Federal Communications Commission 445 12th St., S.W. Washington, D.C. 20554

News Media Information 202 / 418-0500 Internet: http://www.fcc.gov TTY: 1-888-835-5322

DA 13-872

Released: April 25, 2013

WIRELINE COMPETITION BUREAU ANNOUNCES RESULTS OF THE 2012 ANNUAL LIFELINE RECERTIFICATION PROCESS

WC Docket No. 11-42

- 1. The Wireline Competition Bureau (Bureau) hereby announces the results of the 2012 Lifeline annual recertification process. In the *Lifeline Reform Order*, the Commission required that each eligible telecommunications carrier (ETC) and, where applicable, state Lifeline administrators, a state agency or an agent of the state (collectively, "state agency") recertify the eligibility of each ETC's subscriber base as of June 1, 2012 by the end of 2012, and report the results to the Universal Service Administrative Company (USAC) on FCC Form 555 by January 31, 2013. Subscribers that are no longer eligible or who do not respond to attempts to recertify their eligibility must be de-enrolled from the program. 3
- 2. Based on results from the FCC Forms 555 submitted by ETCs, and analysis from USAC, the Bureau reports that 29 percent of all subscribers that were enrolled in the program in June 2012 have been de-enrolled from the program.⁴
- 3. The Commission has adopted this robust recertification requirement to ensure that only eligible subscribers remain in the program.⁵ A subscriber that fails to recertify in time but still remains eligible for Lifeline may reenter the program but must go through all the required steps of a new subscriber, including the requirement to provide proof of eligibility.⁶ The recertification requirement reform alone is projected to save \$400 million in 2013.

¹ See Lifeline and Link Up Reform and Modernization et al., WC Docket Nos. 11-42 et al., Report and Order and Further Notice of Proposed Rulemaking, 27 FCC Rcd 6656, 6715, para. 130 n.337 (2012) (*Lifeline Reform Order*).

² See id. at 6715-16, 6722, paras. 130-32, 148; see also 47 C.F.R. §§ 54.405(e)(3), 54.416. FCC Form 555 requires all ETCs receiving Lifeline support to provide by study area code (i) the number of subscribers claimed on FCC Form(s) 497 filed with USAC in May; (ii) the number of subscribers contacted to recertify eligibility and the number that were de-enrolled or are scheduled for de-enrollment for non-response or ineligibility; and (iii) the number of subscribers that were de-enrolled each month for non-usage of prepaid service (service for which ETC does not assess or collect a monthly fee from its subscribers) during the relevant calendar year.

³ See 47 C.F.R. § 54.405(e)(4). A non-response does not necessarily indicate that a subscriber was ineligible at the time of enrollment or at the time of the annual verification.

⁴ Subscribers were de-enrolled from the program either because they were no longer eligible to participate in the program or did not respond to the ETC's attempts to recertify their eligibility. *See* 47 C.F.R. § 54.405(e)(4). The 29 percent figure includes the results from all ETCs that submitted FCC Form 555 to USAC.

⁵ See Lifeline Reform Order, 27 FCC Rcd at 6717-20, paras. 135-39.

⁶ See 47 C.F.R. § 54.410.

For further information, please contact Garnet Hanly, Telecommunications Access Policy Division, Wireline Competition Bureau at (202) 418-0995, TTY (202) 418-0484, or email: Garnet.Hanly@fcc.gov.

- FCC -