



# PUBLIC NOTICE

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## WIRELINE COMPETITION BUREAU REMINDS CARRIERS THAT THEY MUST RE-CERTIFY ELIGIBILITY OF ALL LIFELINE SUBSCRIBERS BY DECEMBER 31, 2012

WC Docket Nos. 11-42, 03-109, 12-23 and CC Docket No. 96-45

In the *Lifeline Reform Order*, the Commission required Eligible Telecommunications Carriers (ETCs) and, where applicable, state Lifeline administrators, another state agency or an agent of the state (collectively, “state agency”) to re-certify the eligibility of the base of their subscribers as of June 1, 2012.<sup>1</sup> Each subscriber must be re-certified by December 31, 2012, and the ETC must report the results to the Commission, the Universal Service Administrative Company (USAC), and to states and Tribal governments (where appropriate), by January 31, 2013.<sup>2</sup> In this public notice, the Wireline Competition Bureau (Bureau) reminds parties of their obligations and provides guidance to ETCs and state agencies regarding the Lifeline re-certification requirements in 2012 and the annual re-certification reporting process in subsequent years.<sup>3</sup>

*Process for Re-Certification.* ETCs and state agencies must re-certify their base of subscribers as of June 1, 2012 and must complete the re-certification process by December 31, 2012.<sup>4</sup> ETCs and state agencies have the option of re-certifying consumers in one of two ways, as described in 47 C.F.R. § 54.410(f).<sup>5</sup> First, to the extent that a database is available to verify program or income-based eligibility, ETCs or state agencies must query the database to confirm the subscriber’s continued eligibility.<sup>6</sup> The ETC or state agency must use any available database to verify continued eligibility even if a database is only available for a subset of programs in a state. In the absence of a database, an ETCs or a state agency must re-certify the continued eligibility of a subscriber by obtaining a signed certification from the

<sup>1</sup> See *Lifeline and Link Up Reform and Modernization et al.*, WC Dkt. Nos. 11-42 *et al.*, CC Dkt. No. 96-45, Report and Order and Further Notice of Proposed Rulemaking, 27 FCC Rcd 6656, 6715, para. 130, n.337 (2012) (*Lifeline Reform Order* or Order). An ETC’s base of subscribers as of June 1, 2012 is defined as all subscribers for whom the ETC sought reimbursement on the FCC Form 497 for the May 2012 data month. In those states where the state agency performs the re-certification, the base of subscribers as of June 1, 2012 is the base of subscribers of those ETCs within the state agency’s jurisdiction as of June 1, 2012.

<sup>2</sup> See *Lifeline Reform Order*, 27 FCC Rcd at 6715, para. 132; 47 C.F.R. § 54.416(b).

<sup>3</sup> The Commission directed the Bureau to release a public notice reminding ETCs of the re-certification requirements. See *Lifeline Reform Order*, 27 FCC Rcd at 6715, para. 130, n.337 (“[T]he Bureau will publish a Public Notice after June 1, 2012 to remind ETCs that they must re-certify all of their subscribers of record as of June 1, 2012 by December 2012 and to report their results to USAC by January 31, 2013.”).

<sup>4</sup> See *supra* n.1 (defining base of subscribers); 47 C.F.R. § 54.405(e)(4); *Lifeline Reform Order*, 27 FCC Rcd at 6720, para. 143.

<sup>5</sup> See 47 C.F.R. § 54.410(f).

<sup>6</sup> See *Lifeline Reform Order*, 27 FCC Rcd at 6715, para. 131; 47 C.F.R. §§ 54.410(f)(2)(i)-(ii), 54.410(f)(3)(i)-(ii).

subscriber that meets the requirements of 47 C.F.R. § 54.410(d).<sup>7</sup> If there is a database in the state, but the ETC or state agency cannot re-certify the subscriber through that database (*i.e.*, the subscriber cannot be found in the database), the state agency or ETC may re-certify the continued eligibility of a subscriber by obtaining a signed certification from the subscriber that meets the requirements of 47 C.F.R. § 54.410(d). In order to obtain a signed certification from the subscriber, the ETC or state agency must send a notice to the subscriber separate from the subscriber's bill seeking information sufficient to re-certify the subscriber, and notifying the subscriber that he or she will be de-enrolled within 30 days unless the subscriber re-certifies that the subscriber is eligible under a qualifying program.<sup>8</sup> Under this method, ETCs or state agencies may contact and receive re-certification responses from consumers in writing, by phone, by text message, by e-mail, by Interactive Voice Response (IVR), or otherwise through the Internet using an electronic signature.<sup>9</sup> If the state agency utilizes this method, the state agency must provide the ETC with a copy of the completed re-certification.<sup>10</sup> The ETC or state agency must also notify the subscriber in writing that failure to respond to the re-certification request could result in de-enrollment.<sup>11</sup> If an ETC or state agency is unable to re-certify a subscriber because the subscriber did not respond to the re-certification request, the ETC must de-enroll the subscriber.<sup>12</sup> If an ETC or state agency receives a response from the subscriber that the subscriber is no longer eligible, the subscriber must be de-enrolled within five business days.<sup>13</sup>

