**­­Before the**

Federal Communications Commission

**Washington, D.C. 20554**

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| In the Matter ofCity Communications, Inc. |  **)** **)** **)** **)** **)** **)** **)** | WC Docket No. 21-450File No.: EB-FD-22-00034222NAL Acct. No.: 202432200001FRN: 0023589245 |

REMOVAL order

**Adopted: May 9, 2024 Released: May 9, 2024**

By the Chief, Enforcement Bureau:

1. The Enforcement Bureau (Bureau) of the Federal Communications Commission (FCC or Commission) issues this Order pursuant to section 54.1801(e)(2)(iii)(D) of the Commission’s rules[[1]](#footnote-3) to provide written notice to City Communications, Inc. (City Communications or City) that the Bureau has considered its response to the Commission’s Order Initiating Removal Proceeding[[2]](#footnote-4), that City’s request to not be permanently removed from the Affordable Connectivity Program (ACP) [[3]](#footnote-5) has been **DENIED**, and that City is hereby **ORDERED** removed from the ACP.

# BACKGROUND

1. On January 26, 2024, following an extensive investigation by the Bureau, the Commission released a Notice of Apparent Liability (NAL) and Order Initiating Removal Proceeding alleging that City Communications engaged in serious, willful misconduct in violation of multiple ACP rules, and explaining that this misconduct harms ACP and its participants and warrants removal from the program under the ACP removal procedures in section 54.1801(e)(2)(iii) of the Commission’s rules.[[4]](#footnote-6) This action triggered additional interim steps taken by the Commission to protect the integrity of the ACP by directing the Universal Service Administration Company (USAC) to place a hold on any disbursements to City pending the removal proceedings, suspend City’s ability to enroll and/or transfer new subscribers, and remove City from the Commission’s list of providers and USAC’s Companies Near Me tool.[[5]](#footnote-7)
2. In the NAL, the Commission proposed a forfeiture penalty of $16,971,253 for apparently willful and repeated violations of FCC rules relating to the ACP and the federal wire fraud statute.[[6]](#footnote-8) The Commission identified substantial evidence showing City apparently violated ACP rules and took actions indicating “a lack of business integrity or business honesty that seriously and directly affects the company’s responsibilities” under the ACP and harms prospective and existing program participants.[[7]](#footnote-9) Specifically, as described in the NAL, the Bureau’s investigation developed evidence that, from at least March 2022 through July 2023, City repeatedly sought and received ACP funding for at least 1,837 subscribers who were improperly enrolled in the program.[[8]](#footnote-10) City submitted these 1,837 enrollments by repeatedly using only three non-subscriber benefit qualifying persons (BQPs) as the basis for ACP eligibility.[[9]](#footnote-11) Of the 1,837 subscribers City enrolled using only four non-subscriber BQPs, the Bureau’s analysis of a sample of 185 of those subscribers was able to verify that only one of the 185 subscribers had an address that matched the address listed in the enrollment information.[[10]](#footnote-12) The Bureau was further unable to locate two of the 185 subscribers (meaning the subscribers could not be found in any online searches using the name, date of birth, and Social Security number provided in the enrollment data).[[11]](#footnote-13) Despite these improper enrollments, City repeatedly falsely certified in its reimbursement requests to the FCC and USAC that it was in compliance with the Commission’s rules;[[12]](#footnote-14) based on these misrepresentations made under penalty of perjury, City received funding from the ACP.[[13]](#footnote-15) City submitted these reimbursement requests via interstate wires in apparent violation of the federal wire fraud statute.[[14]](#footnote-16) This conduct apparently violated multiple ACP rules (including, but not limited to, sections 54.1805, 54.1806(b), 54.1808(e)(3), and 54.1810(i))[[15]](#footnote-17) designed to ensure only eligible subscribers receive the ACP benefit, that the ACP benefit is limited to one per eligible household, and to prevent fraud, waste and abuse in the program.
