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Before the
Federal Communications Commission
Washington, D.C. 20554

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FEDERAL COMMUNICATIONS COMMISSION
OFFICE OF THE SECRETARY

In the Matter of	)	
	)	
Federal-State Board on	)	CC Docket No. 96-45
Universal Service	)	
	)	

FEDERAL-STATE JOINT BOARD REVIEW OF LIFELINE AND LINK-UP SERVICE FOR ALL LOW-INCOME CONSUMERS

COMMENTS OF

THE UNITED STATES CONFERENCE OF CATHOLIC BISHOPS, ALLIANCE FOR COMMUNITY MEDIA, APPALACHIAN PEOPLE'S ACTION COALITION, CENTER FOR DIGITAL DEMOCRACY, CONSUMER ACTION, CONSUMER FEDERATION OF AMERICA, EDGEMONT NEIGHBORHOOD COALITION AND THE MIGRANT LEGAL ACTION PROGRAM

Of Counsel:

Tara O'Brien Wu, Student
Georgetown University Law Center

Christopher R. Day
Angela J. Campbell
Institute for Public Representation
Georgetown University Law Center
600 New Jersey Avenue, N.W.
Suite 312
Washington, D.C. 20001
Phone: (202) 662-9535

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SUMMARY

The primary goal of the Lifeline and Link-Up programs (collectively, "Lifeline") is to increase and maintain high levels of telephone subscribership among low-income consumers in the U.S. Increased telephone subscribership benefits all users by increasing the number of people that can interact with essential service providers, employers, businesses and individuals via the network. Although nationwide telephone penetration is relatively high, it is important to note that currently only about 85 percent of low-income households have residential phones, even with the support of Lifeline. Based on this statistic, the United States Conference of Catholic Bishops, *et al.* ("USCCB, *et al.*") believe that further measures must be taken to fully implement section 254 of the 1996 Act, which directs the Federal Communications Commission ("Commission") to advance the goals of universal service for all Americans.

Recently, a number of states have increased Lifeline subscribership significantly through a variety of methods aimed at expanding eligibility requirements, enrollment procedures and outreach efforts for Lifeline programs in their states. If such efforts were employed nationwide, Lifeline subscribership, and telephone penetration generally, would increase substantially throughout the country.

Accordingly, USCCB, *et al.* urge the Joint Board to recommend that the Commission modify its Lifeline rules to: (1) include an income-based eligibility standard of 150 percent of the federal poverty guidelines and self-certification of eligibility, (2) expand the list of public assistance programs that establish eligibility for Lifeline, (3) require outreach programs targeted at low-income individuals and annual reporting of carriers' outreach efforts and (4) prohibit carriers that do not offer toll blocking from requiring deposits as a condition of participation in Lifeline.

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Appendix B

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FEDERAL-STATE JOINT BOARD REVIEW OF LIFELINE AND LINK-UP SERVICE FOR ALL LOW-INCOME CONSUMERS

COMMENTS OF
UNITED STATES CONFERENCE OF CATHOLIC BISHOPS, *ET AL.*

The United States Conference of Catholic Bishops ("USCCB"), Alliance for Community Media, Appalachian People's Action Coalition, Center for Digital Democracy, Consumer Action, Consumer Federation of America, Edgemont Neighborhood Coalition and the Migrant Legal Action Program ("USCCB, *et al.*" or "Joint Commenters"),[1] through undersigned counsel, hereby submit the following comments, pursuant to the request of the Federal-State Joint Board on Universal Service ("Joint Board") for comments regarding the federal Lifeline and Link-Up programs (collectively, "Lifeline").[2]

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[1] USCCB, *et al.* are religious and non-profit organizations that advocate for the interests of low-income individuals and their families. *See* Appendix A for descriptions of the participating organizations and their constituencies.

[2] *See Federal-State Joint Board on Universal Service Seeks Comment on Review of Lifeline and Link-Up Service for All Low-Income Consumers*, CC Docket 96-45, FCC 01-J-2 (rel. Oct. 12, 2001) ("Oct. 12, 2001 Public Notice").

