



NEWS

Federal Communications Commission
445 12th Street, S.W.
Washington, D. C. 20554

News Media Information 202 / 418-0500
Internet: <http://www.fcc.gov>

This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action.
See MCI v. FCC, 515 F 2d 385 (D.C. Circ 1974).

FOR IMMEDIATE RELEASE:
December 11, 2013

NEWS MEDIA CONTACT:
Mark Wigfield, 202-418-0253
E-mail: mark.wigfield@fcc.gov

FCC PROPOSES NEARLY \$44 MILLION IN FINES AGAINST 3 LIFELINE PROVIDERS

Brings Total Proposed Lifeline Fines to \$90 Million in Past Three Months

Washington, D.C. – The Federal Communications Commission has proposed nearly \$44 million in fines against three companies that appear to have violated FCC rules protecting its Lifeline program against waste, fraud and abuse. Added to the eight Lifeline enforcement actions brought by the FCC in the past 90 days, these three fines bring the total amount proposed to \$90 million over that period.

The actions flow directly from the FCC's comprehensive reforms to the Lifeline program last year. Those reforms provided clear, enforceable rules to prevent and combat waste, fraud and abuse, and empower the FCC's Enforcement Bureau to crack down on violations.

To help low-income consumers afford phone service, Lifeline provides a discount on service, channeled through providers. However, to focus the program on those who truly need it, the FCC's rules limit Lifeline subscriptions to one per household. Carriers are expressly barred from seeking Lifeline support for duplicative accounts.

The Notices of Apparent Liability released today were issued against three companies that appear to have requested and/or received Lifeline support payments for individual customers who appeared on the companies' Lifeline subscriber lists more than once. The companies and proposed fines are as follows:

- Cintex Wireless (\$9,461,978)
- Telrite Corporation (\$22,399,761)
- Global Connection (\$11,702,695)

In these cases, the carriers knew or should have known, based on their own internal data, that they were not entitled to support for these duplicates under Lifeline program rules. The penalties proposed in today's NALs are in addition to recovery of universal service funds paid to the carriers for duplicative Lifeline service. The companies have 30 days to pay or contest the proposed fines.

Cintex Wireless NAL: http://hraunfoss.fcc.gov/edocs_public/attachmatch/FCC-13-156A1.pdf

Telrite Corporation NAL: http://hraunfoss.fcc.gov/edocs_public/attachmatch/FCC-13-154A1.pdf

Global Connection NAL: http://hraunfoss.fcc.gov/edocs_public/attachmatch/FCC-13-155A1.pdf