



August 19, 2019

Filed via ECFS

Marlene Dortch, Secretary
Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

RE: Bridging the Digital Divide for Low-Income Consumers, WC Docket No. 17-287; Federal-State Joint Board on Universal Service – Lifeline and Link-Up Reform and Modernization, WC Docket No. 11-42; Telecommunications Carriers Eligible to Receive Universal Service Support, WC Docket No. 09-197

Dear Ms. Dortch:

On August 15, 2019, the undersigned representing WTA – Advocates for Rural Broadband (“WTA”) met with Nirali Patel, Special Counsel to Chairman Ajit Pai, to discuss the continued implementation of the Lifeline Representative Accountability Database (“RAD”) administered by the Universal Service Administrative Company (“USAC”). Derrick Owens of WTA, Michelle Owens of Blackfoot Telephone Cooperative, Inc. (MT), Remi Sun of Nemont (MT), Rick Vitzthum & Michor Hodgen of Scatter Creek Communications (WA), and Geoff Feiss of the Montana Telecommunications Association participated by telephone.

WTA reviewed the concerns of rural local exchange carriers (“RLECs”) with the current status of the RAD. Namely, WTA member companies are concerned that the new RAD needlessly puts the personally identifiable information (“PII”) of customer service representatives at risk while doing very little to achieve the Commission’s goal of preventing waste, fraud, and abuse.

WTA noted that there is a distinction between the “sales agents” that are alleged to be perpetrating fraud and the customer service employees that are employed by WTA members. Notably, customer service representatives of WTA members do not receive a commission for the enrollment of a Lifeline subscriber and thus have no incentive to commit the types of fraud described by the Commission and the Inspector General.¹ In particular, WTA highlighted Chairman Ajit Pai’s letter to USAC’s Acting CEO and General Counsel, which detailed how there were substantial incentives for “sales agents” to commit fraud and directed USAC to require “each sales agent to register with USAC with sufficient information so that USAC can verify the agent’s identity and determine the ETC(s) he or she works for.”² Judging from the

¹ Memorandum: Advisory Regarding Fraud in the Lifeline Program, Inspector General, Federal Communications Commission, April 16, 2019.

² Letter from Ajit V. Pai, Chairman, FCC, to Vickie Robinson, Acting CEO and General Counsel, USAC, July 11, 2017, at 4.

language of the letter and the Inspector General's memorandum, WTA argued that it thus seems inappropriate to place RAD requirements on customer service employees of wireline ETCs.

Michelle Owens highlighted the fact that Blackfoot customer service representatives do not receive a commission for the enrollment of a Lifeline subscriber and added that new measures under the National Verifier, namely that USAC now handles Lifeline verification and recertification by checking against state databases, should wipe out any additional opportunities for fraud. Owens further noted that there are employment concerns that the Commission and USAC have not considered. For example, Owens stated that customer service representatives may be unwilling to provide their PII to USAC and that such changes will likely need to be negotiated with union representatives – making it impossible to swiftly implement the RAD. She also noted that there are concerns over who would be liable if there was a potential data breach of such information, which in today's world has an unfortunately high likelihood of occurring, and that it places an undue risk on the company.

WTA called for greater transparency in the Commission's exposing where the waste, fraud, and abuse is occurring. WTA noted that there have been no allegations of Lifeline waste, fraud, and abuse in the RLEC industry and contended that most WTA members have just a handful of Lifeline recipients – further limiting their potential for fraud. WTA stated that in the chance there is fraud occurring, it is readily traceable back to the company through the National Lifeline Accountability Database (“NLAD”) and the National Verifier. As a result, WTA called for a greater emphasis to be placed on stopping the company from committing fraud rather than the employee. WTA requested that if USAC chooses to move forward with the RAD, it should change the information that must be collected. Specifically, WTA called for the collection of information related to the employee's employment with the company such as the employee's name or worker ID number, work telephone, work email, and work mailing address, rather than information related to their private lives such as their social security number, personal telephone, personal email, and personal mailing address.

WTA also registered its concern that the record has not been fully developed on this issue. WTA noted that public comment from rural providers was limited in response to questions asked in the December 2017 Lifeline NPRM³ on the topic of the RAD. WTA contends that at that time, it was not clear that RAD requirements would apply to RLECs as well as other wireline ETCs, which would explain the limited feedback the Commission received. Thus, WTA believes that it would now be beneficial for the Commission to seek further comment on RAD implementation via a public notice. WTA also agrees with ITTA's concerns that the Commission has not yet secured approval under the Paperwork Reduction Act for the collection and use of the information in the database, and further, that the Commission is moving forward with the RAD despite not resolving the questions asked in the 2017 NPRM with a subsequent Order.⁴

Pursuant to Section 1.1206(b) of the Commission's Rules, this submission is being filed for inclusion in the public record of the referenced proceeding.

³ *In re Bridging the Digital Divide for Low-Income Consumers, et al.*, WC Docket No. 17-287, 11-42, 09-197, Fourth Report and Order, Order on Reconsideration, Memorandum Opinion and Order, Notice of Proposed Rulemaking, and Notice of Inquiry, released Dec. 1, 2017, (“NPRM”).

⁴ Ex Parte Letter, ITTA, WC Docket Nos. 17-287, 11-42, 09-197, filed on June 13, 2019, at 3-4.

Respectfully submitted,

/s/ Bill Durdach

Bill Durdach
Director, Government Affairs

cc: Nirali Patel