The overarching goal of the Lifeline programs is "to increase [telephone] subscribership by assisting low-income customers."[3] Increased subscribership benefits all subscribers by increasing the number of people that can contact and be contacted by essential service providers, employers, businesses and other individuals via the telephone network. Although telephone penetration rate is 94.6 percent nationwide, it remains below 80 percent for households earning less than $5,000 annual income and below 90 percent for those earning less than $10,000 annual income.[4] As of March 2001, approximately 5.8 million U.S. households lacked basic telephone service.[5]

Low subscribership among low-income households produces negative consequences for society. Millions of people in our country lack the means to take advantage of critical government and community resources. Furthermore, in the event of a national or other disaster, lack of connection to the network could have dire consequences for those without telephone service.

Under the Commission's current rules, eligibility for the federal default Lifeline programs is contingent upon participation in certain federal public assistance programs.[6] As discussed below, states that employ measures, such as income-based eligibility criteria, additional qualifying public assistance programs and targeted outreach efforts,

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[3] *See Federal-State Joint Board on Universal Service, Recommended Decision*, 12 FCC Rcd 87, 272 (1996). In addition to the overall national benefit of increased telephone subscribership, USCCB, *et al.* believe that Lifeline also directly benefits low-income families by easing the financial burden of obtaining local telephone service.

[4] Alexander Belifante, Industry Analysis Division, Common Carrier Bureau, Fed. Comm. Comm., *Telephone Subscribership in the United States*, 6, 11 (rel. Nov. 2001) ("Telephone Subscribership in the United States").

[5] *Id.* at 6.

[6] The federal Lifeline program requires participation in at least one of the following public assistance programs: Medicaid, food stamps, Supplemental Security Income ("SSI"), federal public housing assistance, or the Low-Income Home Energy Assistance Program ("LIHEAP"). *See* 47 C.F.R. § 54.409(b) (2000).

have realized a significant increase in Lifeline subscribership. These efforts likewise can be employed by the Commission to increase subscribership across the nation, thus furthering the Commission's obligation to provide, "predictable and sufficient federal and state mechanisms to preserve and advance universal service"[7] for all Americans.

Accordingly, USCCB, *et al.* strongly urge the Joint Board to recommend that the Commission modify its Lifeline and Link-Up rules[8] to provide for: (A) an additional eligibility standard based solely on household income, with self-certification of eligibility, (B) additional federal welfare programs in which individuals may participate to quality for the Lifeline programs, (C) specific outreach requirements targeted at all low-income consumers within carriers' service areas and annual reporting requirements regarding carriers' outreach programs, and (D) no deposit requirements for Lifeline recipients, regardless of whether the recipients' carriers provide toll blocking.

I. Adding an Income-Based Eligibility Standard to the Lifeline Program Would Increase Telephone Subscribership Among Low-Income Consumers

USCCB, *et al.* strongly urge the Joint Board to recommend that the Commission expand the current eligibility criteria for the Lifeline programs to include qualification based solely upon total household income. From the outset of the current Lifeline proceeding, the Commission intended to require the eligibility standard for the Lifeline programs to be based on income.[9] Furthermore, states that mandate Lifeline support are required to use "narrowly targeted qualification criteria that are based solely on income

[7] 47 U.S.C. § 254(b)(5) (2000).
[8] *See* 47 C.F.R. § 54.400, *et seq.* (2000).
[9] *See Federal-State Joint Board on Universal Service*, Report and Order, 12 FCC Rcd 8776, 8973 (¶ 373) (1997) ("First Report and Order") ("the goal of increasing low-income subscribership will best be met if the qualifications to receive Lifeline assistance are based solely on income or factors directly related to income").

or factors directly related to income."[10] Initially, to ease the burden on carriers to verify the eligibility of their Lifeline subscribers, the Commission opted to tie eligibility for consumers in states that do not mandate Lifeline support to participation in federal public assistance programs with income-based eligibility standards.[11]

However, the Congressional mandate underlying section 254 has not been fulfilled because the list of designated programs currently does not reach a substantial number of low-income households that lack telephone service.[12] In addition, the effects of welfare reform and its associated time limits on benefits, have caused many low-income families to become ineligible for Lifeline services. As discussed below, the experience of several states shows that the only way to substantially increase telephone penetration among low-income households is to tie it directly to income-based eligibility criteria.

