



June 11, 2012

**Ex Parte**

Ms. Marlene H. Dortch  
Secretary  
Federal Communications Commission  
445 12<sup>th</sup> Street, SW  
Washington, DC 20554

Re: *Lifeline and Link-Up*, WC Docket No. 03-109; *Lifeline and Link Up Reform and Modernization*, WC Docket 11-42

Dear Ms. Dortch:

General Communication, Inc. (“GCI”) hereby raises a concern that USAC’s Lifeline One-Per-Household Worksheet (“Worksheet”) and the recently released USAC Pre-screening Tool both contain a flaw that will lead some eligible Lifeline beneficiaries to conclude that they are not eligible.<sup>1</sup> An ETC utilizing those forms runs the risk of denying Lifeline service to a qualifying low-income consumer, in violation of the Lifeline rules.<sup>2</sup> Due to the deficiency herein discussed, GCI will not use the USAC One-Per-Household Worksheet, but is instead using a modified version of the Worksheet which corrects for the flaw in the current USAC Worksheet. A copy of the modified version is attached with the modifications identified in redline.

As currently drafted, the Worksheet and USAC Pre-Screening Tool inform a prospective Lifeline subscriber that they are ineligible for Lifeline whenever (1) they share income and expenses with at least one other adult at their residence and (2) at least one other adult at their residence already receives Lifeline. However, it is not always the case that prospective subscribers sharing income expenses with at least one other adult at their residence will be ineligible if another person at their residence is a Lifeline subscriber.<sup>3</sup> The Worksheet fails to

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<sup>1</sup> See USAC Pre-Screening Tool, <http://www.usac.org/li/tools/news/default.aspx> (last visited June 11, 2012); USAC Lifeline Household Worksheet, [http://www.usac.org/\\_res/documents/li/doc/Lifeline-household-worksheet.docx](http://www.usac.org/_res/documents/li/doc/Lifeline-household-worksheet.docx) (last visited June 10, 2012).

<sup>2</sup> See 47 C.F.R. § 54.405(a).

<sup>3</sup> A “household” is defined under the Lifeline rules as follows:

“A “household” is any individual or group of individuals who are living together at the same address as one economic unit. A household may include related and unrelated persons. An “economic unit” consists of all adult individuals contributing to and sharing in the income and expenses of a household. An adult

contemplate the possibility that the prospective subscriber shares income and expenses with one adult at his or her residence, while a third adult, with whom the prospective subscriber does not share income and expenses, is a Lifeline subscriber. In this case, the residence has at least two households, *but the prospective subscriber's household does not include any other Lifeline subscribers and thus the prospective subscriber is eligible for Lifeline*. For example: a mother, her adult daughter, and an unrelated boarder share a residence, and all meet the criteria for Lifeline eligibility. Mother and Daughter share income and expenses between themselves, but the Boarder simply pays a fixed amount per month for room and board and does not share income or expenses with the Mother and Daughter. The Boarder has a Lifeline service, but the mother and daughter do not. Under these facts two Lifeline eligible households exist—that of the Mother and Daughter, and that of the Boarder. The Mother and Daughter are eligible to obtain Lifeline service notwithstanding the Boarder's Lifeline service. However, the Worksheet and Pre-Screening Tool both yield the conclusion that neither the Mother nor the Daughter can obtain Lifeline service because of the Boarder's Lifeline service. This is clearly not correct under the Commission's Rules.

The Worksheet can be corrected relatively easily. In Step 3 of the Worksheet, instead of concluding that if you checked "Yes" to the question "Do you share living expenses (bills, food, etc.) and share income (either your income, the other person's income or both incomes together) with at least one of the adults listed above in question #2?" you are automatically ineligible for Lifeline, the Worksheet should ask the prospective subscriber to provide the name, year of birth (if known) and last four digits of the Social Security Number (if known) for any person with whom they share income and expenses. Once the ETC has that information, the ETC can check against the appropriate duplicates database to determine whether any Lifeline subscriber residing at the prospective subscriber's address is a part of the prospective subscriber's household. Using the example above, Mother would complete the worksheet, and include the name, year of birth (if known) and last four digits of the Social Security Number (if known) for Daughter. Because the ETC checking the duplicates database could determine that the other Lifeline recipient (Boarder) at the address was not in the same household, Mother could then sign up for Lifeline service. A version of the One-Per-Household worksheet, with redlined changes to incorporate the changes suggested herein, is attached.

The Pre-Screening Tool would need similar changes, but could be a little more explanatory in ensuring that the consumer knows that if the only Lifeline subscriber is not the person with whom they share income and expenses, the consumer is still eligible for Lifeline service.

