



# PUBLIC NOTICE

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## WIRELINE COMPETITION BUREAU PROVIDES GUIDANCE TO ELIGIBLE TELECOMMUNICATIONS CARRIERS ON THE PROCESS TO ELECT USAC TO PERFORM LIFELINE RECERTIFICATION

### WC Docket 11-42

1. In this public notice, the Wireline Competition Bureau (Bureau) provides guidance regarding the process for eligible telecommunications carriers (ETCs) to elect the Universal Service Administrative Company (USAC) to perform Lifeline recertification for their subscribers in 2016. This guidance, including the deadlines described below (e.g., May 2), will remain in place for subsequent calendar years unless affirmatively superseded by Bureau or Commission action.

2. In the 2012 *Lifeline Reform Order*, the Commission required ETCs to recertify the eligibility of ETCs' base of subscribers "annually."<sup>1</sup> Starting in 2013, ETCs had the option of having USAC conduct the annual recertification process on their behalf.<sup>2</sup> The Commission delegated to the Bureau the authority to establish, in coordination with USAC, a process for USAC to recertify subscribers.<sup>3</sup> This process for 2015 was described in detail in the *2015 Recert Public Notice*, and remains largely the same for 2016.<sup>4</sup>

3. ETCs must provide notice to USAC by May 2, 2016 if they intend to have USAC perform the recertification process on their behalf for 2016. Any ETC that used USAC to perform recertification in 2015 will be presumed to elect USAC to perform recertification in 2016 unless the carrier notifies USAC otherwise by May 2, 2016.<sup>5</sup> USAC will recertify all SACs of the electing ETC unless the ETC affirmatively indicates to USAC which SACs USAC should not recertify. ETCs that did

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<sup>1</sup> See *Lifeline and Link Up Reform and Modernization et al.*, Report and Order and Further Notice of Proposed Rulemaking, 27 FCC Rcd 6656, 6715, para. 130 n.337 (2012) (*2012 Lifeline Reform Order*). In 2013, the Bureau released a public notice clarifying the meaning of "annually" in this context, and shifted the "snapshot" of subscribers to be recertified annually from the May FCC Form 497 to the February FCC Form 497. See *Wireline Competition Bureau Provides Guidance Regarding the 2013 Lifeline Recertification Process*, WC Docket No. 11-42, Public Notice, 28 FCC Rcd 7503 (WCB 2013) (*2013 Recert Public Notice*).

<sup>2</sup> See *2012 Lifeline Reform Order*, 27 FCC at 6716, para. 133 n.346. To prevent waste in the Universal Service Fund, ETCs electing USAC to perform recertification should make every reasonable effort to assist subscribers in recertifying through the recertification process established by USAC.

<sup>3</sup> See *id.*

<sup>4</sup> See generally *Wireline Competition Bureau Provides Guidance to Eligible Telecommunications Carriers on the Process to Elect USAC to Perform Lifeline Recertification*, Docket No. 11-42, Public Notice, 30 FCC Rcd 2797 (WCB 2015) (*2015 Recert Public Notice*).

<sup>5</sup> See *id.*

not elect to use USAC last year and that do not make an election by May 2, 2016 will be responsible for conducting recertification of their subscribers.

4. ETCs should perform their election or revocation by sending an email to USAC at [LIVerifications@usac.org](mailto:LIVerifications@usac.org).<sup>6</sup> USAC will provide guidance to ETCs regarding the format of the information in the email.

