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Eric.Phelps@fcc.gov**For Immediate Release****FCC INSPECTOR GENERAL ANNOUNCES MAJOR ACP PROVIDER VOLUNTARILY REPAID NEARLY \$50 MILLION AND ISSUES ADVISORY REGARDING ACP PROVIDER COMPLIANCE WITH PROGRAM USAGE RULES**

WASHINGTON, September 28, 2023—The Federal Communications Commission’s Office of Inspector General announced today that, following its investigation, a major Affordable Connectivity Program (ACP) provider has voluntarily repaid \$49.4 million that it improperly claimed between June 2021 and July 2022. The provider disclosed its improper claims and repaid the monies after OIG sent the provider a warning letter and requested that the provider explain its claims data which indicated noncompliance with program usage requirements. Ninety-percent (or \$44.5 million) of the improper claims disclosed by the provider were related to low-income households that were not using the service as required by FCC program rules.

The provider also repaid \$2.6 million for improper enrollments associated with the National School Lunch Program’s Community Eligibility Provision and \$2.3 million for claims associated with other compliance issues. In total, the provider repaid approximately one-third of the program disbursements it received for providing ACP service between June 2021 and July 2022. The provider began making improper claims while participating in the ACP’s predecessor program, the Emergency Broadband Benefit Program (EBB), and continued to seek improper reimbursements as EBB was replaced by ACP.

Further, as a result of this recovery and additional work, the FCC OIG issues the accompanying advisory to describe its concern that program data indicates dozens of other ACP providers are likely not complying with FCC usage and related de-enrollments rules. OIG encourages all ACP providers to examine their usage monitoring procedures, fully disclose any deficiencies to the FCC and our office and promptly repay any improperly claimed funds. Otherwise, OIG will target suspected offenders for investigation and appropriate legal sanctions, including criminal prosecution.

Acting Inspector General Sharon Diskin noted, “Today’s announcement is a significant victory for ACP program integrity, but more must be done. All ACP providers should take note of today’s advisory and reconfirm their compliance with ACP usage and de-enrollment requirements. The Commission should act as well. Current FCC rules do not require ACP providers to report any objective measure of individual subscriber usage when seeking program support each month. Without such data, the FCC cannot confirm that program beneficiaries are actually using the broadband service the federal government subsidizes each month.”

The Advisory is available at: <https://docs.fcc.gov/public/attachments/DOC-397337A1.pdf>

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