



# PUBLIC NOTICE

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## WIRELINE COMPETITION BUREAU PROVIDES GUIDANCE TO ELIGIBLE TELECOMMUNICATIONS CARRIERS ON THE PROCESS TO ELECT USAC TO PERFORM LIFELINE RECERTIFICATION

### WC Docket No. 11-42

1. In this public notice, the Wireline Competition Bureau (Bureau) provides guidance regarding the process for eligible telecommunications carriers (ETCs) to elect the Universal Service Administrative Company (USAC) to perform Lifeline recertification for their subscribers in 2014.

2. In the 2012 *Lifeline Reform Order*, the Commission required ETCs to recertify the eligibility of ETCs' base of subscribers "annually."<sup>1</sup> Starting in 2013, ETCs had the option of having USAC conduct the annual recertification process on their behalf.<sup>2</sup> The Commission delegated to the Bureau the authority to establish, in coordination with USAC, a process for USAC to recertify subscribers.<sup>3</sup> This process for 2013 was described in detail in the *2013 Recert PN*, and, as explained below, remains largely the same for 2014.<sup>4</sup>

3. ETCs must provide notice to USAC by April 1, 2014 if they intend to have USAC perform the recertification process on their behalf for 2014. Any ETC that used USAC to perform recertification in 2013 will be presumed to elect USAC to perform recertification in 2014 unless the carrier notifies USAC otherwise by April 1, 2014.<sup>5</sup> ETCs that did not elect to use USAC last year and that do not make an election by April 1, 2014 will be responsible for conducting recertification of their subscribers.

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<sup>1</sup> See *Lifeline and Link Up Reform and Modernization et al.*, WC Docket No. 11-42 et al., Report and Order and Further Notice of Proposed Rulemaking, 27 FCC Rcd 6656, 6715, para. 130 n.337 (2012) (*Lifeline Reform Order*). In 2013, the Bureau released a public notice clarifying the meaning of "annually" in this context, and shifted the "snapshot" of subscribers to be recertified annually from the May FCC Form 497 to the February FCC Form 497. See *Wireline Competition Bureau Provides Guidance Regarding the 2013 Lifeline Recertification Process*, WC Docket No. 11-42, Public Notice, 28 FCC Rcd 7503 (Wireline Comp. Bur. 2013) (*2013 Recert PN*).

<sup>2</sup> See *Lifeline Reform Order*, 27 FCC at 6716, para. 133 n.346. ETCs electing USAC to perform the recertification may not recertify subscribers on their own.

<sup>3</sup> See *id.*

<sup>4</sup> See generally *2013 Recert PN*.

<sup>5</sup> See *id.*, 28 FCC Rcd at 7507, para. 11.

4. ETCs should perform their election or revocation by sending an email to USAC at [LiVerifications@usac.org](mailto:LiVerifications@usac.org).<sup>6</sup> USAC will provide guidance to ETCs regarding format of the information in the email.

5. Consistent with the process in 2013, USAC will recertify subscribers by mailing each subscriber a letter that provides the subscriber the notice required by section 54.405(e)(4) of the Commission's rules,<sup>7</sup> informing the subscriber that the subscriber has 30 days to recertify the subscriber's continued eligibility to receive Lifeline service or the subscriber will be de-enrolled from the Lifeline program. The letter will also explain the recertification process and how the subscriber may confirm his or her eligibility.<sup>8</sup> Subscribers will also receive a call or text message during the 30-day period to prompt a response.<sup>9</sup> Any subscriber response submitted after the 30-day deadline will not be processed, and the subscriber will be considered ineligible for the program and will be de-enrolled.<sup>10</sup>

6. USAC will provide subscribers with three methods to respond to the letter and recertify their eligibility. First, USAC will accept consumer calls made to a toll-free number, during which consumers will be able to recertify eligibility through an Inter-Active Voice Response (IVR). Second, USAC will allow consumers to verify their identity, read the certification language, and submit a response indicating they are recertifying their eligibility through a website maintained by USAC. Third, subscribers may also recertify by signing a recertification form provided by USAC and mailing the signed form to a receiving address designated by USAC.

7. ETCs that elect to have USAC recertify their Lifeline subscribers must provide USAC with their subscriber list by May 1, 2014. Consistent with the Commission's recertification requirements, the subscriber list must be based on the ETC's February 2014 FCC Form 497 and must be sent to USAC in a standardized format as instructed by USAC.<sup>11</sup> To the extent that a state agency conducts recertification for all or a portion of an ETC's subscribers, the ETC may not elect to utilize USAC for recertifying those subscribers subject to recertification by the state agency.<sup>12</sup> Therefore, prior to

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<sup>6</sup> USAC will not be providing live agent support or training materials to ETCs that have elected to use USAC.