3. During its investigation, the Bureau attempted to contact a sample of purported City ACP customers to verify their receipt of service and the ACP benefit.[[16]](#footnote-18) Out of the fifteen subscribers the Bureau attempted to reach by phone, the Bureau was unable to reach any purported subscribers, and six of the cellular phone numbers were no longer in service at the time of the Bureau’s calls.[[17]](#footnote-19) The Bureau also attempted to contact more than 200 purported City subscribers via email. Only one subscriber responded, stating that they had begun the ACP application process with City, but never completed it.[[18]](#footnote-20) City claimed this individual as a subscriber in reimbursement requests and received ACP reimbursement for them for two months.[[19]](#footnote-21)
4. The Bureau also found evidence of large payments made by check and electronic transfer to individuals and other companies from the bank account City used to receive ACP reimbursements to individuals and other companies, without identification of a business purpose.[[20]](#footnote-22) These included multiple transfers to Ashar Syed, City’s owner and CEO.[[21]](#footnote-23)
5. Based on the above evidence of fraudulent enrollments in ACP and fraudulent receipt of federal funds, the Commission found cause to initiate proceedings to remove City from participating in the ACP, in accordance with ACP removal rules in section 54.1801(e)(2) of the Commission’s ACP rules.[[22]](#footnote-24) Section 54.1801(e)(2)(ii) of the ACP rules permits removal of a participating provider from the ACP for “[v]iolations of the rules or requirements of the Affordable Connectivity Program [or] the Emergency Broadband Benefit Program . . . [or for committing] [a]ny action that indicates a lack of business integrity or business honesty that seriously and directly affects the provider's responsibilities under the Affordable Connectivity Program, that undermines the integrity of the Affordable Connectivity Program, or that harms or threatens to harm prospective or existing program participants, including without limitation fraudulent enrollments.”[[23]](#footnote-25) The Bureau and/or the Wireline Competition Bureau may initiate a removal proceeding “[i]f the Commission develops information from Commission-led or sponsored investigations . . . or from other credible sources that yields credible allegations of misconduct[.]”[[24]](#footnote-26) As described above, the Bureau’s investigation, as presented in the NAL, developed allegations of violations of the Commission’s ACP rules and also conduct by City indicating a lack of business integrity and honesty that harms the program.
6. The NAL provided City with notice that the Commission was commencing proceedings to remove City from participating in the ACP and ordered City to respond within 30 days with any relevant evidence demonstrating that a rule violation or other conduct warranting removal had not in fact occurred, and that City should not be removed from the program.[[25]](#footnote-27) The NAL also served as notice to City that, as provided in section 54.1801(e)(2)(iii)(B) of the Commission’s rules,[[26]](#footnote-28) the Bureau and/or Wireline Competition Bureau would take interim measures authorized under the ACP rules pending the outcome of the removal process.[[27]](#footnote-29)
7. On February 20, 2024, the Commission directed USAC to place an interim hold on any ACP disbursements to City pending the removal proceedings.[[28]](#footnote-30) USAC sent a Delay of Disbursement Notification to City on February 28, 2024.[[29]](#footnote-31)
8. City requested and received a 45-day extension and timely responded to the NAL and Order Initiating Removal Proceeding on April 11, 2024.[[30]](#footnote-32) City argues the following in its response to the NAL and Order Initiating Removal Proceeding: (1) that the improper enrollments were conducted by agents without any knowledge by City; (2) that because City relied on the National Verifier for its ACP enrollments, it is shielded from liability under the ACP “safe harbor” provision;[[31]](#footnote-33) and (3) that the Commission’s proposed forfeiture was unlawful and incorrectly calculated.[[32]](#footnote-34)

