

**STATEMENT OF
COMMISSIONER JESSICA ROSENWORCEL**

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

The allegations that we have before us are ugly. We have a company that knew its agents were signing up bogus accounts to bilk the universal service fund and harm the Lifeline program. This company submitted ineligible claims. It slow rolled the removal of ineligible subscribers once it became clear that the jig was up. And its owner used universal service funds to purchase a Ferrari, a jet, country club memberships, and tens of thousands of dollars for landscaping. Cheating the government should have consequences—no matter who does it—because this behavior is not right.

But we should recognize that there are some other things that are not right. Last year this agency announced plans to gut Lifeline service in a manner that could cut 70 percent of its current subscribers.

Let's review who they are. We can start with the roughly 20,000 women, men, and children across the country who call a domestic violence hotline every day. Seventy-seven percent of domestic violence prevention programs distribute phones to help those who truly need a lifeline for safety. We can add the more than 500,000 Americans who live in Puerto Rico who rely on the Lifeline program for basic communications to stay connected in the aftermath of an epic storm. We can add another 1.3 million veterans who have honored us with their service and now rely on the Lifeline program in civilian life. On top of that, we can count nearly 2.2 million senior citizens who rely on this program to stay connected and healthy.

When companies cheat the Lifeline program, we need to make clear there are consequences. We need to block the door, deny them the ability to participate, and throw the book at them—as we do here. But let's lead with our humanity and not cruelty. Let's not cut off the millions of Americans who count on this program to stay connected every day.