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March 12, 2025

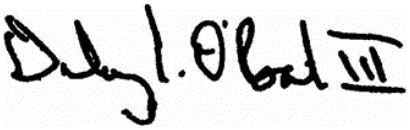
Shonda D. Green, Secretary
MA Department of Telecommunications and Cable
1000 Washington Street, Suite 600
Boston, MA 02118

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 Secretary Green:

Enclosed please find the Comments of Verizon in response to the Notice of Proposed Requirements and Further Request for Comment issued on January 28, 2025.

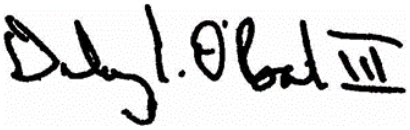
Respectfully submitted,



Dulaney L. O'Roark III

CERTIFICATE OF SERVICE

I hereby certify that on this day the foregoing document was filed with the Department of Telecommunications and Cable, and copies thereof were served by email upon each person designated on the official service list in this proceeding.



Dulaney L. O'Roark III

Dated: March 12, 2025

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND CABLE

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

COMMENTS OF VERIZON
REGARDING PROPOSED REQUIREMENTS

Verizon New England Inc., d/b/a Verizon Massachusetts ("Verizon MA") and TracFone Wireless, Inc. ("TracFone") (collectively, "Verizon") hereby respond to the Notice of Proposed Requirements and Further Request for Comment issued on January 28, 2025 ("Notice"). The proposals in the Notice include a number of improvements to the proposals in the notice issued on April 3, 2024, which Verizon appreciates. But several of the new proposals would impose significant burdens on eligible telecommunications carriers ("ETCs") while providing little if any benefit to the Department. Verizon addresses the most problematic proposals below.

I. REPORTING REQUIREMENTS

A. The proposed requirements for notice of investigations and proceedings would impose much greater costs on ETCs without providing useful information to the Department

The proposed changes to Rule A(4)(b) would greatly expand its scope, require notification for matters having nothing to do with Lifeline or a carrier's fitness to provide it, require the Department to process reams of irrelevant information, and greatly increase the reporting burden on carriers. These changes therefore should not be adopted.

Rule A(4)(b) currently requires an ETC to notify the Department if a court or government agency issues a final ruling, or the parties reach a settlement, in a case relating to the Lifeline

program, or if the ETC is convicted of a crime involving dishonesty or misuse of the Lifeline program. The rule seeks to ensure that the Department is aware of actual findings of misconduct of an ETC related to the Lifeline program or the suitability of the provider to be an ETC. Under the proposed rule revisions, Rule A(4)(b) would be replaced by Proposed Rules A(4)(c) and (d). Proposed Rule A(4)(c) would require an ETC to notify the Department when a government agency opens an investigation into the ETC or its executives concerning *any* matter and inform the Department of the final resolution. Proposed Rule A(4)(d) would require notice of the final resolution of civil or criminal proceedings against the ETC, again concerning *any* matter, regardless of whether it is related to Lifeline.

Because Proposed Rules A(4)(c) and (d) would be unlimited in scope, reportable events would include not only matters related to the Lifeline program or the honesty of an ETC, but also a host of potential investigations and cases with no plausible connection to the Department's regulation of Lifeline.[1] For example, investigations might include inquiries by any local, state or federal agency involving matters such as taxes, employment, retail stores, vehicles, pole attachments or environmental issues. Litigation could involve anything from a disputed parking violation in Alabama to tax litigation in Ohio to a property boundary lawsuit in Wyoming. Indeed, the proposed rules are broad enough to capture international matters. Casting such a wide net would yield an enormous volume of irrelevant reports that the Department would have to review, process and maintain. The proposed rules thus would produce a wasteful process that would generate little or no benefits for Lifeline customers.

[1] Requiring wireless ETCs to report matters not related to the Lifeline program would also overstep the Department's authority under M.G.L. c. 25C, § 8, which generally prohibits the Department from regulating wireless providers but allows an exception for management of the Lifeline program.

Proposed Rule A(4)(c) is problematic for the additional reason that it would require reports on the mere opening of an investigation, rather than actual findings or judgments. Investigations can be opened and later closed without initiating a case, much less reaching any conclusions, and many proceedings ultimately result in a decision in favor of the ETC or exonerate the ETC of any alleged misconduct. Indeed, an investigation may not even concern potential wrongdoing, such as an investigation into industry best practices. Just being involved in a proceeding – long before the fact finder reaches any conclusions – is not a legitimate basis for the Department to draw any inferences about or take any action against an ETC. Proposed Rule A(4)(c) should not be adopted for that reason alone.

Proposed Rules A(4)(c) and (d) also would impose enormous burdens on ETCs, particularly providers like TracFone that have national operations. Companies often will not have systems in place to ensure employees such as litigators, tax lawyers and regulatory personnel around the country (and potentially the world) know to report to their Massachusetts counterparts when an investigation is opened or a case or investigation is resolved. Resources would need to be devoted to ensure that investigations, court rulings and settlements are regularly identified by responsible employees and transmitted to personnel who draft and file notices with the Department. These new compliance systems, created to provide largely irrelevant information to the Department, would be a waste of resources.