5. Consistent with the process in 2015, USAC will recertify subscribers by mailing each subscriber a letter that provides the subscriber the notice required by section 54.405(e)(4) of the Commission's rules,<sup>7</sup> informing the subscriber that the subscriber has 30 days to recertify the subscriber's continued eligibility to receive Lifeline service or the subscriber will be de-enrolled from the Lifeline program. The letter will also explain the recertification process and how the subscriber may confirm his or her eligibility.<sup>8</sup> Subscribers also will receive a call or text message during the 30-day period to prompt a response.<sup>9</sup> Any subscriber response submitted after the 30-day deadline will not be processed, and the subscriber will be considered ineligible for the program and will be de-enrolled.<sup>10</sup>

6. USAC will provide subscribers with three methods to respond to the letter and recertify their eligibility. First, USAC will accept consumer calls made to a toll-free number, during which consumers will be able to recertify eligibility through an Inter-Active Voice Response (IVR). Second, USAC will allow consumers to verify their identity, read the certification language, and submit a response indicating they are recertifying their eligibility through a website maintained by USAC. Third, subscribers may also recertify by signing a recertification form provided by USAC and mailing the signed form to a receiving address designated by USAC.

7. ETCs that elect to have USAC recertify their Lifeline subscribers must provide USAC with their subscriber list by July 1, 2016. Consistent with the Commission's recertification requirements, the subscriber list must be based on the ETC's February 2016 FCC Form 497 and must be sent to USAC in a standardized format as instructed by USAC.<sup>11</sup> To the extent that a state agency conducts recertification for all or a portion of an ETC's subscribers, the ETC may not elect to utilize USAC for

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<sup>6</sup> USAC will not be providing live agent support or training materials to ETCs that have elected to use USAC.

<sup>7</sup> 47 CFR § 54.405(e)(4). The recertification form to be used by USAC as well as the recertification letter to subscribers will be made available to ETCs on the USAC website prior to May 2, 2016.

<sup>8</sup> Pursuant to section 54.405(e)(4), subscribers must respond within 30 days of receiving notice that they must recertify or they will be de-enrolled within five business days after expiration of the 30-day response deadline.

<sup>9</sup> ETCs electing to have USAC conduct the recertification process on their behalf may not assess fees for text messages or minutes used by subscribers to complete the recertification process. USAC shall provide the ETCs with sufficient information to identify text messages made and airtime minutes utilized in calls to such subscribers in the process of recertification. In addition, we clarify that any inbound calls to subscribers from USAC, its third-party vendor or the ETC will not constitute "usage" for the purpose of the non-usage rule. *See* 47 CFR § 54.405(e)(3) (if a subscriber fails to use his or her pre-paid Lifeline service for 60 consecutive days, an ETC must provide the subscriber 30 days' notice that he or she must use the Lifeline service within the 30-day notice period, or the Lifeline service will be terminated).

<sup>10</sup> *See* 47 CFR § 54.405(e)(4).

<sup>11</sup> *Cf.* 2013 Recert Public Notice, 28 FCC Rcd at 7507, para. 12 (format for 2013 subscriber list). USAC will provide ETCs with guidance regarding the necessary format. If any subscribers on an ETC's FCC Form 497 are no longer active by the time the ETC provides the subscriber list to USAC, the ETC should note such subscribers when transmitting the list to USAC. The ETC should also note which, if any, of these subscribers were de-enrolled due to non-usage.

recertifying those subscribers subject to recertification by the state agency.<sup>12</sup> Therefore, prior to transmittal to USAC, the ETC should remove from its subscriber list those subscribers that are subject to the state agency's recertification process. Additionally, ETCs may remove from its subscriber list those subscribers whose eligibility can be verified through access to a qualifying database<sup>13</sup> Each ETC that elects USAC to perform the recertification process will provide a toll-free number that USAC can provide to the ETC's consumers who have questions about their service.

8. USAC will complete the recertification process over a series of months, by grouping the ETCs that elect to have USAC complete the process into phases so that the influx of responses can be staggered. This grouping will be done randomly and staggered based upon USAC capacity.<sup>14</sup> USAC will provide each ETC that selects USAC to do recertification on its behalf with 45 days' notice before USAC begins that ETC's process, unless USAC initiates that ETC's recertification process prior to August 15, 2016.<sup>15</sup> Once USAC provides the ETC with this notice, the ETC has 15 days to send USAC an updated version of the contact information for those consumers represented on its February 2016 497.<sup>16</sup>

