

112TH CONGRESS
1ST SESSION

H. R. 3118

To direct the Federal Communications Commission to revisit the universal service support program under section 254 of the Communications Act of 1934 to reduce waste, fraud, and abuse, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 6, 2011

Mr. FARENTHOLD (for himself, Mr. FLORES, Mr. COFFMAN of Colorado, Mr. KINGSTON, Mr. PAUL, Mr. KELLY, Mr. NUNNELEE, Mr. HARRIS, and Mr. MULVANEY) introduced the following bill; which was referred to the Committee on Energy and Commerce

A BILL

To direct the Federal Communications Commission to revisit the universal service support program under section 254 of the Communications Act of 1934 to reduce waste, fraud, and abuse, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. UNIVERSAL SERVICE PROGRAM.**

4 (a) FORBEARANCE AUTHORITY RESCINDED.—

5 (1) IN GENERAL.—As of the date of enactment
6 of this Act, the Federal Communications Commis-
7 sion may not forbear from the requirements of sec-

1 tion 214(e)(1) of the Communications Act of 1934
2 (47 U.S.C. 214(e)(1)) with respect to the designa-
3 tion of an eligible telecommunications carrier.

4 (2) TRANSITION PERIOD.—On the 120th day
5 after the date of enactment of this Act, the Federal
6 Communications Commission shall suspend the des-
7 ignation of a telecommunications carrier as an eligi-
8 ble telecommunications carrier if such designation
9 was received through forbearance of the require-
10 ments of such section.

11 (3) AMENDMENT.—Section 214(e) of the Com-
12 munications Act of 1934 (47 U.S.C. 214(e)) is
13 amended by adding at the end the following:

14 “(7) CLARIFICATION.—The charges referred to
15 in paragraph (1)(B) for such services shall be more
16 than zero.”.

17 (b) CONTRIBUTION.—

18 (1) AMOUNT.—The amount collected to support
19 universal service under section 254 of the Commu-
20 nications Act of 1934 (47 U.S.C. 254) each year
21 shall be the same amount that was collected for fis-
22 cal year 2011.

23 (2) SAVINGS REDUCTION.—Of this amount,
24 \$500,000,000 shall be transferred each year to the

1 General Fund of the Treasury and shall not be
2 available for obligation or expenditure.

3 (c) REFORM LIFELINE AND LINK-UP PROGRAMS.—

4 Not later than 120 days after the date of enactment of
5 this Act, the Federal Communications Commission shall
6 complete a rulemaking to implement the following reforms
7 to the programs providing universal service support to low
8 income consumers, commonly known as the Lifeline and
9 Link-up programs, under such section 254:

10 (1) To ensure that the programs are only sup-
11 porting service for 1 telephone connection per house-
12 hold (regardless of whether that telephone is pro-
13 vided through a landline or a commercial mobile
14 service), the Commission shall establish a database
15 and shall require an eligible telecommunications car-
16 rier under section 214(e) of such Act to—

17 (A) include participation information in
18 the database on all households that qualify and
19 are receiving service from such carrier through
20 the Lifeline or Link-Up programs; and

21 (B) use the database to determine if a
22 Lifeline or Link-Up customer is already being
23 served by another provider before establishing
24 new service or continuing service.

1 (2) The Commission shall update the form used
2 by an eligible telecommunications carrier to make a
3 reimbursement claim from the universal service sup-
4 port mechanisms under section 254 of such Act to
5 provide information sufficient to identify and pre-
6 vent duplicate reimbursements.

7 (3) The Commission shall require all eligible
8 telecommunications carriers providing commercial
9 mobile services to implement a 60-day inactivity pol-
10 icy.

11 (4) The Commission shall implement guidance
12 for the Universal Service Administrative Company
13 on how to recover improper payments made to eligi-
14 ble telecommunications carriers.

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