Each ETC must report the results of its re-certification process to the Commission and USAC by January 31, 2013 using FCC Form 555.<sup>14</sup> The re-certification process is not considered "complete" until the ETC has de-enrolled all subscribers that failed to respond to a re-certification request or are no longer eligible, or where a database query by the ETC or state agency indicates the subscriber is no longer eligible and the subscriber has not provided a valid re-certification pursuant to section 54.410(d). In those states where state agencies perform re-certification, state agencies must provide sufficient notice to each

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<sup>7</sup> See 47 C.F.R. §§ 54.410(f)(2)(iii), 54.410(f)(3)(iii). The Order makes clear that "[r]egardless of the format used to re-certify the subscriber's continued eligibility for Lifeline, ETCs [or a state agency] must convey all of the required information set forth in the amended section 54.410[d] and obtain from the subscriber an individual certification for each requirement set forth in the rule." *Lifeline Reform Order*, 27 FCC Rcd at 6715, para. 132. Electronic signatures may be used to satisfy the recertification requirement.

<sup>8</sup> See 47 U.S.C. § 54.405(e)(1).

<sup>9</sup> See 47 C.F.R. § 54.419; *Lifeline Reform Order*, 27 FCC Rcd at 6715, para. 130. Any text messages sent for the purpose of re-certification must be sent to the phone number associated with the supported service and responses must be sent from that phone number. See *Lifeline Reform Order*, 27 FCC Rcd at 6715, para. 132. When utilizing phone or IVR, a subscriber must be prompted to certify to each individual requirement set forth in section 54.410(d). See *Lifeline Reform Order*, 27 FCC Rcd at 6715, para. 132. The Commission expected that, in order to convey and obtain the necessary information via text message, the ETC or state agency would need to send and receive multiple messages to the subscriber. See *id.*, 27 FCC Rcd at 6716, para. 132, n.343.

<sup>10</sup> See *Lifeline Reform Order*, 27 FCC Rcd at 6715, para. 131, n.341. For example, the state agency must provide copies of the recertification form or text message exchange, as applicable, to the ETC.

<sup>11</sup> See *id.*, 27 FCC Rcd at 6720, para. 142.

<sup>12</sup> See 47 C.F.R. § 54.405(e)(4).

<sup>13</sup> See 47 C.F.R. § 54.405(e)(1). If the state agency is performing the recertification, the ETC must de-enroll the subscriber within five business days of receiving notice from the state agency that the subscriber was unable to be re-certified.

<sup>14</sup> See *id.*, 27 FCC Rcd at 6715, para. 132; 47 C.F.R. § 54.416(b). The final FCC Form 555 is pending Office of Management and Budget approval and will be posted on USAC's website once approved.

ETC so that the ETC can initiate all de-enrollments by December 31, 2012 and can file its annual re-certification report by January 31, 2013. For 2013, an ETC may elect to have USAC undertake that ETC's re-certifications.<sup>15</sup>

*Non-Usage.* ETCs must also use FCC Form 555 to report the number of subscribers de-enrolled for non-usage.<sup>16</sup> Pursuant to 47 C.F.R. § 54.405(e)(3), ETCs that do not assess or collect a monthly fee from subscribers must de-enroll Lifeline subscribers who do not use their Lifeline service for 60 consecutive days.<sup>17</sup> After the 60-day period, subscribers must be provided notice that they will be de-enrolled for non-usage in 30 days if they do not use their phone during the 30-day period.<sup>18</sup> ETCs that do not assess or collect a monthly fee from subscribers must indicate on FCC Form 555 the number of subscribers de-enrolled for non-usage in each month throughout 2012.

For further information, please contact Jonathan Lechter, Telecommunications Access Policy Division, Wireline Competition Bureau at (202) 418-1442 or TTY (202) 418-0484.

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<sup>15</sup> The Bureau will release a public notice providing further information regarding the USAC re-certification process. *See Lifeline Reform Order*, 27 FCC Rcd at 6716, para. 133, n.346 (“We delegate to the Wireline Competition Bureau the authority to establish, in coordination with USAC, a process for facilitating the collection of consumer re-certifications on a rolling basis.”).

<sup>16</sup> *See* 47 U.S.C. § 54.405(e)(3) (“Eligible telecommunications carriers shall report to the Commission the annual number of subscribers de-enrolled for non-usage under this paragraph. This de-enrollment information must be reported by month and must be submitted to the Commission at the time an eligible telecommunications carrier submits its annual certification report pursuant to § 54.416.”).

<sup>17</sup> *See* 47 U.S.C. § 54.405(e)(3).

<sup>18</sup> *See id.*