# NOTIFICATION AND ORDER

1. After fully considering City’s response to the NAL and Order Initiating Removal Proceeding, we find that City has not provided relevant evidence[[33]](#footnote-35) demonstrating that a rule violation or other conduct warranting removal has not occurred.
2. City does not refute the Commission’s evidence that it improperly enrolled subscribers with duplicate BQP information and/or false address information. Instead, City admits that agents and sub-agents it contracted to enroll subscribers in the ACP on its behalf did in fact repeatedly enroll multiple customers using a single BQP,[[34]](#footnote-36) and that City subsequently sought ACP funding for those subscribers.[[35]](#footnote-37) City attempts to disclaim liability based on its agents’ conduct, but the Commission has consistently held regulated parties responsible for violations of the Commission’s rules committed by agents and found that “[l]icensees and other Commission regulatees are responsible for the acts and omissions of their employees and independent contractors.”[[36]](#footnote-38) In addition, ACP rules make clear that City is responsible for the conduct of its agents and sub-agents. Section 54.1801(f)(3)(ii) of the Commission’s rules states that a participating provider “is liable for violations of the Affordable Connectivity Program rules and that its liability extends to violations by its agents, contractors, and representatives[.]”[[37]](#footnote-39) Further, section 54.1801(f)(3)(iii) states that “[f]ailure to be in compliance and remain in compliance with the Affordable Connectivity Program rules and orders, or for its agents, contractors, or representatives to fail to be in compliance, may result in the denial of funding, cancellation of funding commitments, and the recoupment of past disbursements[.]”[[38]](#footnote-40)
3. City also argues against removal by invoking the safe harbor provision of the Consolidated Appropriations Act, 2021;[[39]](#footnote-41) however, that narrow provision is inapplicable here. The Infrastructure Investment and Jobs Act of 2021 (Infrastructure Act), under which ACP was established, left unchanged the safe harbor provision in the Consolidated Appropriations Act stating that the Commission may not enforce a violation of the Act *using sections 501, 502, or 503 of the Communications Act*, or any rules promulgated under those sections, if a participating provider can demonstrate good faith reliance on information it obtains to make any verification required by section 904(b)(2) of the Consolidated Appropriations Act.[[40]](#footnote-42) Significantly, this safe harbor is limited *exclusively* to enforcement actions under sections 501, 502, or 503 of the Communications Act, as amended.[[41]](#footnote-43) But the removal provisions that the Commission invoked in its Order Initiating Removal Proceeding are independent of sections 501 through 503 of the Communications Act. The authority for the ACP involuntary removal provisions under section 1801(e) of the Commission’s rules[[42]](#footnote-44) is the Infrastructure Act that authorized the Affordable Connectivity Program and not sections 501, 502 or 503 of the Communications Act.[[43]](#footnote-45) Therefore, the safe harbor provisions on which City seeks to rely are not triggered in this proceeding in which the Commission seeks to remove City under the ACP rules. While such safe harbor provisions may be applicable to City’s defense of the forfeiture proposed in the Commission’s NAL, which arises under section 502 of the Communications Act, those possible safe harbor defenses are unavailing here because the safe harbor provision itself is not applicable.[[44]](#footnote-46)
4. Further, even if these safe harbor provisions did apply to removal proceedings—which they do not—City has failed to present evidence to demonstrate that the company acted in good faith sufficient to fall within the protection of any safe harbor provisions. As the Commission explained in the *ACP Order*, “the safe harbor applies to providers who act in *good faith* with respect to the eligibility verification processes…”[[45]](#footnote-47) Good faith has generally been defined as “honesty in fact in the conduct or transaction concerned.”[[46]](#footnote-48) The Commission stated in its Emergency Broadband Benefit (EBB) and ACP orders that, in determining whether the safe harbor applies, “[g]ood faith will be determined on the totality of the circumstances surrounding the participating providers actions or statements.”[[47]](#footnote-49)
5. City, by its own admission, failed to implement the policies, procedures, and internal checks that the Commission’s rules require as part of the eligibility verification process under section 54.1806(a)(4) and (b) of our rules.[[48]](#footnote-50) These admitted rule violations undercut its allegations of good faith. Section 54.1806(b) requires carriers to “implement policies and procedures for ensuring that their ACP households are eligible.” Rather than implement any form of oversight policies or internal procedures, as section 54.1806(b) requires, City instead states that its “policy” was to simply rely on the National Verifier to ensure eligibility. But the evident purpose of this rule was to provide for oversight in addition to the National Verifier, including requirements that providers implement their own policies and procedures to ensure that subscribers are eligible to receive support,[[49]](#footnote-51) and City’s self-serving interpretation would vitiate if not nullify section 54.1806(b). Its conduct demonstrates a conscious decision by City to abdicate its responsibilities to provide sufficient oversight through internal policies and procedures to identify eligibility problems or ensure compliance with eligibility requirements.
