers that apply directly to it for this benefit as well as to customers that the state has determined are eligible and has directed AT&T Florida to enroll. AT&T Florida will update its Lifeline application forms to comply with rule 54.410 so that customers contacting it directly will be required to make all of the requisite certifications. However, under Florida's current rules, we do not believe that AT&T Florida has the ability to require consumers that the state directs it to enroll to complete a similar certification form. Those rules provide, in relevant part:

25-4.0665 Lifeline Service.

(10) All eligible telecommunications carriers shall participate in the Lifeline service Automatic Enrollment Process. For purposes of this rule, the Lifeline service Automatic Enrollment Process is an electronic interface between the Department of Children and Family Services, the Commission, and the eligible telecommunications carrier that allows low-income individuals to automatically enroll in Lifeline following enrollment in a qualifying public assistance program.

(a) The Commission shall send an e-mail to the eligible telecommunications carrier informing the eligible telecommunications carrier that Lifeline service applications are available for retrieval for processing.

(b) The eligible telecommunications carrier shall enroll the subscriber in the Lifeline service program as soon as practicable, but no later than 60 days from the receipt of the e-mail notification. Upon completion of initial enrollment, the eligible telecommunications carrier shall credit the subscriber's bill for Lifeline service as of the date the eligible telecommunications carrier received the e-mail notification from the Commission.

(11) An eligible telecommunications carrier shall not impose additional verification requirements on subscribers beyond those which are required by this rule.

(12) If the Office of Public Counsel certifies a subscriber eligible to receive Lifeline service under the income test set forth in Section 364.10(3)(a), F.S., an eligible telecommunications carrier shall not impose any additional verification requirements on the subscriber.

The Florida rules clearly prohibit AT&T Florida from imposing “additional verification requirements” on subscribers whom a state agency deems eligible for Lifeline. A customer certification form is an additional verification requirement and, as such, AT&T Florida lacks the authority to require such customers to complete a certification form. For these reasons, AT&T Florida asks the Commission to grant USTelecom’s waiver until the Florida Commission can establish a process whereby the Florida Department of Children and Families, which administers SNAP, TANF and Medicaid, and the Office of Public Counsel, which qualifies consumers based on household income, obtain certification forms from consumers that comply with section 54.410(d) and provide copies of those forms to the consumers’ Lifeline providers. AT&T Florida does not require this relief for a consumer who seeks to obtain a Lifeline benefit based on the consumer’s participation in other qualifying public assistance programs (e.g., Federal Public Housing Assistance).

Idaho. AT&T Mobility is an ETC in Idaho, and thus participates in the state’s Lifeline program, called the Idaho Telecommunications Service Assistance Program (ITSAP). The administrator of ITSAP informs AT&T Mobility which of its customers are eligible for Lifeline; thus, in Idaho, AT&T Mobility does not have its own Lifeline application form and only provides Lifeline discounts to ITSAP-identified and approved customers. We provide the following relevant excerpts from the Idaho Code:

56-903. Assistance eligibility. (1) In order to be eligible for the telecommunications service assistance program, an applicant shall be the head of a household and shall meet narrowly targeted eligibility criteria based solely on income or factors directly related to income established by the department of health and welfare. The department of health and welfare shall develop procedures for taking applications for assistance and for determining

and certifying program eligibility. Such applications shall contain the disclosure of information authorization necessary to process the assistance discounts. Individuals who qualify for assistance under this chapter must be periodically recertified by the department of health and welfare.

(2) At least once each year the department shall provide an electronic list of names, addresses and, if applicable, telephone numbers of all eligible recipients to each telecommunications carrier designated as an eligible telecommunications carrier by the public utilities commission. The eligible telecommunications carrier shall determine from the list those recipients to whom the company provides service.

56-904. Recovery of Telecommunications Service Revenue Reductions – Administration.

(2) The Idaho public utilities commission may adopt rules or issue orders necessary to receive matching federal low income telephone assistance and to implement the Idaho telephone assistance program, including procedures for adjustment and true-up of the subscriber surcharge. The commission may contract with a neutral third party to collect the surcharge, distribute assistance revenues, and perform other tasks as assigned.

