

**STATEMENT OF
COMMISSIONER BRENDAN CARR**

Re: *American Broadband & Telecommunications Company; Jeffrey S. Ansted*, File No. EB-IHD-17-00023554.

Every time a company steals a dollar from Lifeline, it undermines the goals of the program. So the FCC has a responsibility to ratepayers and beneficiaries alike to hold bad actors accountable. And this case appears to be a particularly egregious example of fraud.

American Broadband apparently defrauded the Lifeline program to the tune of millions of dollars. Here's what the facts indicate:

- it sought and received support for dead people—more than 45,000 times over just one five-month period;
- when it found live customers, it would sign them up multiple times—in one case using the same person's name more than 20 times;
- it would also manipulate data to generate fake or ghost customers—including by making up dates of birth, using vacant lots as addresses, and by inventing social security numbers;
- not to miss out on the action, one agent for the company even signed himself up, twice.

But the apparent con did not stop there. As alleged in the Notice, the owner of American Broadband illegally authorized the transfer of over \$10 million in Lifeline funds to personal accounts. And he apparently used those funds:

- to purchase a \$1.3 million condo in Florida;
- to buy a \$250,000 Ferrari;
- to pay for a country club and yacht membership; and
- for an \$8 million jet, which he used to fly to the Cayman Islands.

It would be hard to describe a more brazen or textbook example of fraud, particularly when the entire purpose of the Lifeline program is to benefit low-income individuals. So I am glad that this FCC is taking strong action to hold bad actors accountable. Thank you to the staff of the Enforcement Bureau for your diligent work on this investigation. The Notice has my support.