6. Similarly, City concedes that it failed to “[c]heck [its] own electronic systems . . . to confirm that the household is not already receiving another affordable connectivity benefit from that participating provider,” as required by section 54.1806(a)(4).[[50]](#footnote-52) City suggests that it would be liable only if it had conducted those checks, identified problems, and still filed for reimbursement. This demonstrates bad faith and a complete disregard for City’s obligations as a provider. City first violates the requirement to conduct oversight checks, despite its clear obligation to do so, and then tries to benefit from that failure by claiming a *self-imposed ignorance* of eligibility violations as the basis for its good faith. This argument suggests that City failed to perform the internal checks the Commission’s rules require for one reason alone: it did not want to find any problems with eligibility. And if a provider abdicates its oversight responsibilities and fails to look for problems, it will not find them. This conduct, in blatant violation of the Commission’s rules, undercuts any claims that City acted in “good faith.” To the contrary, City’s actions demonstrate the “lack of business integrity or business honesty that seriously and directly affects the provider’s responsibility under the Affordable Connectivity Program” and justifies its removal for cause under section 54.1801(e)(2)(ii) of the Commission’s rules.
7. In addition to City’s failure to implement the policies, procedures, and oversight required by ACP rules and designed to ensure ACP benefits are provided only to eligible households, City’s actions and statements throughout its participation in the program suggest a lack of good faith in its conduct before the Commission. As described in the NAL, City made repeated misrepresentations,[[51]](#footnote-53) including providing a false location as its business address, to the Commission, both in its applications to participate in EBB and the ACP, and also when responding to the Bureau during its investigation.[[52]](#footnote-54) These misrepresentations demonstrate a “lack of candor” in City’s dealings with the Commission[[53]](#footnote-55) and served as the basis for the NAL’s proposed forfeiture for violation of section 1.17 of the Commission’s rules.[[54]](#footnote-56) City never corrected these statements and does not address or offer any explanation in its NAL response. Based on the “totality of the circumstances surrounding [City’s] actions or statements,”[[55]](#footnote-57) we find that City has not acted in good faith in its participation in the ACP, did not “reasonably rely” on the National Verifier, and therefore cannot avail itself of the ACP safe harbor.
8. Finally, we note that City’s response focuses primarily on the duplicate non-subscriber BQP issue and ignores the many other violations raised in the NAL that support the conclusion that City acted without business integrity or business honesty. These include the following allegations: (1) that a subscriber City claimed for reimbursement told the Bureau that they had started the ACP application with City, did not complete it, never enrolled with City, and had never received service from City; (2) that bank records show City made large transfers from its account used to receive ACP reimbursement to various individuals and companies, without any apparent business justification; (3) that City repeatedly reported in its filings to the Commission business addresses where City did not actually operate; and (4) that the Bureau identified City subscribers who were never associated with their purported enrollment addresses.[[56]](#footnote-58) This evidence, which City does not dispute in its response, all indicates a lack of good faith and “a lack of business integrity or business honesty that seriously and directly affects the provider's responsibilities under the Affordable Connectivity Program.”[[57]](#footnote-59) For these and all the other reasons discussed in the NAL and above, City’s response fails to “demonstrate[e] that a rule violation or other conduct warranting removal has not in fact occurred and that the provider should not be removed from the Affordable Connectivity Program.”[[58]](#footnote-60)
9. Based on the findings in the Bureau’s investigation, as described in the NAL, a preponderance of the evidence[[59]](#footnote-61) demonstrates that City violated ACP rules and took actions indicating a lack of business integrity and business honesty that seriously and directly affects its responsibilities under the ACP and harms prospective and existing program participants. Accordingly, the evidence warrants removal of City from the ACP and any successor programs.