Therefore, the Commission should expand the eligibility criteria for Lifeline programs for all states, irrespective of whether a state mandates state Lifeline support, to reach a greater number of low-income individuals by revising section 54.409 to include an eligibility standard based solely on income.[13] Specifically, USCCB, *et al.* recommend

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[10] 47 C.F.R. § 54.409(a) (2000).

[11] *See* 47 C.F.R. § 54.409(b) (2000); First Report and Order at 8974 (¶ 375). Currently, eligibility for the federal Lifeline programs requires participation in one or more of the following programs: Medicaid, food stamps, Supplemental Security Income ("SSI"), federal public housing assistance, and Low-Income Home Energy Assistance ("LIHEAP"). *See* 47 C.F.R. § 54.409(b) (2000).

[12] *See* 47 U.S.C. §254(b)(3) ("Consumers in all regions of the Nation, including low-income consumers and those in rural, insular, and high cost areas, should have access to telecommunications and information services. . . .").

[13] To implement USCCB, *et al.*'s proposal, the words "in a state that mandates state Lifeline support" could be deleted and the second sentence of section 54.409(a) could be revised to read as follows:

"The state commission shall establish narrowly targeted qualification criteria that are based solely on income or factors directly related to income; <u>at minimum, eligibility shall</u>

setting the income-based standard at 150 or less percent of the U.S. Department of Health and Human Services' Poverty Guidelines.[14]

A. Income-Based Eligibility Criteria Would Attract and Retain A Greater Number of Current and Potential Lifeline Subscribers

In an effort to ensure that enrollment in the federal Lifeline program remains consistent, the Commission "tied the Lifeline qualification standards . . . to programs that [commenters in the initial federal Universal Service proceeding] believe[d] [would] be unaffected or minimally affected by welfare legislation of 1996."[15] However, telephone penetration statistics indicate that the current federal Lifeline eligibility criteria are not as consistent as originally anticipated. In fact, data indicate that tying Lifeline and Link-Up eligibility to participation in public assistance programs unduly limits the reach of both programs.[16]

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be established if a consumer has an annual total household income that does not exceed 150 percent of the U.S. Department of Health and Human Services' Poverty Guidelines." To accommodate states whose current eligibility criteria do not currently meet this minimum requirement, the Commission could provide for a waiver at the end of section 54.409(a) that could read as follows: "A state currently having qualification criteria below this minimum may seek a waiver of this rule, for a duration not to exceed 12 months, from the Administrator upon just cause. States must reapply for such waivers annually."

Likewise, section 54.409(b) could be revised as follows:

"To qualify to receive Lifeline service, a consumer must have an annual total household income that does not exceed 150 percent of the U.S. Department of Health and Human Services' Poverty Guidelines or must participate, or meet the eligibility criteria to participate, in one of the following federal assistance programs . . ."

[14] *See* Office of the Assistant Secretary for Planning and Evaluation, U.S. Dept. of Health and Human Services, *The 2001 HHS Poverty Guidelines* (2001) (generally, the "federal poverty guidelines"), *available at* http://aspe.hhs.gov/poverty/01poverty.htm.

[15] *Id.* at 8974 (¶ 375).

