

**BEFORE THE**  
**MISSOURI PUBLIC SERVICE COMMISSION**

In the Matter of:

Staff's Investigation into the Practices	)	
and Procedures of Companies Offering	)	
Low Income (Lifeline) or Disabled	)	Docket: TO-2012-0364
Universal Service Fund Discounts in the	)	
State of Missouri	)	

**TRACFONE'S COMMENTS**

TracFone Wireless Inc. d/b/a SafeLink ("TracFone") submits its Comments on the Missouri Public Service Commission's ("Commission" or "MoPSC") Draft of Proposed Rulemaking for Chapter 31 of Title 4 Division 240 of the Code of Missouri State Regulations.

TracFone believes the new proposed rule is a positive step in modernization of the Lifeline program. TracFone is also appreciative of the fact that staff considered and incorporated feedback from carriers and other interested parties in its most recent draft of the rule. The only issue with the new rule that TracFone wishes to raise at this point is the requirement to use a Lifeline application form approved by the Missouri Universal Service Board. For the reasons stated herein, TracFone believes this requirement is burdensome and counterproductive.

Proposed 4 CSR 240-31.120(3) states as follows:

(3) Consumer Eligibility for the Lifeline and Disabled programs.

(A) All consumers shall complete the application form approved by the board and submit adequate proof of eligibility. A board-approved application shall be required even if a carrier only seeks federal Lifeline support.

The requirement to use a uniform Lifeline application form is problematic for a number of reasons. To the best of TracFone's knowledge, Missouri is the only state to

impose such a requirement.<sup>1</sup>

TracFone has put a great deal of time and effort into developing its application form to be as user friendly as possible. Many Lifeline customers have difficulty understanding complex documents, and the new FCC regulations require extensive legal verbiage to meet the certification and disclosure requirements. Further, TracFone must reject an application which has been improperly completed. TracFone has designed its application to ensure the customer understands exactly what they are required to provide in order to obtain Lifeline service. The uniform application form is more likely to result in confusion. For example, the income eligibility check requires the applicant to consult the income guidelines on page two (with reference to a household definition back on page one), then check the applicable box on page one, then enter the number of household members in a separate box on page two. This may pose difficulties for customers who are unfamiliar with Lifeline.

A uniform application ignores the fact that Lifeline carriers often differ in many ways. Some carriers are prepaid, others post paid. Some offer a discounted, billed service, others offer free service. TracFone's service is free. Nonetheless, in the uniform application form, it is required to collect "billing address" information. Customers are liable to be confused by this, and may think the service isn't free after all.

The uniform application also poses certain data management issues which may not be obvious. The application requires the ETC to collect a DCN. However, without access to a state benefits database of some kind, TracFone has no way to validate the DCN it has been given. A customer could enter a random string of numbers, and TracFone would be unable to identify the information as false. There are other, seemingly minor issues. For example, the application form requests "Full Name" in a single field. All of TracFone's systems (and almost all other databases) divide name information into First Name, Last Name and Middle Initial. This may lead a greater error rate when the data is keyed in. Hyphenated names may be confused with middle names. Applicants may enter their surname first, leading to confusion. This could create problems later when carriers supply this data to the National Lifeline Accountability Database, or if the data is subject to an eligibility audit.

The uniform application form is also burdensome to the carrier. TracFone has an

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<sup>1</sup> TracFone is currently designated as an Eligible Communications Carrier in 41 states, and has not encountered this requirement elsewhere.

application form which is customized on a state level, but which uses certain uniform characteristics to facilitate process management (so, for example, all application forms can be printed on the same stock and that mailing processes can be the same). The uniform application form poses difficulties in that it requires new delivery and processing mechanisms. This means TracFone can't use standard mailing forms for direct marketing in Missouri. TracFone can't provide the selection of service plan on the application form. While these are by no means insurmountable obstacles, TracFone would suggest the Commission consider this burden in analyzing the costs of this requirement.

Finally, it's not clear what purpose the uniform application form actually serves. As stated above, the uniform application form isn't easier for consumers. It is not less likely to result in data collection issues. It's also unnecessary to ensure compliance with federal lifeline rules. The FCC Reform Order sets forth application form requirements in 47 CFR 54.409; any carrier failing to meet those requirements will face penalties will be penalized at audit. However, the requirement to use a uniform form at the outset goes well beyond that.

TracFone suggests that the Commission could adopt certain application form requirements, without requiring the use of a specific form. For example, the Commission could adopt a uniform certifications language. The Commission could specify what information must be collected for audit purposes. The Commission could require carriers to provide staff an advance copy of the application.

For the reasons stated herein, TracFone suggests the Commission reconsider the uniform application form requirement.

Respectfully submitted this 14th day of September, 2012.

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## **CERTIFICATE OF SERVICE**

I do hereby certify that a true and correct copy of the foregoing document has been served electronically on the Office of Public Counsel at [opcservice@ded.mo.gov](mailto:opcservice@ded.mo.gov) and on the General Counsel's office at [gencounsel@psc.mo.gov](mailto:gencounsel@psc.mo.gov) this 14th day of September 2012.

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