# ORDERING CLAUSES

1. Accordingly, **IT IS** **ORDERED** that, pursuant to section54.1801(e)(2)(iii)(D), 47 CFR § 54.1801(e)(2)(iii)(D), City Communications, Inc.’s authorization to participate in the Affordable Connectivity Program is revoked, and City Communications, Inc. is immediately removed from the program.[[60]](#footnote-62) City Communications, Inc. is barred from seeking to rejoin, and from participating in, the Affordable Connectivity Program for five (5) years. City Communications, Inc. is similarly barred from participation in any Affordable Connectivity Program successor program for five (5) years. City may seek reconsideration or a stay of this determination as provided under section 54.1801(e)(2)(iii)(E), 47 CFR § 54.1801(e)(2)(iii)(E), of the Commission’s rules.
2. **IT IS FURTHER ORDERED** that copies of this Order shall be filed in WC Docket No. 21-450 and sent by email and first class mail to: Jennifer Bagg, HWG LLP, Counsel for City Communications, Inc., 1919 M Street NW Washington, DC 20036, jbagg@hwglaw.com.
3. Any questions may be directed to Meghan Ingrisano, Chief, Fraud Division, Enforcement Bureau, at meghan.ingrisano@fcc.gov and/or Noah Stein, Deputy Bureau Chief, Wireline Competition Bureau, at noah.stein@fcc.gov.