[16] Since the passage of Personal Responsibility and Work Opportunity Reconciliation Act in 1996, welfare caseloads have declined by 50 percent nationwide. *See* Pamela Loprest, The Urban Institute, *Former Welfare Families and Food Stamp Program: The Exodus Continues, New Federalism: National Survey Series B, No.* B-36, 1 (Apr. 2001). Forty-one percent of those who left welfare in 1999 remained in poverty. *Id.* at 6. Compared to those who left welfare before the passage of PRWORA, a significantly higher

Eligibility requirements for most categorical household assistance programs exclude many groups that could strongly benefit from the Lifeline programs. Working poor families, for example, typically do not receive welfare assistance, and only about one third of working poor families participate in the Food Stamps program, one of the programs that qualifies a household for Lifeline assistance. In some programs, ownership of even a modestly priced automobile makes families ineligible for assistance, even if the car is needed to commute to work.[17] Thus, many low-income households are not eligible for assistance.

A survey conducted by the Urban Institute found that after the welfare reform in 1996, families found it more difficult to remain connected to the federal Food Stamps program, despite the fact that they remained eligible for the program.[18] The Food Stamps program can provide invaluable assistance to working poor families support themselves as they move up the economic ladder, yet it had an average participation rate of only 43 percent of eligible families between 1997 and 1999.[19] Even more startling is that only 51 percent of Americans with annual incomes at or below 130 percent of the federal poverty guidelines participated in the federal Food Stamps program during 1997 to 1999, down

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percentage of the 1999 welfare graduates were unable to pay mortgage, rent, or utility bills compared to 39 percent in 1997. *Id.*

[17] *See* New Jersey Board of Public Utilities, Direct Testimony of Roger D. Colton on Behalf of the New Jersey Division of the Ratepayer Advocate, *In the Matter of the Application of Verizon New Jersey Inc. For Approval (i) of a New Plan for an Alternative Form of Regulation and (ii) to Reclassify Multiline Rate Regulated Business Service as Competitive Services, and Compliance Filing*, BPU Docket No. TO01020095 at 17 (May 15, 2001).

[18] *See* Sheila R. Zedlewski, The Urban Institute, *Former Welfare Families and Food Stamp Program: The Exodus Continues, New Federalism: National Survey Series B*, No. B-33, 3-4 (Apr. 2001). In general, families with incomes at or below 130 percent of the federal poverty guidelines are eligible for Food Stamps. *See id.*

[19] *Id.* at 3.

from 54 percent during 1995 to 1997.[20] Significantly more families reported leaving the Food Stamps program because of administrative problems in 1999 than in 1997,[21] with nearly 50 percent more below-poverty level households reporting administrative reasons for leaving in 1999 than in 1997.[22]

Furthermore, legal immigrants have also been drastically affected by the welfare reform. Because legal immigrants cannot qualify for public assistance programs until they have resided in the United States for at least five years, they likewise cannot qualify for Lifeline or Link-Up benefits.

The Commission left open the possibility of revising the eligibility standard if it found the current standards "become[] . . . unworkable, as evidenced for instance, by a disproportionately low number of Lifeline consumers in states where such a standard is used."[23] As detailed below, at least five states have already moved to an income-based Lifeline eligibility standard in order to increase telephone penetration and to address problems inherent with programmatic Lifeline eligibility standards.

B. A Number of States Successfully Have Implemented Income-Based Eligibility Standards

Several states currently employ income-based requirements to establish eligibility for their Lifeline programs. For example, Vermont, Michigan, Tennessee and Texas allow residents to qualify for Lifeline through either participation in a public assistance program or based on their annual household income. In addition, California uses an eligibility standard that is based solely on income. The experience of these states

[20] *Id.*
[21] *Id.* (21 percent in 1999 versus 11 percent in 1997).
[22] *Id.* (30 percent in 1999 versus 17 percent in 1997).
[23] First Report and Order at 8975 (¶ 375).

demonstrates that income-based standards are both easier to administer and capture more subscribers than standards based on participation in public assistance programs.

