



PUBLIC NOTICE

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WIRELINE COMPETITION BUREAU ANNOUNCES THE LAUNCH OF THE NATIONAL LIFELINE ELIGIBILITY VERIFIER IN OREGON AND TEXAS

WC Docket No. 11-42

By this Public Notice, the Wireline Competition Bureau (Bureau) announces the full launch of the National Lifeline Eligibility Verifier (National Verifier) in Oregon and Texas, effective November 18, 2020.¹

Given the unique circumstances in Oregon and Texas, where the respective state agencies conduct Lifeline eligibility determinations directly, the Bureau and USAC have collaborated with the states to enable them to continue to conduct eligibility verification for the federal Lifeline program in partnership with National Verifier.² Oregon and Texas have managed eligibility verification and duplicate checking for the federal Lifeline program in parallel with administering their own state low-income subsidy programs for many years. Additionally, pursuant to waivers granted under the *2012 Lifeline Order*, Oregon and Texas do not participate in the National Lifeline Accountability Database (NLAD).³ In light of those waivers and the systems Oregon and Texas already have in place, the National Verifier will leverage the states' existing processes (and automated database connections) so that Lifeline consumers in Oregon and Texas can continue to apply using a streamlined state application process for both federal and state benefits.⁴

Consumers seeking to enroll in the Lifeline program will use the states' existing application processes, with the most notable change in the application process for consumers in Oregon who live on Tribal lands. For these consumers, eligibility verification is currently handled by their eligible telecommunications carrier (ETC) rather than the Oregon Public Utility Commission (PUC). Starting on November 18, 2020, however, the Oregon PUC will take responsibility for eligibility verification for all new enrollments for Oregon consumers on Tribal lands, and ETCs must cease using legacy eligibility

¹ See *Lifeline and Link Up Reform and Modernization et al.*, Third Report and Order, Further Report and Order, and Order on Reconsideration, 31 FCC Rcd 3962, 4021, para. 165 (2016) (*2016 Lifeline Order*) (directing the Bureau to "issue a notification to all interested participants providing information about effective dates and any other relevant obligations" as USAC deploys the National Verifier in each state).

² *Wireline Competition Bureau Announces the Next National Lifeline Eligibility Verifier Launch in Three States*, Public Notice, 34 FCC Rcd 12302 (WCB 2019) (announcing the December 20, 2019 soft launch of the National Verifier in California, Oregon, and Texas). The Bureau will issue a separate Public Notice announcing full launch of the National Verifier in California.

³ See *Lifeline and Link Up Reform and Modernization et al.*, Report and Order and Further Notice of Proposed Rulemaking, 27 FCC Rcd 6656, 6752, para. 221 (2012) (*2012 Lifeline Order*); *Wireline Competition Bureau Clarifies Minimum Requirements for States Seeking to Opt Out of the National Lifeline Accountability Database*, Public Notice, 27 FCC Rcd 12321 (WCB 2012).

⁴ This approach will allow the National Verifier to leverage automated connections to eligibility databases available in Oregon and Texas, which are used as part of the existing eligibility verification processes in these states.

processes for such subscribers. The Oregon PUC will also conduct reverification of existing Lifeline subscribers on Tribal lands to ensure they are eligible for the federal discount.⁵ The Oregon PUC will work closely with affected ETCs and consumers to provide necessary information and training to ensure a smooth transition.

USAC will continue to partner with Oregon and Texas on additional program integrity measures that were implemented during the National Verifier soft launch period. During the soft launch, Oregon and Texas began sharing state eligibility data for USAC to validate ETCs' claims for federal Lifeline support and conduct sampling of state eligibility determinations to ensure compliance with FCC rules. For claims validations, USAC compares each state's monthly subscriber list with the claims each carrier submits in the Lifeline claims system and rejects any claims that do not match.