FEDERAL COMMUNICATIONS COMMISSION

Loyaan A. Egal

Chief

Enforcement Bureau

1. 47 CFR § 54.1801(e)(2)(iii)(D). [↑](#footnote-ref-3)
2. *City Communications, Inc.*, Notice of Apparent Liability for Forfeiture and Order Initiating Removal Proceeding, FCC 24-13, para. 98 (Jan. 26, 2024) (City NAL). [↑](#footnote-ref-4)
3. City Communications, Inc.’s Written Statement Seeking Reduction or Cancellation of Proposed Forfeiture and Opposing Removal (Apr. 11, 2024) (City Response). City filed a public version of its response in WC Docket No. 21-450, as required by the NAL, on May 6, 2024. [↑](#footnote-ref-5)
4. *See generally* City NAL. [↑](#footnote-ref-6)
5. *Id.* at para. 96; Letter from Loyaan A. Egal, Chief, Enforcement Bureau, Jae Seong, Chief Financial Officer, Office of the Managing Director, Trent Harkrader, Chief, Wireline Competition Bureau, Fed. Commc’ns Comm’n to Michelle Garber, Vice President of Finance and Chief Financial Officer, Universal Service Admin. Co. (Feb. 20, 2024) (FCC Letter to USAC). [↑](#footnote-ref-7)
6. City NAL, *supra* note 2, atpara. 91. [↑](#footnote-ref-8)
7. *See generally id.*  [↑](#footnote-ref-9)
8. *Id.* at para. 74. [↑](#footnote-ref-10)
9. *Id.* at para. 42. [↑](#footnote-ref-11)
10. *Id.* at para. 46. [↑](#footnote-ref-12)
11. *Id.* [↑](#footnote-ref-13)
12. *Id.* at paras. 71-74. [↑](#footnote-ref-14)
13. *Id.* at para. 37. [↑](#footnote-ref-15)
14. *Id.* at paras. 66-70. [↑](#footnote-ref-16)
15. *Id.* at para. 95. [↑](#footnote-ref-17)
16. *Id.* at para. 51. [↑](#footnote-ref-18)
17. *Id.* [↑](#footnote-ref-19)
18. *Id.* at para. 52. [↑](#footnote-ref-20)
19. *Id.* [↑](#footnote-ref-21)
20. *Id.* at paras. 33-34. [↑](#footnote-ref-22)
21. *Id.* at para. 34. *See also* Declaration of Ashar Syed at para. 2. [↑](#footnote-ref-23)
22. 47 CFR § 54.1801(e)(2). [↑](#footnote-ref-24)
23. *Id.* § 54.1801(e)(2)(ii)(A)-(B). [↑](#footnote-ref-25)
24. *Affordable Connectivity Program*, WC Docket No. 21-450, Report and Order and Further Notice of Proposed Rulemaking, 37 FCC Rcd 484, 596, para. 242 (2022) (*ACP Order*). [↑](#footnote-ref-26)
25. City NAL, *supra* note 2,atparas. 93-97. [↑](#footnote-ref-27)
26. 47 CFR § 54.1801(e)(2)(iii)(B). [↑](#footnote-ref-28)
27. City NAL, *supra* note 2,atpara. 96. [↑](#footnote-ref-29)
28. FCC Letter to USAC, *supra* note 5. [↑](#footnote-ref-30)
29. Letter from Tim O’Brien, Vice President of Lifeline and Affordable Connectivity Program, Universal Service Admin. Co. to Faraz Mobeen, City Commc’ns (Feb. 28, 2024). [↑](#footnote-ref-31)
30. City Response, *supra* note 3. While City emailed its response to the Commission on April 11, 2024, it filed a public version of the response in WC Docket No. 21-450, as required by the NAL, on May 6, 2024. [↑](#footnote-ref-32)
31. The ACP safe harbor provision states that the Commission may not enforce an ACP violation where the provider has used the National Verifier for eligibility determinations and has acted “in *good faith* with respect to the eligibility verification processes…” *ACP Order*, *supra* note 23, at 594, para. 238; *see* 47 U.S.C. § 1752(j) (ACP safe harbor provision). [↑](#footnote-ref-33)
32. *See* City Response, *supra* note 2. We note that the NAL’s proposed forfeiture is not at issue for the removal proceeding and shall be addressed separately by the Commission. [↑](#footnote-ref-34)
33. 47 CFR § 54.1801(e)(2)(iii)(C). [↑](#footnote-ref-35)
34. City Response, *supra* note 3, at 4-5; Ashar Syed Declaration at paras. 6-12. [↑](#footnote-ref-36)
35. City Response, *supra* note 3, at 5. [↑](#footnote-ref-37)
