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United States Senate

COMMITTEE ON COMMERCE, SCIENCE,
 AND TRANSPORTATION

WASHINGTON, DC 20510-6125

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March 16, 2023

The Honorable Jessica Rosenworcel
 Chairwoman
 Federal Communications Commission
 45 L Street, NE
 Washington, DC 20554

Dear Chairwoman Rosenworcel,

Over the past three years, Congress has passed legislation appropriating billions of dollars in taxpayer funding to connect the American people, including the Coronavirus Aid, Relief, and Economic Security Act, the Consolidated Appropriations Act of 2021, the American Rescue Plan Act of 2021, and the Infrastructure Investment and Jobs Act. Relevant to your work, these acts created and funded programs to accelerate broadband access, specifically the COVID-19 Telehealth program, the Emergency Broadband Benefit program and its successor the Affordable Connectivity Program, and the Emergency Connectivity Fund for Remote Learning. Ensuring these funds are well spent is essential to improving broadband connectivity, and American families deserve to know that their taxes are going to programs free of waste, fraud, and abuse.

Unfortunately, as with other pandemic-era legislation, it appears that waste, fraud, and abuse may be widespread in these programs. In November 2021, the Federal Communications Commission (FCC) Office of Inspector General (OIG) found that broadband providers were defrauding the Emergency Broadband Benefit program, fraudulently enrolling hundreds more households at schools than there were students, and reporting retail locations as household addresses.¹ In March 2022, the OIG found that broadband providers were deceiving consumers into signing up for programs for which they did not provide consent.² In September 2022, the OIG found that broadband providers were defrauding the Affordable Connectivity Program by fraudulently enrolling households based on the same child—for example, children were used by providers to collect more than \$1.4 million in subsidies.³ Indeed, the *Washington Post* reported

¹ FCC OIG, Memorandum, *Advisory Regarding Fraudulent EBB Enrollments Based on USDA National School Lunch Program Community Eligibility Provision*, (Nov. 22, 2021), <https://docs.fcc.gov/public/attachments/DOC-378076A1.pdf>.

² FCC OIT, Memorandum, *Advisory Regarding Provider Efforts to Deceive Lifeline Consumers to Enroll for Unwanted Government-Subsidized ACP Services*, (Mar. 11, 2022), <https://docs.fcc.gov/public/attachments/DOC-381268A1.pdf>.

³ FCC OIG, Memorandum, *Advisory Regarding Provider Enrollments of Multiple ACP Households Based on the Same Child/Dependent*, (Sep. 8, 2022), <https://docs.fcc.gov/public/attachments/DOC-387009A1.pdf>.

that over 1,000 households in Oklahoma used the identity of a single child to obtain free or discounted Internet service through the Affordable Connectivity Program.⁴

And these instances may be just the tip of the iceberg. In January 2023, the U.S. Government Accountability Office (GAO) reported that the FCC had failed to establish adequate processes to identify fraud in the Affordable Connectivity Program, particularly for purposes of preventing duplicative, fictitious, and ineligible enrollments.⁵

Although the FCC and its OIG have done some good work to mitigate some of the worst instances of waste, fraud, and abuse of these programs, much more needs to be done to ensure there is a full and accurate accounting of the billions of tax dollars appropriated to these programs. To ensure adequate oversight of this vital work, we request the following information in writing no later than March 30, 2023.

For the Emergency Broadband Benefit program and the Affordable Connectivity Program, please provide the following information:

1. The amount of funding already distributed by each program;
2. The amount of funding committed to a particular provider but not yet distributed;
3. The amount of funding not yet committed to any particular provider;
4. The total number of enrollments by qualifying criteria, by program, per year;
5. The total number of subscribers enrolled through each verification process, specifically including how often subscribers are enrolled through providers' alternative eligibility verification processes;
6. The total number of de-enrollments as a result of subscribers being found ineligible by program, per year;
7. The total amount of subsidies provided for subscribers who were ultimately de-enrolled by program by year;
8. A list of enforcement actions or actions to recoup wrongful payments made by either program, along with a copy of each such action;
9. The number of Benefit Qualifying Persons currently used to qualify more than one household from the programs, and for each such instance, the number of households enrolled through the Benefit Qualifying Person;
10. An explanation of the lessons learned from the FCC's work on the Lifeline program to combat waste, fraud, and abuse in these programs;
11. A list of concerns regarding waste, fraud, and abuse flagged by the OIG, as well as when such concerns were flagged and the FCC's response; and
12. The FCC's plan to address the concerns and recommendations flagged in the GAO's January 2023 report.⁶

⁴Tony Romm, *Thousands Allegedly Bilked U.S. for Free Internet - in One Child's Name*, Washington Post (Sep. 9, 2022), <https://www.washingtonpost.com/us-policy/2022/09/08/fcc-broadband-fraud-coronavirus/>.

⁵ US GAO, Report, *Affordable Broadband: FCC Could Improve Performance Goals and Measures, Consumer Outreach, and Fraud Risk Management*, (Jan. 2023), <https://www.gao.gov/assets/gao-23-105399.pdf>.

⁶ *Id.*

For the COVID-19 Telehealth program, please provide the following information:

1. The amount of funding already distributed;
2. The amount of funding committed to a particular applicant but not yet distributed;
3. The amount of funding not yet committed to any particular applicant;
4. A list of each health care provider that requested funds, including location of the provider, how much funding was requested, how much was committed to the provider, how much has been distributed to the provider, the dates of such commitment and distribution, and what the funds were used for;
5. The number of patients that benefited from each funding award; and
6. A list of concerns regarding waste, fraud, and abuse flagged by the OIG, as well as when such concerns were flagged and the FCC's response.

For the Emergency Connectivity Fund for Remote Learning, please provide the following information:

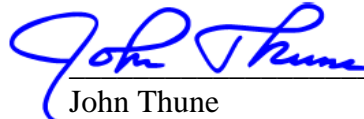
1. The amount of funding already distributed;
2. The amount of funding committed to a particular applicant but not yet distributed;
3. The amount of funding not yet committed to any particular applicant;
4. A list of each school, school district, library, or consortium that requested funds, including the location of each applicant, how much funding was requested, how much was committed to the applicant, how much has been distributed to the applicant, the dates of such commitment and distribution, and what the funds were used for;
5. For each school or school district that received funds, the date on which the school or school district closed for remote learning;
6. For each school or school district that received funds, the date on which the school or school district permanently resumed in-person learning; and
7. A list of concerns regarding waste, fraud, and abuse flagged by the OIG, as well as when such concerns were flagged and the FCC's response.

Thank you for your attention to this matter.

Sincerely,



Ted Cruz
Ranking Member
Committee on Commerce, Science,
and Transportation



John Thune
Ranking Member
Subcommittee on Communications, Media,
and Broadband