

BEFORE THE TENNESSEE PUBLIC UTILITY COMMISSION

NASHVILLE, TENNESSEE

JULY 10, 2025

IN RE:

**Q LINK WIRELESS LLC’S PETITION FOR
DESIGNATION AS AN ELIGIBLE
TELECOMMUNICATIONS CARRIER**

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**DOCKET NO.
22-00037**

**ORDER REVOKING Q LINK WIRELESS, LLC'S ELIGIBLE
TELECOMMUNICATIONS CARRIER DESIGNATION**

This matter came before Chairman David F. Jones, Commissioner Herbert H. Hilliard, Commissioner Robin L. Morrison, Commissioner Clay R. Good, and Commissioner Kenneth C. Hill of the Tennessee Public Utility Commission (the “Commission” or “TPUC”), the voting panel assigned to this docket, during a regularly scheduled Commission Conference held on May 29, 2025. The panel convened to consider the Show Cause Order issued on May 5, 2025, following the Commission Staff as a Party’s *Petition to Convene a Show Cause Proceeding* filed on February 6, 2025.

I. BACKGROUND AND SHOW CAUSE ORDER

Under Tennessee law, the Commission annually certifies wireline companies as Eligible Telecommunications Carriers (“ETCs”) after verifying compliance with federal standards. Orders designating wireline companies as ETCs are submitted to the Federal Communications Commission (“FCC”) so that these companies may receive federal funding for certain selected services, including Lifeline service.

On April 26, 2022, Q LINK Wireless, LLC (“Q LINK” or “Company”) filed *Q LINK Wireless, LLC’s Petition for Designation as an Eligible Telecommunications Carrier* (“*Petition*”)

to provide Lifeline service to qualifying Tennessee consumers. In its *Petition*, Q LINK stated that it satisfies all of the statutory and regulatory requirements for designation as an ETC, including Tenn. Code Ann. § 65-4-104. In support of its *Petition*, Q Link stated that it is an established wireless carrier, holding ETC status in thirty-one (31) states, Puerto Rico, and the Virgin Islands.¹ In addition, the Company submitted a Compliance Plan that the FCC approved on August 8, 2012.²

In its *Petition*, Q LINK made representations to the Commission regarding its adherence to federal and state regulations related to the Lifeline program. These specific representations include:

- a. Concerning the “Prevention of Waste, Fraud and Abuse,” Q LINK indicated its “commitment to being a trusted steward with public resources,” and further discussed at length its alleged steps to prevent such waste, fraud, and abuse by employing a “state-of-the-art proprietary fraud prevention system.”³
- b. “[C]onsistent with federal regulations, the Company would not seek USF reimbursement for inactive subscribers and will de-enroll any subscriber who has not used [its] Lifeline service as set forth in 47 C.F.R. § 54.407(c)(2).”⁴
- c. “An account will be considered active if the authorized subscriber establishes usage, as “usage” is defined by 47 C.F.R § 54.407(c)(2), during the specified timeframe, currently a period of thirty (30) days, or during the notice period set forth in 47 C.F.R § 54.405(e)(3), currently a period of fifteen (15) days.”⁵

¹ *Petition*, p. 4 (April 26, 2022).

² *Id.* at 12 & Exhibit 3.

³ *Id.* at 8-9.

⁴ *Id.* at 9.

⁵ *Id.*

- d. Q LINK “asserts its willingness and ability to comply with the rules and regulations that the Commission may lawfully impose upon the Company’s provision of service contemplated by this Petition.”⁶
- e. “[I]t seeks designation solely to utilize USF funding to provide Lifeline service to qualified low-income consumers,”⁷ and,
- f. Q LINK “remains committed to careful stewardship of the Lifeline program.”⁸

The Commission considered Q LINK’s *Petition* during a regularly scheduled Commission Conference on June 20, 2022. The voting panel granted the Company’s *Petition* designating Q LINK as an ETC to provide Lifeline service to qualifying Tennessee consumers.⁹

On February 6, 2025, Commission Staff as a Party (“Party Staff”) filed a *Petition to Convene a Show Cause Proceeding* (“*Show Cause Petition*”) seeking revocation of Q LINK’s ETC designation.¹⁰ As grounds for the *Show Cause Petition*, Party Staff alleged that Q LINK and its CEO, Issa Asad, had entered into Plea Agreement with the United States for conspiring to defraud it in connection with a years-long scheme to steal over \$100 million from the federal Lifeline program and 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.¹¹ As part of its Plea Agreement, Q LINK agreed not to participate in any program administered by the FCC as of the date of the sentencing.¹² The FCC issued a notice suspending

⁶ *Id.* at 19.

⁷ *Id.* at 16.

⁸ *Id.* at 23.

⁹ *Order Designating QLINK Wireless, LLC An Eligible Telecommunications Carrier* (July 8, 2022).

¹⁰ *Show Cause Petition* (February 6, 2025).

¹¹ *Id.* at 4 (unnumbered).