36. *Lifeline and Link Up Reform and Modernization*, WC Docket No. 11-42, Report and Order and Further Notice of Proposed Rulemaking, 27 FCC Rcd 6656, 6709, para. 110 (2012). *See also* [*Bethune-Cookman College, Inc.*, Forfeiture Order, 24 FCC Rcd 4513, 4515, para. 8 (EB 2009)](https://www.westlaw.com/Link/Document/FullText?findType=Y&serNum=2018589186&pubNum=4493&originatingDoc=I0f42693f529911e1bd1192eddc2af8cc&refType=CA&fi=co_pp_sp_4493_4515&originationContext=document&vr=3.0&rs=cblt1.0&transitionType=DocumentItem&contextData=(sc.History*oc.Default)#co_pp_sp_4493_4515) (citing [*Eure Family Limited Partnership*, Memorandum Opinion and Order, 17 FCC Rcd 21861, 21863-64, para. 7 (2002)](https://www.westlaw.com/Link/Document/FullText?findType=Y&serNum=2002693890&pubNum=4493&originatingDoc=I0f42693f529911e1bd1192eddc2af8cc&refType=CA&fi=co_pp_sp_4493_21863&originationContext=document&vr=3.0&rs=cblt1.0&transitionType=DocumentItem&contextData=(sc.History*oc.Default)#co_pp_sp_4493_21863)); [*MTD, Inc.*, Memorandum Opinion and Order, 6 FCC Rcd 34 (1991)](https://www.westlaw.com/Link/Document/FullText?findType=Y&serNum=1991222900&pubNum=0004493&originatingDoc=I0f42693f529911e1bd1192eddc2af8cc&refType=CA&originationContext=document&vr=3.0&rs=cblt1.0&transitionType=DocumentItem&contextData=(sc.History*oc.Default)) (holding that a company’s reliance on an independent contractor to construct a tower in compliance of FCC rules does not excuse that company from a forfeiture); [*Wagenvoord Broadcasting Co.*, Memorandum Opinion and Order, 35 FCC 2d 361 (1972)](https://www.westlaw.com/Link/Document/FullText?findType=Y&serNum=1972024145&pubNum=0001017&originatingDoc=I0f42693f529911e1bd1192eddc2af8cc&refType=CA&originationContext=document&vr=3.0&rs=cblt1.0&transitionType=DocumentItem&contextData=(sc.History*oc.Default)) (holding a licensee responsible for violations of FCC rules despite its reliance on a consulting engineer); [*Petracom of Joplin, L.L.C.*, 19 FCC Rcd 6248 (EB 2004)](https://www.westlaw.com/Link/Document/FullText?findType=Y&serNum=2004293860&pubNum=0004493&originatingDoc=I0f42693f529911e1bd1192eddc2af8cc&refType=CA&originationContext=document&vr=3.0&rs=cblt1.0&transitionType=DocumentItem&contextData=(sc.History*oc.Default)) (holding a licensee liable for its employee’s failure to conduct weekly EAS tests and to maintain the “issues/programs” list); *Total Call Mobile, Inc.*, Notice of Apparent Liability for Forfeiture and Order, 31 FCC Rcd 4191 (2016) (proposing a forfeiture against the provider based on duplicate and ineligible Lifeline enrollments submitted by agents); *Am. Broadband & Telecomms. Co.; Jeffrey S. Ansted*, Notice of Apparent Liability for Forfeiture and Order, 33 FCC Rcd 10308 (2018) (finding the provider “responsible for [its] agents and any of their conduct that violates the Commission’s rules” and proposing a forfeiture against the provider based on agents and subagents’ improper Lifeline enrollments). [↑](#footnote-ref-38)
37. 47 CFR § 54.1801(f)(3)(ii). [↑](#footnote-ref-39)
38. *Id.* § 54.1801(f)(3)(iii). [↑](#footnote-ref-40)
39. City Response, *supra* note 3, at 7-9. *See also* Consolidated Appropriations Act, Pub. L. No. 116-260, 134 Stat. 1182, 2129-63 (2020) (codified at 47 U.S.C. § 1752), available at https://www.congress.gov/bill/116th-congress/house-bill/133/text (Consolidated Appropriations Act); 47 U.S.C. § 1752(j). [↑](#footnote-ref-41)
40. *See* discussion at *ACP Order*, *supra* note 23, at 594, para. 238. [↑](#footnote-ref-42)
41. *Id.*; 47 U.S.C. § 1752(j). [↑](#footnote-ref-43)
42. 47 CFR § 54.1801(e); Infrastructure Investment and Jobs Act, Pub. L. No. 117-58, 135 Stat 429, div. F, tit. V (2021). [↑](#footnote-ref-44)