Until such time as ITSAP is able to modify its Lifeline application form to obtain customer information in compliance with section 54.410(d) and is able to provide copies of such customer certification forms to AT&T Mobility, AT&T Mobility will be unable to enroll new Lifeline customers in Idaho after June 1, 2012. Accordingly, AT&T Mobility asks the Commission to grant USTelecom’s waiver request with respect to Idaho.

Ohio. Like in Florida, in Ohio, AT&T Ohio provides Lifeline discounts to customers that apply directly to it for this benefit as well as to customers that a state agency has determined are eligible and has directed AT&T Ohio to enroll. The relevant Ohio Commission rules provide, in relevant part:

4901:1-6-19 Lifeline requirements.

(J) The commission shall work with the appropriate state agencies that administer federal or state low-income assistance programs and with carriers to negotiate and acquire information necessary to verify an individual’s eligibility and the data necessary to automatically enroll eligible persons for lifeline service.

(K) To the extent that appropriate state agencies are able to accommodate automatic enrollment, every ILEC ETC shall automatically enroll customers into lifeline assistance who participate in a qualifying program.

Under the current rules, AT&T Ohio obtains from the Ohio Department of Development (ODOd) twice a year a list of LIHEAP participants that we are required to enroll in Lifeline. AT&T requires other prospective Lifeline customers (those that participate in other qualifying public assistance programs or that qualify on the basis of income) to complete an application

form that will comply with the new requirements in section 54.410(d) by June 1, 2012. It is our understanding that the Ohio Commission is working to provide ILEC ETCs clarity that, beginning June 1, 2012, ODoD is not “able to accommodate automatic enrollment” because it does not (and will not) obtain customer certification forms in compliance with section 54.410(d). If the Ohio Commission is unsuccessful in this regard, however, AT&T Ohio asks the Commission to grant USTelecom’s waiver until such time as the Ohio Commission can clarify for ILEC ETCs that ODoD has suspended its automatic enrollment program (or that ODoD will indeed obtain customer certification forms and will provide them to AT&T Ohio).

Oregon. AT&T Mobility is an ETC in Oregon and, as such, participates in the Oregon Telephone Assistance Program (OTAP). The OTAP makes all non-Tribal Lifeline eligibility determinations for AT&T Mobility, and AT&T Mobility does not use its own Lifeline application form for non-Tribal Lifeline customers. The relevant statutory section is set forth as follows: Sec. 6, chapter 290, Oregon Laws 1987, Oregon Revised Statute:

Sec. 6. (1) In carrying out the provisions of section 2, chapter 290, Oregon Laws 1987, the Public Utility Commission shall establish a plan to provide assistance to low income customers through differential rates or otherwise. The plan of assistance shall be designed to use, to the maximum extent possible, the available funding offered by the Federal Communications Commission, and may provide different levels of assistance to low income customers based upon differences in local exchange rates. The plan established by the commission shall prescribe the amount of assistance to be provided and the time and manner of payment.

(2) For the purpose of establishing a plan to provide assistance to low income customers under this section, the commission shall require all public utilities, cooperative corporations and unincorporated associations providing local exchange telecommunication service to participate in the plan, except as provided in subsection (3) of this section.

(3) In lieu of participation in the commission’s plan to assist low income customers, a public utility, cooperative corporation or unincorporated association providing local exchange telecommunication service may apply to the commission to establish an alternative plan for the purpose of carrying out the provisions of section 2, chapter 290, Oregon Laws 1987, for its own customers. The commission shall adopt standards for determining the adequacy of alternative plans.

(4) The commission may contract with any governmental agency to assist the commission in the administration of any assistance plan adopted pursuant to this section.

(5)(a) As used in sections 2 to 6, chapter 290, Oregon Laws 1987, “low income customer” means an individual determined by the commission:

(A) To be receiving benefits from the Supplemental Nutrition Assistance Program or from another low income public assistance program for which eligibility requirements limit participation to individuals with income that does not exceed 135 percent of federal poverty guidelines; or

(B) To be a resident of a long term care facility, as defined in ORS 442.015, or a residential care facility, as

defined in ORS 443.400, who receives medical assistance under ORS chapter 414.

