

BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION

NASHVILLE, TENNESSEE

May 5, 2025

IN RE:

Q LINK WIRELESS, LLC'S PETITION FOR
DESIGNATION AS AN ELIGIBLE
TELECOMMUNICATIONS CARRIER

)
)
)
)
)

DOCKET NO.
22-00037

ORDER REQUIRING Q LINK WIRELESS, LLC TO APPEAR AND SHOW CAUSE

+

This matter is before the Administrative Judge of the Tennessee Public Utility Commission (“TPUC” or the “Commission”) on the Petition of Commission Staff as a party (“Staff Party” or “Petitioner”) to determine whether a Show Cause order should be issued requiring Q LINK Wireless, LLC (“Q LINK” or “Company”) to appear before the Commission to show cause why the Commission should not revoke the Company’s designation as an Eligible Telecommunications Carrier (“ETC”) for purposes of providing Lifeline service.

JURISDICTION

The Commission has a duty to ensure that “all laws of this state over which they have jurisdiction are enforced and obeyed, that violations thereof are promptly prosecuted, and all penalties due the state are collected.”¹ Further, the Commission is specifically authorized to issue an order requiring a respondent to appear and show cause why the Commission should not take action as may be indicated in a show cause order.²

RELEVANT FACTS

1. Q LINK is a Delaware limited liability company, organized on August 25, 2011, with principal offices located at 499 East Sheridan Street, Suite 400, Dania Beach, Florida 33004.³ Its

¹ Tenn. Code Ann. § 65-1-113 (2024).

² Tenn. Code Ann. § 65-2-106 (2024).

³ *Q LINK Wireless, LLC’s Petition for Designation as an Eligible Telecommunications Carrier*, p. 3 (April 26, 2022).

Registered Agent in the state of Tennessee is Incorp Services, Inc., 1585 Mallory Ln., Ste. 104, Brentwood, TN 37027-3036.

2. The Commission found that Q LINK met all federal and state criteria to be designated an ETC, granting the Company's *Petition* for such designation by order dated July 8, 2022.⁴

3. On August 22, 2024, the United States commenced a criminal prosecution against Q LINK and Issa Asad, the CEO of Q LINK, with the filing of an Information in the United States District Court, Southern District of Florida. The United States charged both defendants with "Conspiracy to Commit Offenses Against, and to Defraud, the United States (18 U.S.C. § 371)." Further, the United States charged Mr. Asad with Money Laundering (18 U.S.C. § 1957).⁵

4. On October 15, 2024, Issa Asad admitted guilt and entered into a Plea Agreement for conspiracy to defraud the United States in connection with the federal Lifeline program and for money laundering in connection with a scheme to defraud a U.S. Small Business Administration program that provided aid to individuals and businesses damaged by the COVID-19 pandemic.⁶

5. On October 15, 2024, Q LINK admitted guilt and entered into a Plea Agreement for conspiring to defraud and commit offenses against the United States in connection with a years-long scheme to steal over \$100 million from the federal Lifeline program.⁷

6. As part of its Plea Agreement, Q LINK agreed that "it shall not participate in any program administered by the FCC..." as of the date of sentencing, and further agreed that it would "cooperate with the FCC in the transition of all customers of any program administered by the FCC to other telecommunications providers."⁸

⁴ *Order Designating QLINK Wireless, LLC An Eligible Telecommunications Carrier* (July 8, 2022).

⁵ *United States v. Asad & Q Link Wireless LLC*, U.S. Distr. Ct. for the S.D. Fla., Case 1:24-cr-20363-RAR ("*U.S. v. Asad/Q Link*"), accessed via PACER, Document 1 (Information) (August 22, 2024).

⁶ *Motion to Take Administrative Notice*, Exh. 3 (February 6, 2025).

⁷ *Id.* at Exh. 1.

⁸ *Id.* at Exh. 1, pp. 3-4.

7. In a Factual Proffer executed as part of the Q LINK Plea Agreement, Q LINK admitted that:

[It] conspired with others, including Asad and Director of Customer Relations #1, to submit and cause to be submitted false and fraudulent claims to the FCC Lifeline program for customers who were not using their cellphones according to the FCC usage rules. The Defendant and others conspired to mislead and trick the FCC into thinking customers were using their cellphones by manufacturing cellphone activity to pass off as usage and by engaging in coercive marketing techniques to get people to remain Q Link customers.⁹

The Factual Proffer further states that approximately \$109,637,057, which amounts to twenty-one percent (21%) of the funds Q LINK received from the federal Lifeline program between 2013 and 2019, were received as a result of the fraud scheme.¹⁰

8. As a result of Q LINK's guilty plea, the Federal Communications Commission ("FCC") issued a notice suspending Q LINK from the federal Lifeline program and commenced debarment proceedings against Q LINK.¹¹

ALLEGED VIOLATIONS OF STATE LAW

The facts alleged above constitute a violation of Tenn. Code Ann. § 65-4-104(c), which requires compliance with 47 C.F.R. § 54.201. In relevant part, 47 C.F.R. § 54.201(c) states:

Upon request and consistent with the public interest, convenience, and necessity, the state commission may, in the case of an area served by a rural telephone company, and shall, in the case of all other areas, designate more than one common carrier as an eligible telecommunications carrier for a service area designated by the state commission, so long as each additional requesting carrier meets the requirements of paragraph (d) of this section. Before designating an additional eligible telecommunications carrier for an area served by a rural telephone company, the state commission shall find that the designation is in the public interest.

⁹ *Id.* at Exh. 2, p. 3.

¹⁰ *Id.* at Exh. 2, p. 24.

¹¹ *Notice of Suspension and Commencement of Proposed Debarment Proceedings; Federal Lifeline Program*, 89 Fed. Reg. 239, 100487 (F.C.C. December 12, 2024). *See also Motion to Take Administrative Notice*, Exhs. 4 & 5 (February 6, 2025).

In addition, the material misrepresentations made in Q LINK's *Petition*, asserting that the Company would comply with the rules and regulations of the Commission and that the Company would only utilize Universal Service Funds ("USF") funding to provide Lifeline service to qualified consumers constitutes a violation of Tenn. Code Ann. 65-4-104(c). Further, because Q LINK has been suspended from participation in the federal Lifeline program and all federal universal support mechanisms, and has agreed, as part of its Plea Agreement, that it will not participate in any program administered by the FCC, Q LINK no longer meets the requisite federal criteria for designation as an ETC, and it is no longer in the public interest for Q LINK to be so designated in the state of Tennessee, constituting a violation of Tenn. Code Ann. § 65-4-104(c).

BASED UPON THE FOREGOING INFORMATION, as presented by the Party Staff and filed in the docket, the Administrative Judge, acting pursuant to and within the scope of the Administrative Judge's authority granted under Tenn. Code Ann. § 65-2-106, hereby determines that Q LINK Wireless, LLC should be required to appear and show cause why it should not be found in violation of state law and the Commission should not immediately revoke the Eligible Telecommunications Carrier designation of Q LINK Wireless, LLC.

IT IS THEREFORE ORDERED THAT:

Q LINK Wireless, LLC is ordered and shall appear before the Tennessee Public Utility Commission on **May 29, 2025 at 10:00 a.m.** to show cause why the Tennessee Public Utility Commission should not proceed to take action against Q LINK Wireless, LLC for the unlawful actions alleged.


Monica Smith-Ashford, Administrative Judge