



PUBLIC NOTICE

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WIRELINE COMPETITION BUREAU REMINDS ELIGIBLE TELECOMMUNICATIONS CARRIERS OF NLAD PROCESSES REGARDING BENEFIT TRANSFERS, EXCEPTIONS MANAGEMENT AND DISPUTE RESOLUTION

WC Docket No. 11-42

By this Public Notice, the Wireline Competition Bureau (Bureau) reminds eligible telecommunications carriers (ETCs) that the procedures for the National Lifeline Accountability Database (NLAD) are available on the website of the Universal Service Administrative Company (USAC), administrator of the federal universal service fund (Fund).¹ These procedures have been developed by the Bureau and USAC, consistent with the Lifeline rules and *Lifeline Reform Order*, and include the process for executing the transfer of subscribers' Lifeline benefits, as well as the procedures for exceptions management and dispute resolution.²

In the *Lifeline Reform Order*, the Commission concluded that the NLAD should allow the transfer of a subscriber's Lifeline benefit from one ETC to another ETC, and directed the Bureau and USAC to establish a process for such benefit transfers.³ The Commission also required that the NLAD have the capability of performing third-party identification verification (TPIV) checks on potential subscribers, and determined that ETCs may not receive reimbursement for those subscribers whose identities cannot be verified.⁴ Recognizing that any duplicates elimination process must balance the need to reduce waste in the Fund against mistakenly denying Lifeline benefits to consumers that qualify, the Commission directed USAC and the Bureau to develop exceptions management and dispute resolution processes to ensure that subscribers whose identity or address could not be verified by automated means are not improperly denied access to Lifeline benefits.⁵

¹ See 47 C.F.R. § 54.701 (designating USAC as the administrator of the universal service fund); USAC, Lifeline, National Lifeline Accountability Database, Benefit Transfers, <http://www.usac.org/li/tools/nlad/benefit-transfers.aspx> (last visited Sept. 25, 2014); USAC, Lifeline, National Lifeline Accountability Database, Dispute Resolution, <http://www.usac.org/li/tools/nlad/nlad-dispute-resolution.aspx> (last visited Sept. 25, 2014).

² See *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, 6743-48, paras. 201, 205, 212-13 (2012) (*Lifeline Reform Order*). See also 47 C.F.R. §§ 54.400-54.422.

³ See *Lifeline Reform Order*, 27 FCC Rcd at 6744, para. 205.

⁴ See *id.* at 6743, para. 201.

⁵ See *id.* at 6743, 6747-48, paras. 201, 212-13.

Consistent with the Lifeline rules and pursuant to the *Lifeline Reform Order*, we summarize for all stakeholders the following procedures that have been implemented for benefit transfer, exceptions management and dispute resolution in the NLAD.⁶

Benefit Transfer:

- The ETC to which the subscriber is transferring his or her benefit will initiate the benefit transfer transaction in the NLAD.
- The initiating ETC must obtain the affirmative consent of the subscriber to transfer the Lifeline benefit prior to the initiation of the transfer in the NLAD.
- The initiating ETC must keep a record of all communications made with the subscriber when obtaining consent, including records documenting the subscriber's affirmative consent.

Exceptions Management and Dispute Resolution:

- When an ETC attempts to load subscriber data into the NLAD, and the subscriber cannot be verified and/or is rejected, USAC will provide the ETC with specific information regarding the nature of the failure (e.g., subscriber's identity, age (under 18) or address cannot be verified).
- In certain cases, the ETCs may override the failure by submitting a code through the NLAD. ETCs may submit an override code only after viewing a document that verifies the information provided by the subscriber (e.g., for an identity failure, the ETC may view the subscriber's driver's license).
- In other cases, the ETC must work with USAC through a manual process to override the failure.
- ETCs must keep a record of any documents viewed to override NLAD failures.⁷

Both the Commission staff and USAC will monitor ETC interactions with the NLAD to ensure eligible Lifeline subscribers are receiving the supported service from their ETC of choice and in order protect the Fund from waste, fraud, and abuse. The Commission may take action against ETCs in the event Commission staff or USAC determine that ETCs have violated these procedures or the Commission's Lifeline rules.

For further information, please contact Anita Patankar-Stoll, Telecommunications Access Policy Division, Wireline Competition Bureau at (202) 418-7400 or TTY (202) 418-0484.

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⁶ See *id.* at 6743-48, paras. 201, 205, 212-13; 47 C.F.R. §§ 54.400-54.422. Detailed information regarding these processes can be found on USAC's website. See *supra* n.1. This Public Notice provides a high level overview of these processes.

⁷ 47 C.F.R. § 54.410(c)(1)(iii) (ETCs must "maintain accurate records detailing the data source" used to demonstrate a subscriber's eligibility for Lifeline").