USAC will continue to use the National Verifier to review state eligibility information and documentation to ensure that state eligibility determinations are made in accordance with the Commission's rules. USAC reviews a statistically valid sample (at a 95% confidence level) of each state's eligibility determinations each month to confirm those decisions are consistent with FCC rules. If any state sample has an error rate of 5% or more, the sample size will be increased to reach a 99% confidence level until the state satisfies the higher threshold for at least three consecutive months.⁶

Where USAC identifies errors that indicate a potential violation of FCC rules, USAC will work with the state to determine the appropriate resolution to ensure that only eligible consumers are receiving the federal Lifeline benefit. When appropriate, such resolution will consist of the state either reverifying the subscriber's eligibility, de-enrolling the subscriber, and/or pursuing available enforcement remedies.⁷ However, USAC and the Commission reserve the right to take appropriate action to direct an ETC to de-enroll a subscriber, deny reimbursement for an ineligible subscriber, recover improper payments, and/or refer the matter to the FCC's Enforcement Bureau and Office of Inspector General for further investigation of the ETC's compliance when necessary.⁸ Additionally, USAC may recommend best practices for the state to consider implementing to further strengthen program integrity.

This partnership is contingent upon the continued good faith cooperation by the states in providing necessary data and information for USAC to validate ETC reimbursement claims and ensure consistency between state eligibility determinations and Commission rules. To the extent the Bureau determines that a state is not providing the eligibility data or documentation needed to ensure that this approach fulfills the Commission's objectives in establishing the National Verifier, or a state is not complying with the conditions upon which it was permitted to opt out of the NLAD, the Bureau may

⁵ Pursuant to the Bureau's recent orders waiving reverification and certain other Lifeline rules in response to the COVID-19 pandemic, Oregon will commence reverification within 60 days of when the waivers expire. *See Lifeline and Link Up Reform and Modernization*, Order, 35 FCC Rcd 2729 (WCB 2020) (waiving reverification and recertification requirements for 60 days beginning March 17, 2020); *Lifeline and Link Up Reform and Modernization*, Order, 35 FCC Rcd 2950 (WCB 2020) (waiving usage and general de-enrollment requirements and extending prior waiver until May 29, 2020); *Lifeline and Link Up Reform and Modernization*, Order, 35 FCC Rcd 4482 (WCB 2020) (relaxing income documentation requirements and extending prior waivers until June 30, 2020); *Lifeline and Link Up Reform and Modernization*, Order, 35 FCC Rcd 5510 (WCB 2020) (waiving certain requirements to make it easier for subscribers in rural areas on Tribal lands to begin receiving Lifeline service and extending prior waivers until August 31, 2020); *Lifeline and Link Up Reform and Modernization*, Order, 35 FCC Rcd 8791 (WCB 2020) (extending prior waivers until November 30, 2020).

⁶ Sampling has been underway in Oregon and Texas since early 2020. So far, no reviews have triggered the need to increase the sample size.

⁷ Any reverification and de-enrollment activities must be conducted consistent with any waiver orders issued by the Bureau as part of the Commission's efforts to keep Lifeline subscribers connected during the COVID-19 pandemic. *See supra* note 5.

⁸ *See id.*

revoke a state's NLAD opt-out status and rely exclusively on the National Verifier and related federal processes for conducting both eligibility and duplicate checks for all Lifeline applicants in that state.

Finally, we emphasize that ETCs remain responsible for any fraud that forms the basis of their claims for Lifeline reimbursement, and this modified process for the National Verifier full launch, in which state agencies will process Lifeline applications and recertifications and conduct eligibility verification, does not provide a "safe harbor" for ETCs that improperly claim or obtain reimbursement.⁹

For further information, please contact Allison Jones of the Wireline Competition Bureau's Telecommunications Access Policy Division at Allison.Jones@fcc.gov or (202) 418-1571.

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⁹ See *Lifeline Providers Remain Liable for Ensuring the Eligibility of Their Subscribers to Receive Lifeline Service*, Public Notice, FCC Enforcement Advisory, 34 FCC Rcd 11934 (EB 2019); *Wireline Competition Bureau Reminds Eligible Telecommunications Carriers of Their Ongoing Responsibility to Claim Lifeline Support Only for Eligible Low-Income Consumers*, Public Notice, 32 FCC Rcd 5129 (WCB 2017).