



THE COMMONWEALTH OF MASSACHUSETTS
OFFICE OF THE ATTORNEY GENERAL

ONE ASHBURTON PLACE
BOSTON, MASSACHUSETTS 02108

MARTHA COAKLEY
ATTORNEY GENERAL

(617) 727-2200
(617) 727-4765 TTY
www.mass.gov/ago

September 18, 2013

Catrice C. Williams, Secretary
Department of Telecommunications and Cable
1000 Washington Street, Suite 820
Boston, MA 02118-6500

**RE: D.T.C. 13-4, Investigation by the Department on its Own Motion into the
Implementation in Massachusetts of the Federal Communications Commission's
Order Reforming the Lifeline Program**

Dear Ms. Williams:

Enclosed please find the Attorney General's Initial Comments in the above matter. Should you have any questions, please feel free to contact me. Thank you for your attention to this matter.

Sincerely,

/s/ Sandra E. Merrick

Sandra E. Merrick
Assistant Attorney General

Enclosure

cc: Service List

**COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND CABLE**

**Investigation by the Department on its)
Own Motion into the Implementation in)
Massachusetts of the Federal Communications) D.T.C. 13-4
Commission’s Order Reforming the Lifeline Program)**

COMMENTS OF THE OFFICE OF THE ATTORNEY GENERAL

INTRODUCTION

On April 1, 2013, in response to regulatory changes precipitated by the FCC’s Lifeline Reform Order, the Department of Telecommunications and Cable (“DTC” or the “Department”) opened an investigation on its own motion to solicit public comment on proposed updates to the Department’s requirements for authorized Lifeline service providers, known as eligible telecommunications carriers (“ETCs”). Lifeline is a federal program that provides reimbursement to ETCs that offer wireline (i.e., landline) or wireless telephone service to low income consumers; thereby allowing the ETC to collect a fair market payment for the free or subsidized telephone service provided to the low income consumer.

The Attorney General has reviewed the Massachusetts Department of Telecommunications and Cable’s April 1, 2013 Request for Comment and Notice of Public Hearing in D.T.C. 13-4, the Investigation by the Department on its Own Motion into the Implementation in Massachusetts of the Federal Communications Commission’s Order Reforming the Lifeline Program (the “Lifeline Investigation”), and its August 21, 2013 Notice of Proposed Requirements and Further Request for Comment. The Attorney General provides the following comments generally to support the many provisions of the Proposed Requirements for Comment (see Appendix to the Department’s August 21, 2013 Notice of Proposed Requirements

and Further Request for Comment) that provide vital protections to low-income consumers by, inter alia: (1) encouraging fair and responsible use of the Lifeline program; (2) providing redress for persistent subscriber complaints; (3) improving the accuracy of information about Lifeline communicated to subscribers; (4) ensuring that Lifeline subscribers have access to reliable and responsive telephone service; and (5) creating a fair and equal regulatory framework for wireline and wireless ETCs.

The Attorney General generally supports all of the proposed requirements, and would like to point out a few specific provisions that will be particularly important to protect consumers while creating a fair and transparent regulatory framework.

SUPPORTED PROVISIONS

In particular, the Attorney General believes the requirement that newly designated ETCs provide the Department with copies of all advertising and application materials in advance of their distribution in Massachusetts and the requirement that all ETCs update their Lifeline application materials within 30 days of any change in eligibility criteria will help ensure that people who need, and are eligible to receive, Lifeline services are not wrongly denied or dissuaded from applying by inaccurate or out-of-date information.

Similarly, the Attorney General supports the Department's proposals related to the concurrent collection of: all audit and other information reported to the Federal Communications Commission, annual consumer complaint reports, 911 compliance information from ETCs that do not maintain their own facilities, information regarding any disciplinary action taken against an ETC in any jurisdiction, and up-to-date ownership and address information for each ETC.