43. Infrastructure Investment and Jobs Act, Pub. L. No. 117-58, 135 Stat 429, div. F, tit. V (2021). [↑](#footnote-ref-45)
44. We note that we are not considering or making any determination on any defense to the NAL or its proposed forfeiture in this Order. [↑](#footnote-ref-46)
45. *ACP Order*, *supra* note 23, at 594, para. 238. [↑](#footnote-ref-47)
46. *Armstrong World Indus., Inc. v. Robert Levin Carpet Co*., 1999 U.S. Dist. LEXIS 7743, \*15 (E.D. Pa. May 19, 1999). [↑](#footnote-ref-48)
47. Emergency Broadband Benefit Program, WC Docket No. 20-445, Report and Order, 36 FCC Rcd 4612, 4629-30 para. 40 (2021) (*EBB Order*); *ACP Order*, *supra* note 23, at 594, para. 238. [↑](#footnote-ref-49)
48. City Response, *supra* note 3, at 9-10, 13-14. [↑](#footnote-ref-50)
49. *See, e.g.*, *ACP Order*, *supra* note 23, at 508, para. 48 (“The ACP Public Notice sought comment on whether the Commission should make clear that participating service providers are required to check their internal records for potential household and individual duplicates. For the Lifeline program, the Commission has previously made clear that providers must search their internal records for potential intra-company duplicates before enrolling a subscriber in the Lifeline program. The record does not contain opposition to this requirement, and we adopt this requirement for service providers participating in the Affordable Connectivity Program.”) (internal citations omitted), and at 603, para. 260 (“Additionally, we require all participating providers to implement policies and procedures for ensuring that their ACP households are eligible to receive the affordable connectivity program benefit.”) [↑](#footnote-ref-51)
50. City Response, *supra* note 3, at 14. [↑](#footnote-ref-52)
51. City NAL, *supra* note 2, at paras. 75-81. [↑](#footnote-ref-53)
52. *Id*. at paras. 75-76. [↑](#footnote-ref-54)
53. *Id*. at para. 19; *see* *Swan Creek Commc’ns, Inc. v. FCC*, 39 F.3d 1217, 1221-22 (D.C. Cir. 1994) (quoting *Policy Regarding Character Qualifications in Broadcast Licensing*, 102 FCC 2d 1179, 1211 (1986)). [↑](#footnote-ref-55)
54. City NAL, *supra* note 2, at para. 89; *see also* 47 CFR § 1.17. [↑](#footnote-ref-56)
55. *EBB Order*, *supra* note 45, 4629-30, para. 40; *ACP Order*, *supra* note 23, at 594, para. 238; *see also DIRECTV, LLC and AT&T Services, Inc. vs. Deerfield Media, Inc., et al.*, 35 FCC Rcd 10695, 2020 FCC Lexis 3529 (2020) (explaining that the Commission will apply an objective standard and consider the “totality of the circumstances” when assessing good faith in the negotiation of retransmission consent). [↑](#footnote-ref-57)
56. *See generally* City NAL, *supra* note 2. [↑](#footnote-ref-58)
57. 47 CFR § 54.1801(e)(2)(ii)(B). [↑](#footnote-ref-59)
58. *Id.* § 54.1801(e)(2)(iii)(C). [↑](#footnote-ref-60)
59. *Id.* § 54.1801(e)(2)(iii)(D). [↑](#footnote-ref-61)
60. A provider must issue notices to its existing subscribers regarding its removal from the program. *See* 47 CFR § 54.1801(e)(4)(ii). The first notice must be issued within 30 days of the removal determination and the second notice at least 15 days prior to the effective date of the provider’s removal from ACP. *See* 47 CFR § 54.1801(e)(4)(ii)(A). However, the Commission announced the wind-down of the Affordable Connectivity Program due to a lack of additional funding from Congress. *See Affordable Connectivity Program*, WC Docket No. 21-450, Order, DA 24-23 (WCB Jan. 11, 2024).  To the extent City did not issue such notices, should the ACP be extended, City is required to abide by the notice requirements outlined in 47 CFR § 54.1801(e)(4). [↑](#footnote-ref-62)