<sup>7</sup> 47 C.F.R. § 54.405(e)(4). The recertification form to be used by USAC as well as the recertification letter to subscribers will be made available to ETCs on the USAC website prior to April 1, 2014.

<sup>8</sup> Pursuant to section 54.405(e)(4), subscribers must respond within 30 days of receiving notice that they must recertify or they will be de-enrolled within five business days after expiration of the 30-day response deadline.

<sup>9</sup> ETCs electing to have USAC conduct the recertification process on their behalf may not assess fees for text messages or minutes used by subscribers to complete the recertification process. USAC shall provide the ETCs with the number of text messages made and airtime minutes utilized in calls to such subscribers. In addition, we clarify that any inbound calls to subscribers from USAC, its third-party vendor or the ETC will not constitute "usage" for the purpose of the non-usage rule. *See* 47 C.F.R. § 54.405(e)(3) (if a subscriber fails to use his or her pre-paid Lifeline service for 60 consecutive days, an ETC must provide the subscriber 30 days' notice that he or she must use the Lifeline service within the 30-day notice period, or the Lifeline service will be terminated).

<sup>10</sup> *See* 47 C.F.R. § 54.405(e)(4).

<sup>11</sup> *Cf.* 2013 Recert PN, 28 FCC Rcd at 7507, para. 12 (format for 2013 subscriber list). USAC will provide ETCs with guidance regarding the necessary format. If any subscribers on an ETC's FCC Form 497 are no longer active by the time the ETC provides the subscriber list to USAC, the ETC should note such subscribers when transmitting the list to USAC. The ETC should also note which, if any, of these subscribers were de-enrolled due to non-usage.

<sup>12</sup> For example, if a state performs the recertification only for subscribers qualifying under the Supplemental Security Income program and the Supplemental Nutrition Assistance Program (SNAP), these subscribers could not be subject to the USAC recertification process. However, subscribers qualifying under the other uniform eligibility criteria in that state could be subject to the USAC recertification process if the ETC so elects. We direct ETCs and

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transmittal to USAC, the ETC should remove from its subscriber list those subscribers that are subject to the state agency's recertification process.<sup>13</sup> Each ETC that elects USAC to perform the recertification process will provide a toll-free number that USAC can provide to the ETC's consumers who have questions about their service.

8. USAC will complete the recertification process over a series of months, by grouping the ETCs that elect to have USAC complete the process into phases so that the influx of responses can be staggered. This grouping will be done randomly and staggered based upon USAC capacity.<sup>14</sup>

9. USAC will compile the responses and provide each ETC with a record of the subscriber recertification. USAC will provide each ETC with a list of subscribers that did not recertify, and therefore must be de-enrolled,<sup>15</sup> and provide ETCs with sufficient information to compile their FCC Form 555 at least 30 days before the annual January 31 due date. ETCs must de-enroll subscribers within five days of receiving notice from USAC that the subscriber has failed to recertify.<sup>16</sup> As noted above, all active subscribers enrolled in Lifeline prior to 2014 and for which the ETC sought reimbursement on its February 2014 FCC Form 497 are subject to recertification in 2014.

10. We conclude that good cause exists to make the procedures established in this Public Notice effective immediately upon publication in the Federal Register, pursuant to section 553(d)(3) of the Administrative Procedure Act.<sup>17</sup> We find good cause based on the need for the procedures to be in place and available to ETCs in time for ETCs to be able to submit their elections to USAC, and provide USAC with a subscriber list in time to comply with the procedures we adopt here.

11. For further information, please contact Jonathan Lechter, Telecommunications Access Policy Division, Wireline Competition Bureau at (202) 418-7387 or TTY (202) 418-7340; jonathan.lechter@fcc.gov.

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state agencies to work together so that only those subscribers signed up prior to 2014 and who are on an ETC's February 2014 FCC Form 497 are subject to state agency recertification.

<sup>13</sup> We encourage state agencies to notify the Bureau and USAC whether they are recertifying subscribers and under what circumstances (e.g., only those subscribers receiving SNAP benefits).

<sup>14</sup> USAC will provide additional guidance to ETCs regarding grouping after it has received all subscriber lists.

<sup>15</sup> See *Lifeline Reform Order*, 27 FCC Rcd at 6420, para. 142; 47 C.F.R. § 54.405(e)(4).

<sup>16</sup> See *id.*

<sup>17</sup> 5 U.S.C. § 553(d)(3).