¹² *Id.*

Q LINK from the federal Lifeline program and commenced debarment proceedings against Q LINK due to the Plea Agreement.¹³

In support of its *Show Cause Petition*, Party Staff filed a *Motion to Take Administrative Notice* seeking recognition of certain documents from the United States District Court for the Southern District of Florida, the FCC, and the Federal Register. These documents provide evidence of the criminal prosecutions of Q LINK, Q Link’s CEO, Issa Asad, and the suspension and debarment notice issued by the FCC concerning Q LINK. The documents requested for Administrative Notice include: the Plea Agreement of Q Link Wireless, LLC; the Factual Proffer of Q Link Wireless, LLC; the Plea Agreement of Issa Asad; the Letter of Suspension issued by the FCC to Q LINK on November 8, 2024; and pages of the Federal Register containing the FCC’s Notice of Suspension and Commencement of Proposed Debarment Proceedings (“Notice of Suspension”).¹⁴

In addition, Party Staff filed the Pre-Filed Direct Testimony of Grace Marek, Financial Regulatory Analyst for the Commission. Ms. Marek testified that, upon her review of Q Link’s guilty plea to federal charges related to defrauding the federal Lifeline program and the Notice of Suspension and Commencement of Proposed Debarment Proceedings, Q LINK no longer meets federal eligibility requirements to be designated as an ETC within the state of Tennessee.¹⁵ Further, Ms. Marek asserted that it is no longer in the public interest for Q LINK to retain its ETC designation, and consequently recommended that the Commission revoke Q Link’s ETC designation.¹⁶

¹³ *Id.* at 5 (unnumbered).

¹⁴ *Motion to Take Administrative Notice* (February 6, 2025).

¹⁵ Grace Marek, Pre-Filed Direct Testimony, p. 2 (February 6, 2025).

¹⁶ *Id.* at 3.

The Administrative Judge issued an *Order Requiring Q LINK Wireless, LLC to Appear and Show Cause* (“*Show Cause Order*”) on May 5, 2025. The *Show Cause Order* found that the Company’s Plea Agreement, suspension from participation in the federal Lifeline program, and the material misrepresentations of the Company’s *Petition*—asserting it would comply with the rules and regulations of the Commission and only utilize USF funding to provide services to qualified consumers—constituted violations of Tenn. Code Ann. § 65-4-104(c).¹⁷ The *Show Cause Order* compelled Q LINK to appear before the Commission during a regularly scheduled Commission Conference on May 29, 2025, to show cause why Q Link should not be found in violation of state law and the Commission should not immediately revoke its ETC designation.¹⁸

II. JURISDICTION AND RELEVANT LAW

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.”¹⁹ 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.²⁰ Under Tennessee law, the Commission annually certifies wireline companies as ETCs. The Commission verifies compliance with federal standards and submits the verification to the FCC. Tenn. Code Ann. § 65-4-104(c) empowers the Commission to designate cellular providers as ETCs.²¹

¹⁷ *Show Cause Order*, p. 4 (May 5, 2025).

¹⁸ *Id.*

¹⁹ Tenn. Code Ann. § 65-1-113 (2024).

²⁰ Tenn. Code Ann. § 65-2-106 (2024).

²¹ Tenn. Code Ann. § 65-4-104(c).

III. THE HEARING

A hearing on this matter was held before the panel of Commissioners during a regularly scheduled Commission Conference on May 29, 2025. Aaron J. Conklin, Counsel for Party Staff, and Grace Marek, Financial Regulatory Analyst, Tennessee Public Utility Commission, participated in the hearing.

During the hearing, Mr. Conklin stated that Party Staff became aware of the Notice of Suspension issued by the FCC suspending Q LINK from further participation in the Lifeline program due to the Company's guilty plea to federal criminal charges related to defrauding the Lifeline program of funds. Mr. Conklin further stated that, based upon the FCC's suspension and the Company's guilty plea, Q LINK no longer meets federal eligibility requirements and, moreover, that it is no longer in the public interest for Q LINK to retain ETC designation within the state.

IV. FINDINGS & CONCLUSIONS

Based on the administrative record, the panel voted unanimously to revoke Q LINK Wireless, LLC's Eligible Telecommunications Carrier designation. The panel found that the Company no longer meets the qualifications for ETC designation under Tennessee Code Annotated § 65-4-101(c). Further, upon review of the evidence in the record, the panel found that it is not in the public interest to permit the Company to retain ETC designation.

IS THEREFORE ORDERED THAT:

1. Q LINK Wireless, LLC's Eligible Telecommunications Carrier designation is revoked.
2. Any person aggrieved by the Commission's decision in this matter may file a Petition for Reconsideration with the Commission within fifteen days from the date of this Order.

3. Any person aggrieved by the Commission's decision in this matter has the right to judicial review by filing a Petition for Review in the Tennessee Court of Appeals, Middle Section, within sixty days from the date of this Order.

FOR THE TENNESSEE PUBLIC UTILITY COMMISSION:

Chairman David F. Jones,

Commissioner Herbert H. Hilliard,

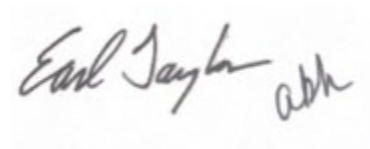
Commissioner Robin L. Morrison,

Commissioner Clay R. Good, and

Commissioner Kenneth C. Hill, concurred.

None dissented.

ATTEST:



Earl R. Taylor, Executive Director