(b) The commission must be able to verify the continuing participation of a low income customer in a program described in paragraph (a) of this subsection.

The relevant OTAP rule is as follows:

860-033-0030: OTAP Eligibility

(1) Eligibility for OTAP is demonstrated by application to the Commission by an individual currently meeting the criteria for a “low income customer” set forth in 1987 Oregon Laws Chapter 290, Section (6) paragraph (5)(b).

(2) An applicant or recipient may be required to furnish his or her social security number before OTAP eligibility can be determined or verified. Failure to do so may result in denial of benefits.

(3) An applicant must sign a written authorization (OTAP application) permitting the Commission to release necessary information to an Eligible Telecommunications Provider and, as necessary, to the following: Department of Human Services, and the applicant's personal representative or legal guardian.

(4) The Commission must be able to verify an individual's continuing participation in a qualifying program. Continuing OTAP eligibility is based on monthly or quarterly recertification by the Commission.

(5) The OTAP benefit is limited to one single line, or single line equivalent, at the applicant’s or recipient’s principal residence. Generally, only one OTAP benefit is allowed per residential address, but the Commission may make exceptions for certain facilities including but not limited to rooming houses and other independent living facilities.

(6) The name of the applicant or recipient must appear on the billing statement for the telecommunications service in order for that recipient to qualify for OTAP benefits. The Commission may waive this requirement if it determines that good cause exists.

(7) A qualifying applicant who did not receive benefits from an Eligible Telecommunications Provider after submitting an application to the Commission may receive up to a maximum of three months of OTAP benefits credited to the applicant’s account. The qualifying applicant may be required to submit written proof of application date to the Commission in order to receive the OTAP benefits credited to the applicant’s account.

Unless the OTAP can modify its processes to begin collecting information from prospective subscribers that complies with section 54.410(d) and to provide customer certification forms to AT&T Mobility beginning June 1, AT&T Mobility will require the Commission to grant USTelecom’s waiver request in order to continue enrolling new non-Tribal Lifeline customers after that date.

Nevada. As is the case with Florida and Ohio, in Nevada, AT&T Nevada provides Lifeline discounts to customers that apply directly to it as well as to customers that the state directs it to enroll. Twice a year, AT&T Nevada is directed to enroll state-identified customers: once in April and once in October. Beginning June 1, AT&T Nevada will provide prospective

subscribers with an application form that complies with section 54.410(d). Because AT&T Nevada will have enrolled all of the consumers contained on the state-provided April list before June 1, AT&T Nevada will not have a compliance problem until it receives the list in October. If the Nevada Commission is able to suspend the operation of the automatic enrollment program prior to October or if the state entity providing AT&T Nevada with the list of eligible subscribers is able to both obtain customer certification forms and provide those forms to AT&T Nevada, AT&T Nevada will not require these rule waivers. Otherwise, AT&T Nevada will require a waiver of rules 54.407(d), 54.410(b)(2)(ii) and (c)(2)(ii) in order to enroll the new Lifeline subscribers contained on the October list of eligible consumers.

Nevada's automatic enrollment program is statutory, the relevant provisions of which are the following:

NRS 707.470 Department to provide list of eligible customers to each eligible provider; contents of list; update of list; regulations.

1. The Department [of Health and Human Services ("Department")] shall provide to each eligible provider a list of eligible customers, as determined by criteria adopted by the Public Utilities Commission of Nevada or the Federal Communications Commission, as appropriate, who are located within the service area of the eligible provider. The list must include:

- (a) The name and address of each eligible customer; and
- (b) If applicable, the telephone number of each eligible customer.

2. Every 6 months the Department shall provide to each eligible provider an updated list of the eligible customers in this State.

3. The Department may adopt such regulations as are necessary to coordinate the acquisition and provision of the information required to be provided pursuant to this section.

NRS 707.480 Eligible provider to notify eligible customers regarding default receipt of lifeline and link up services; contents of notification; declination of services; billing for services; duration of lifeline services.