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is any person eighteen years or older. If an adult has no or minimal income, and lives with someone who provides financial support to him/her, both people shall be considered part of the same household. Children under the age of eighteen living with their parents or guardians are considered to be part of the same household as their parents or guardians."

47 C.F.R. § 54.400(h).

Marlene H. Dortch

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As noted above, given that the One-Per-Household form, as drafted, does not comply with the Commission's Lifeline eligibility rules, GCI plans on using its revised form unless and until the FCC corrects the current form so as not to exclude qualifying adult Lifeline subscribers.

GCI asks that the Commission immediately direct USAC to correct both the Worksheet and Pre-Screening Tool, and that it either remove both items from its website until it has done so, or inform carriers that it is planning on making revisions to the Worksheet and Pre-Screening Tool to correct this error.

Sincerely,

A handwritten signature in black ink, appearing to read "John T. Nakahata". The signature is fluid and cursive, with the first name being the most prominent.

John T. Nakahata

*Counsel to General Communication, Inc.*

cc: Kim Scardino  
Garnet Hanly  
Dave Capozzi

Enclosure

**[Company/Agency Letterhead]  
Lifeline Household Worksheet**

Name	
Address	
Telephone Number	

Lifeline is a government program that provides a monthly discount on home or mobile telephone services. Only ONE Lifeline discount is allowed per household. Members of a household are not permitted to receive Lifeline service from multiple telephone companies.

Your **household** is everyone who lives together at your address as one economic unit (including children and people who are not related to you).

The **adults** you live with are part of your **economic unit** if they contribute to and share in the income and expenses of the household. An **adult** is any person 18 years of age or older, or an emancipated minor (a person under age 18 who is legally considered to be an adult). Household **expenses** include food, health care expenses (such as medical bills) and the cost of renting or paying a mortgage on your place of residence (a house or apartment, for example) and utilities (including water, heat and electricity). **Income** includes salary, public assistance benefits, social security payments, pensions, unemployment compensation, veteran's benefits, inheritances, alimony, child support payments, worker's compensation benefits, gifts, and lottery winnings.

Spouses and domestic partners are considered to be part of the same household. Children under the age of 18 living with their parents or guardians are considered to be part of the same household as their parents or guardians. If an adult has no income, or minimal income, and lives with someone who provides financial support to that adult, both people are considered part of the same household.

**You have been asked to complete this Worksheet because someone else currently receives a Lifeline-supported service at your address. This other person may or may not be a part of your household. Answer the questions below to determine whether there is more than one household residing at your address.**

1. Does your spouse or domestic partner (that is, someone you are married to or in a relationship with) already receive a Lifeline-discounted phone? (check no if you do not have a spouse or partner)        YES        NO

- If you checked **YES**, you may not sign up for Lifeline because someone in your household already receives Lifeline. Only ONE Lifeline discount is allowed per household.
- If you checked **NO**, please answer question #2.

2. Other than a spouse or partner, do other adults (people over the age of 18 or emancipated minors) live with you at your address?

- |  |                   |                  |                      |                   |                  |
|--|-------------------|------------------|----------------------|-------------------|------------------|
| A. A parent  | <u>      </u> YES | <u>      </u> NO | D. An adult roommate | <u>      </u> YES | <u>      </u> NO |
| B. An adult son or daughter  | <u>      </u> YES | <u>      </u> NO | E. Other _____       | <u>      </u> YES | <u>      </u> NO |
| C. Another adult relative (such as a sibling, aunt, cousin, grandparent, grandchild, etc.) | <u>      </u> YES | <u>      </u> NO |                      |                   |                  |

- If you checked **NO** for each statement above, you do not need to answer the remaining questions. Please initial line B, below, and sign and date the worksheet.
- If you checked **YES**, please answer question #3.

3. Do you share living expenses (bills, food, etc.) and share income (either your income, the other person's income or both incomes together) with at least one of the adults listed above in question #2?        YES        NO

- If you checked **NO**, then your address includes **more than one household**. Please initial lines A and B below, and sign and date the worksheet.
- If you checked **YES**, then your address includes only the person for whom you checked "yes" is also in your ~~one~~ household. You may not sign up for Lifeline because if another adult someone in your household already receives Lifeline. Please provide the name, date or year of birth (if known) and last four digits of the Social Security Number (if known) for any person for whom you checked "yes."

\_\_\_\_\_

\_\_\_\_\_

**CERTIFICATION**

Please initial the certifications below and sign and date this worksheet. Submit this worksheet to \_\_\_\_\_ [insert company or agency name] along with your Lifeline application.

- A.        I certify that I live at an address occupied by multiple households.
- B.        I understand that violation of the one-per-household requirement is against the Federal Communication Commission's rules and may result in me losing my Lifeline benefits, and potentially, prosecution by the United States government.

Signature \_\_\_\_\_ Date \_\_\_\_\_