9. USAC will compile the responses and provide each ETC with a record of the subscriber recertification. USAC will provide each ETC with a list of subscribers that did not recertify, and therefore must be de-enrolled,<sup>17</sup> and provide ETCs with sufficient information to compile their FCC Form 555 at least 30 days before the annual January 31 due date. ETCs must de-enroll subscribers within five days of receiving notice from USAC that the subscriber has failed to recertify.<sup>18</sup> Within the same five day period, USAC will provide notice to those consumers, via automated text or call, informing them that their ETC is in the process of de-enrolling them from their Lifeline benefit due to a failure to recertify their eligibility and steps that the consumer can take to re-enroll if they remain eligible.<sup>19</sup> Please note that **all** ETCs, whether using USAC to recertify their consumers or recertifying consumers on their own, must "complete" recertification by December 31, 2016. Complete means that **all** ETCs must de-enroll all subscribers who do not recertify their eligibility by December 31, 2016 and make any necessary updates to the NLAD within one business day thereafter.<sup>20</sup> As noted above, all active subscribers enrolled in

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<sup>12</sup> For example, if a state performs the recertification only for subscribers qualifying under the Supplemental Security Income program and the Supplemental Nutrition Assistance Program (SNAP), these subscribers could not be subject to the USAC recertification process. However, subscribers qualifying under the other uniform eligibility criteria in that state could be subject to the USAC recertification process if the ETC so elects. We direct ETCs and state agencies to work together so that only those subscribers signed up prior to 2016 and who are on an ETC's February 2016 FCC Form 497 are subject to state agency recertification.

<sup>13</sup> We encourage state agencies to notify the Bureau and USAC whether they are recertifying subscribers and under what circumstances (e.g., only those subscribers receiving SNAP benefits).

<sup>14</sup> USAC will provide additional guidance to ETCs regarding grouping after it has received all subscriber lists.

<sup>15</sup> We direct USAC to provide notice to such ETCs as soon as practicable prior to the initiation of each ETC's recertification process.

<sup>16</sup> This process ensures that consumers who are no longer enrolled with an ETC are not contacted by USAC to recertify and that those consumers who have changed residences will in fact receive USAC's notices.

<sup>17</sup> See *2012 Lifeline Reform Order*, 27 FCC Rcd at 6420, para. 142; 47 CFR § 54.405(e)(4).

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

<sup>19</sup> We direct USAC to post additional details regarding the timing and content of the automated texts and calls at least 30 days prior to transmission of the first de-enrollment messages to consumers.

<sup>20</sup> See 47 CFR § 54.404(b)(10) (one business day to update NLAD after de-enrolling a subscriber). See also *Wireline Competition Bureau Reminds Carriers That They Must Re-certify Eligibility of All Lifeline Subscribers by December 31, 2012*, WC Docket No. 11-42, Public Notice, 27 FCC Rcd 12327 (WCB 2012) ("ETCs and state

(continued....)

Lifeline prior to 2016 and for which the ETC sought reimbursement on its February 2016 FCC Form 497 are subject to recertification in 2016.

10. We conclude that good cause exists to make the procedures established in this Public Notice effective immediately upon publication in the Federal Register, pursuant to section 553(d)(3) of the Administrative Procedure Act.<sup>21</sup> We find good cause based on the need for the procedures to be in place and available to ETCs in time for ETCs to be able to submit their elections to USAC, and provide USAC with a subscriber list in time to comply with the procedures we adopt here.

11. For further information, please contact Christian Hoefly, Telecommunications Access Policy Division, Wireline Competition Bureau at (202) 418-3607; [christian.hoefly@fcc.gov](mailto:christian.hoefly@fcc.gov).

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agencies must recertify their base of subscribers as of June 1, 2012 and must complete the recertification process by December 31, 2012.”); *id.* at 12328 (recertification is “not complete” until the ETC has de-enrolled the non-responding or ineligible subscriber).

<sup>21</sup> 5 U.S.C. § 553(d)(3).