ADDITIONAL PROVISIONS

In addition, the Attorney General recommends that the Department revitalize some of its prior proposals, removed in the Department's August 21, 2013 Notice of Proposed Requirements and Further Request for Comment, which created important protections for Lifeline eligible consumers by giving them the tools necessary to resolve difficult issues. These prior proposals serve the dual goals of ensuring quality service to Lifeline subscribers and creating parity between wireline and wireless ETCs. The Attorney General's Office recommends that DTC preserve the following proposed requirements:

1. Require ETCs to provide responsive customer service by creating customer service standards and by requiring all ETCs to include contact information for the Department's Consumer Division.

The Attorney General requests that the Department revive its proposals regarding the training of customer service representatives, prompt processing of Lifeline subscriber applications, access to person-to-person customer service assistance (if requested by the user), and prompt response to inquiries from the Department. These proposals provide a clear set of requirements to be followed by all ETCs, which may help to decrease the number of subscriber complaints and the delay in resolving those complaints.

Further, each ETC should be required to inform subscribers that the subscriber may seek assistance from the Department's Consumer Division by requiring each ETC to include contact information for the Department's Consumer Division on all communications, including on each ETC's website, in terms and conditions, on Lifeline applications, on marketing materials, and on invoices. While each ETC's own dispute resolution procedures are vital and should be the subscriber's first point of contact, subscribers need to be aware of their ability to seek assistance from the Department to resolve more intractable disputes. Requiring ETC's to apprise Lifeline

subscribers of their ability to seek assistance from the Department's Consumer Division helps subscribers and ETCs to resolve difficult issues expeditiously, which benefits both.

2. Require ETCs to provide the Department with information related to major outages or other lapses in service or safety within one business day of the event.

Collecting timely information regarding service disruptions will help the Department to track service disruptions, identify service gaps, monitor problems as they unfold, and provide suggestions to resolve service disruptions.

3. Require all ETCs to offer a voice-service-only option with no associated contract term or early termination fee.

Access to free or low cost telephone service is the heart of the Lifeline program. Some low income consumers may need to use wireless service for purposes of employment or for medical monitoring away from home. Without access to voice-only plans, these consumers may be required pay for services they do not want in order to receive the wireless telephone service they need. Consumers who need wireless telephone service should not have to choose between paying for unwanted extras and losing the ability to have wireless telephone service at all.

4. Require all ETCs that sell refurbished phones to offer, at a minimum, a 90 day warranty or return policy for the refurbished phone.

The Attorney General's Public Inquiry and Assistance Center consistently receives complaints from consumers who report that they have received refurbished phones that do not work. Often, those consumers report that they have difficulty obtaining a working replacement phone. A Lifeline subscriber loses all of the benefits of the program if a refurbished phone does not work. A warranty on such phones, particularly those being provided by ETCs, would help to ensure that subscribers receive quality products that will allow them to access the vital service that Lifeline provides.

CONCLUSION

The Attorney General commends the Department for its efforts to update its Lifeline regulations to provide a consistent regulatory framework for all ETCs that encourages transparency and quality service to subscribers. The Department's proposed regulations, including those addressed above, will ensure that low-income citizens are able to obtain and retain a telephone connection, which is an essential element of everyday life and critically important for seeking employment, medical attention, social services, and for meeting other vital communication needs.

The Attorney General appreciates the opportunity to offer these comments.

Respectfully submitted,

ATTORNEY GENERAL
MARTHA COAKLEY

By: /s/ Sandra E. Merrick
Sandra E. Merrick
Assistant Attorney General
One Ashburton Place, 18th Floor
Boston, MA 02108
617-963-2404
sandra.merrick@state.ma.us

DATE: September 18, 2013

**COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND CABLE**

**Investigation by the Department on its Own
Motion into the Implementation in Massachusetts
of the Federal Communications Commission's
Order Reforming the Lifeline Program**

D.T.C. 13-4

CERTIFICATE OF SERVICE

I hereby certify that I have this day served the foregoing document upon all parties of record in this proceeding in accordance with the requirements of 220 C.M.R. 1.05(1) (Department's Rules of Practice and Procedure). Dated at Boston this 18th day of September, 2013.

/s/ Sandra E. Merrick
Sandra E. Merrick
Assistant Attorney General
Office of the Attorney General
Office for Ratepayer Advocacy
One Ashburton Place
Boston, MA 02108
(617) 963-2404