

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

In the Matter of)	
)	
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
)	
Advancing Broadband Availability Through Digital Literacy Training)	WC Docket No. 12-23
)	

COMMENTS OF THE UNITED STATES TELECOM ASSOCIATION

I. INTRODUCTION

The United States Telecom Association (“USTelecom”)¹ respectfully submits these Comments in support of the Petition for Clarification of General Communication, Inc. (“GCI”) concerning the annual Lifeline recertification rules (“GCI Petition”).² GCI urges the Commission to clarify that eligible telecommunications carriers (“ETCs”) can comply with the recently adopted recertification requirement by recertifying subscribers once per calendar year. USTelecom supports prompt grant of the clarification sought by GCI.

The Commission has taken important steps to reform and modernize the Universal Service Fund’s Lifeline program, and the USTelecom supports the Commission’s efforts. Given

¹ USTelecom is the premier trade association representing service providers and suppliers for the telecommunications industry. USTelecom members provide a full array of services, including broadband, voice, data and video over wireline and wireless networks.

² See Petition for Clarification of Annual Recertification Rules, WC Docket Nos. 11-42, 03-109, 12-23, CC Docket No. 96-45 (filed Oct. 1, 2012) (“GCI Petition”). See 47 C.F.R. Sec. 54.410(f); *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, 27 FCC Rcd 6656, App. C (2012).

the significance of the issues and the complexity of the subjects involved, it is not surprising that several parties, including USTelecom, have filed petitions for reconsideration or clarification of various aspects of the Lifeline Order (*Order*).³ The clarification sought by GCI is the most logical interpretation of the *Order*. Indeed, any other interpretation would be impossible for carriers to implement. Effective implementation of the *Order* would be enhanced by grant of both the clarification sought by GCI in the instant petition and by grant of USTelecom's Petition for Clarification and Reconsideration filed last spring.⁴

USTelecom members contribute large sums into the Universal Service Fund, so ensuring that the monies are used efficiently and effectively are in their best interests and the interests of the consumers to whom they are permitted to pass through that contribution obligation. Elimination of Lifeline program subsidies to consumers, who are or have become ineligible due to duplication, fraud, or change in circumstances, is a responsible way to manage the fund. Annual recertification of all consumers receiving Lifeline benefits is one – albeit burdensome – way to promote the efficiency and integrity of the program.⁵

II. THE CLARIFICATION SOUGHT BY THE GCI PETITION FITS WITHIN THE LETTER AND INTENT OF 54.410(f)

The clarification sought by the GCI Petition fits squarely within the letter and intent of Section 54.410(f) of the Commission's rules. That section requires ETCs to annually recertify all subscribers (except in states where a state Lifeline administrator or other state agency is

^{3 3} See *Lifeline and Link Up Reform and Modernization; Lifeline and Link Up; Federal-State Joint Board on Universal Service; Advancing Broadband Availability Through Digital Literacy Training*, Report and Order and Further Notice of Proposed Rulemaking FCC 12-11, 27 FCC Rcd. 6656 (2012) (“Lifeline Order”).

⁴ See United States Telecom Association Petition for Reconsideration and Clarification of the Lifeline Order (Apr. 2, 2012).

⁵ Prompt implementation of a national database will also serve to improve Fund efficiency and potentially could lessen recertification burdens.

responsible for such recertification).⁶ As pointed out by the GCI Petition, the Commission has generally interpreted “annual” in other contexts to mean within a calendar year rather than once every 12 months.⁷ The rule itself could have specified that recertification must occur every 12 months, but instead the term “annually” is used which permits the Commission to clarify that the most reasonable interpretation of the rule is once during a calendar year. Moreover, as a practical matter, recertification every 12 months would mean that data would be gathered at a point potentially significantly earlier than the 12-month deadline to enable the ETC to ensure compliance. As noted by the GCI Petition, this could result in a customer being recertified twice in the same calendar year, skewing the Commission’s data.⁸

The flexibility offered to ETCs by the once per calendar year clarification would engender a smoother and more regular ETC recertification process. It would benefit ETCs by enabling them to plan for a more even and efficient work flow – allowing them to conduct recertifications in stages, as they are currently doing – and would benefit the Commission by ensuring that accurate data is reported to USAC. Indeed, any other approach would be unworkable. For ETCs with even a modest number of Lifeline customers, conducting recertification calls and/or sending recertification correspondence simply cannot be done at a single point in time each year for the entire base of Lifeline customers. That approach would flood carrier call centers and otherwise overwhelm ETC resources. A staged approach, on the other hand, is equally effective and significantly less burdensome.

The order in which an ETC chooses to process recertifications within a particular calendar year would be one that permitted compliance with the annual requirement in the most

⁶ See 47 C.F. R. Sec. 54.410(f).

⁷ See GCI Petition at 5-6.

⁸ *Id* at 5.

efficient manner possible. Presumably that order would not undergo significant changes in subsequent years once established, so for all practical purposes, recertification of a particular subscriber would be at approximately the same time of year anyway.⁹ Regardless, there is nothing in the record of the Lifeline proceeding that supports the efficacy of an “every 12 months” recertification period as opposed to a once-per-calendar-year requirement in deterring duplication or abuse.

To the extent the Commission may be concerned about a once-per-calendar-year approach because some subscribers may not recertify for nearly two years, such a concern is unfounded. Though an unscrupulous ETC could in theory employ such a strategy, it would require that the ETC push all recertifications to the same time period, creating an immense administrative burden that no ETC would voluntarily assume. Moreover, such a strategy would provide only temporary benefits, because the ETC would have to recertify all of the subscribers in the next calendar year.

Finally, the Lifeline customer base should be in conformance with the rules by the end of 2012, since all ETCs must completely recertify all Lifeline customers by the end of this calendar year. Given the completion of that effort, whether the recertification requirement going forward is on an “every 12 months” or “once-per-calendar-year” basis should not materially impact its integrity.

⁹ This assumes that whatever subscriber information the ETC used to schedule its recertification efforts did not change – the geographic location of the subscriber, for example).

III. CONCLUSION

For the foregoing reasons, the Commission should grant the GCI Petition for Clarification of the Annual Recertification Rule.

Respectfully submitted,

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