B. Proposed Rule A(3)(c) would significantly expand ETCs' complaint reporting obligations without providing a public benefit

Proposed Rule A(3)(c) would require ETCs to report annually the number of Lifeline complaints they receive per 1,000 Lifeline subscribers by category. The definition of "complaint" is expansive: "a correspondence or communication, whether digital, written, or verbal, that expresses difficulty or dissatisfaction with equipment, program access, network

issues, customer service, or other Lifeline-related matters."[2] The proposed rule would be difficult and expensive to implement and would not provide useful information to the Department.

The definition of "complaint" in Proposed Rule A(3)(c) would include any expression of dissatisfaction made by a customer to an ETC, even in the absence of any complaint to a state or federal agency. Such a broad standard would impose substantial compliance costs on Verizon and other ETCs to: (1) develop databases, systems and procedures to track such "complaints" made to the company; and (2) train thousands of customer service representatives to distinguish between a customer complaint and a customer inquiry, which would often involve judgment calls, and to create a record of the complaint for reporting purposes. Conversely, it is difficult to see how the rate at which Lifeline customers contact Verizon with a concern about some aspect of service would have any policy ramifications for administration of the Lifeline program in Massachusetts. No other state within Verizon Communications Inc.'s ILEC footprint even requires ETCs to report the number or rate of complaints, indicating that they do not find such data useful. Applying a broad definition of "complaint" in Massachusetts is even less likely to yield information useful to the Department.

The Department also should not require ETCs to report complaint rates by category, as would be required by the proposed rule. The need to win and retain customers in the competitive market provides ample motivation for ETCs to provide good service quality to their customers, and Verizon is not aware of any widespread problems with ETCs' customer service that might justify monitoring their activity in such detail. Additionally, tracking and reporting complaints by category would impose new administrative costs on ETCs. Verizon suggests instead that the current reporting requirement has proven its mettle and strikes the appropriate balance between

[2] Notice, Appendix n.4.

ensuring the fair treatment of customers and imposing excessive compliance costs on ETCs. In this regard, Verizon notes that to its knowledge, only one state requires ETCs to report complaints by category, and that state, Kansas, leaves it to each ETC to choose its own reporting categories, thereby allowing greater consistency with the ETC's record-keeping systems and reducing the costs of compliance.

II. NOTICE OF CHANGES IN RATES, TERMS OR CONDITIONS OF WIRELESS SERVICE

The Department should eliminate the requirement in current Rule A(7) that wireless ETCs notify the Department of material changes to the rates, terms or conditions of their Lifeline services at least five business days in advance. From the early days of the wireless industry, carriers have operated in an extremely competitive environment in Massachusetts and accordingly they have been subject to relatively little regulation. *See* M.G.L. c. 25C § 8 (deregulating wireless services, subject to limited exceptions including the Department's administration of the federal Lifeline program); 47 U.S.C. § 332(c)(3)(A) (prohibiting states from regulating wireless carriers' rates). The Department's authority to regulate wireless Lifeline service means it may ensure that wireless ETCs apply the correct discount and otherwise comply with Lifeline requirements, but the discount and requirements seldom change, and carriers know they must conform when revisions are made. At most, same-day notice should be required.

Instead of removing the advance notice requirements in current Rule A(7), Proposed Rules A(6) and (7), would expand them. The proposed rules would increase the notice for a material change to terms and conditions from 5 to 10 days; increase the notice for a rate change from 5 to 30 days; require notices for rate changes that are not material; and require notices to be sent to customers as well as the Department. These revisions would move wireless ETCs toward a form of regulation similar to the traditional, heightened regulation that applied to the old, non-

competitive landline telephone industry under M.G.L. c. 159, § 19, which required 30 days' prior notice (and Department approval) to effectuate changes in tariffs. Indeed, the proposed changes to Rule A(7) would impose notice requirements on wireless ETCs that no longer apply to traditional, landline providers.[3] And there is no need for any Department regulation dictating the amount of notice ETCs must provide their customers regarding changes in Lifeline rates or services. The market is more competitive than ever, and the likelihood of losing customers to other carriers is ample incentive for ETCs to notify their customers reasonably in advance of changes in rates or service. And for a prepaid service provider like TracFone, advance notice to customers makes even less sense because they may check the rates, terms and conditions of service every time they go online to buy more service. Proposed Rules A(6) and (7) thus should not be adopted.

III. COMPLAINT RESOLUTION PROCESS

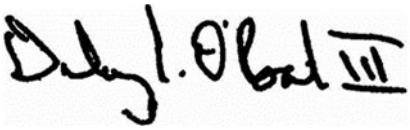
Proposed Rule B(2) would require that after an ETC confirms receipt of notice by the Department of a customer complaint concerning Lifeline service, the ETC would have to provide status updates every seven business days until the complaint is resolved. Verizon respectfully requests that the interval be extended to 15 business days and that an ETC no longer be required to report once a customer fails to respond to the ETC after 30 days. Those revisions would reduce the reporting burden on ETCs while keeping the Department informed on the progress of complaint resolution.

* * *

[3] Under M.G.L. c. 159, § 19F, wireline providers may change the rates, terms and conditions of service they have posted online merely by posting the changes, with electronic notice to the Department on the same business day, and without advance notice to customers. While the statute allows the Department to require carriers to provide customers with 30 days' advance notice of a rate increase (and the Department has long done so), no such exception applies to rate decreases or to changes in the terms and conditions of service.

For the reasons set forth above, Verizon respectfully requests that the Department revise its proposal rules as recommended above.

Respectfully submitted,



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