1. An eligible provider, within 7 days after determining that a person located in its service area is an eligible customer, shall notify the eligible customer that the eligible customer will receive lifeline or link up services, or both, unless the eligible customer specifically declines to receive the services. The notification must include:

(a) Information about the lifeline and link up services, including, without limitation, the date on which the services will begin and any options or responsibilities that the eligible customer may have related to the receipt of those services;

(b) A self-addressed, postage paid response card which the eligible customer must return to the eligible provider to decline the services; and

(c) A statement that the eligible provider will automatically provide lifeline or link up services, or both, to the eligible customer unless the eligible customer declines the services by timely returning to the eligible provider the response card included with the notification.

2. To decline lifeline or link up services, an eligible customer must return the response card included in the notification provided pursuant to subsection 1 to the eligible provider not later than 10 days before the date on which the services are scheduled to begin.

3. An eligible provider shall begin billing an eligible customer for lifeline or link up services, or both, not later than 60 days after the date on which the eligible provider receives the list of eligible customers from the Department which includes the eligible customer, if the eligible customer has not declined the services.

4. An eligible provider shall continue providing lifeline services to an eligible customer for as long as the eligible customer continues to receive telecommunication services from the eligible provider until the customer or the Department notifies the eligible provider that the customer is no longer eligible for the program. The eligible provider shall discontinue providing lifeline services to an eligible customer if the eligible customer notifies the eligible provider in writing that the eligible customer wishes to discontinue receiving those services.

Texas. In Texas, both AT&T Texas and AT&T Mobility are ETCs, and thus provide Lifeline service. For both carriers, the Texas Lifeline administrator makes *all* Lifeline eligibility determinations and both carriers are required by the Texas Commission's rules to participate in this program. We provide the relevant portion of the Texas rule, below:

§26.412(g)

(2) Obligations of Lifeline providers.

(A) A Lifeline provider shall only provide Lifeline Service to all eligible customers identified by the LIDA [Low Income Discount Administrator] within its service area in accordance with this section.

(i) A Lifeline provider shall identify, on the initial database provided by the LIDA, those customers to whom it is providing telephone service and shall begin reduced billing for those qualifying low-income customers.

(ii) The eligible customer shall not be charged for changes in telephone service arrangements that are made in order to qualify for Lifeline Service, or for service order charges associated with transferring the account into Lifeline Service. If the eligible customer changes the telephone service, the Lifeline provider shall begin reduced billing at the time the change of service becomes effective.

(iii) Upon receipt of the monthly update provided by the LIDA, a Lifeline provider shall begin reduced billing for those qualifying low-income customers subscribing to services within 30 days.

(iv) The LIDA shall provide a self-enrollment form by direct mail at the customer's request. The LIDA shall maintain customers' self-enrollment forms and provide a database of self-enrolling customers to all Lifeline providers.

Under today's rules, AT&T Texas and AT&T Mobility do not receive copies of customer certification forms from LIDA. While we understand that the Texas Commission is actively working toward implementing process to comply section 54.410 of the Commission's rules by June 1, in the event that it is unsuccessful, both of AT&T's ETCs in Texas will require the rule

waivers sought by USTelecom in order to continue enrolling new Lifeline customers after that date.

III. CONCLUSION

It is clear from the information we provide above that Lifeline administration in many states is complicated, requiring coordination between a state public service commission, Lifeline providers, state social service agencies and, in some cases, a third-party administrator. Some states perform the Lifeline eligibility determination function for all Lifeline providers in the state whereas other states perform this function for only certain ETCs and, still others perform this function for only certain programs (e.g., Medicaid, SNAP). Given this level of complexity, it is not surprising that some states will not be in a position to obtain copies of customer certification forms that comply with new Commission rule 54.410(d) and provide such forms to Lifeline providers beginning June 1, 2012. The Commission should support these states, which have taken on the Lifeline eligibility determination function to some degree, and grant USTelecom's waiver request.

Respectfully Submitted,

/s/ Cathy Carpino
Cathy Carpino
Gary Phillips
Peggy Garber

AT&T Services, Inc.
1120 20th Street NW
Suite 1000
Washington, D.C. 20036
(202) 457-3046 – phone
(202) 457-3073 – facsimile

May 15, 2012

Its Attorneys