1. Vermont

The Vermont Lifeline program has contained an income-based eligibility component since its inception. Initially, the income-based eligibility component was limited to those persons over 65 years of age.[24] However, in 1998, the Vermont General Assembly expanded income-based Lifeline eligibility to persons under the age of 65. This eligibility requirement change allows persons who do not participate in state Department of Social Welfare programs to qualify through the state Tax Department in the same manner as seniors, provided that their annual household income was no more than 150 percent of the federal poverty guidelines.[25]

The expansion of income-eligibility to persons under 65 years of age has resulted in a significant increase in Lifeline enrollment among low-income households in Vermont. From 1994 to 1999, enrollment levels in the Vermont Lifeline program were essentially stagnant.[26] However, after implementation of income-based eligibility verified through the state Tax Department, Lifeline enrollment jumped from 25, 737 at

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[24] When instituted in 1985, the Vermont Lifeline program restricted eligibility to persons who received certain Department of Social Welfare benefits and individuals aged 65 or older with a modified adjusted gross income of 175 percent of the federal poverty guideline. *See* Vermont Department of Public Service, Vermont Department of Public Service Biennial: July 1, 1998 - June 30, 2000, 82-83 (2000).

[25] *Id.* at 83. When it expanded income-eligibility to include persons under the age of 65, the Vermont Department of Public Service chose 150 percent of the federal poverty line to "approximate the highest level of income at which a person is eligible for Department of Social Welfare programs." Vermont Department of Public Service, Vermont Department of Public Service Biennial: July 1, 1998 to June 30, 2000 at 8 (June 2000).

[26] Vermont Department of Public Service, Annual Report of the Lifeline Telephone Program: Filed in Compliance with 30 V.S.A. § 218(c)(4) and Including the Vermont Telecommunications Relay Service and the Link Up Vermont Program, 12 (rel. Mar. 1, 2001).

the end of 1999 to 32,470 at the end of 2000, an increase of approximately 26 percent.[27] This increase was almost four times the national average rate.[28] Furthermore, of new Lifeline enrollees in 2000, 50 percent enrolled through the Tax Department, indicating that the new income-based eligibility standard played a major role in the increased Lifeline enrollment.[29] Vermont's telephone penetration among households with annual incomes of less than $10,000 also increased from 89 percent in 1999 to 92.9 percent in 2000, evidencing that Vermont's new income-based eligibility standard has also proved successful in connecting many very poor households that lack telephone service.[30]

2. Michigan

Under Michigan law, a person can qualify for Lifeline if "annual income [does] not exceed 150 percent of the federal poverty income standards."[31] Ameritech, the major incumbent local telephone provider in Michigan, also offers a separate plan, USA Lifeline, which ties eligibility to participation in at least one qualifying public assistance program.[32] Applicants for standard Lifeline service verify their eligibility by furnishing copies of their federal tax returns to their carriers when they apply for Lifeline and each year thereafter.[33] Subscribers for USA Lifeline may self-certify, using a one-page form, that they participate in a qualifying public assistance program.[34]

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[27] *See id.*
[28] *Id.*
[29] *Id.* at 4.
[30] *See* Alexander Belifante, Industry Analysis Div., Common Carrier Bureau, Fed. Comm. Comm., *Telephone Penetration by Income by State*, 21 (rel. July 2001) ("Telephone Penetration by Income by State") (calculations in March 1984 dollars).
[31] *See* MICH. COMPILED LAWS ANN. § 484.2316(5) (Westlaw 2001).
[32] *See* Michigan Bell Telephone Company, Tariff M.P.S.C. No. 20R, Part 4, Section 4.1.E.2.a (effective Oct. 7, 2000), *available at* http://www.sbc.com/PublicAffairs/PublicPolicy/Tariffs2/1,3950,281,00.html?pid=264 ("Michigan Bell Tariff").
[33] Telephone interview with Marilyn Moore, Michigan Public Service Commission, Dec. 12, 2001. *See also* Michigan Bell Tariff at Part 4, Section 4.1.B.4 ("The Lifeline plan

After enacting its Lifeline program in the 1997, telephone penetration in Michigan among households with annual incomes of less than $10,000 from 83.5 percent in 1999 to 88.1 percent in 2000.[35] Overall, telephone penetration grew from 86.0 percent in 1997 to 88.1 percent in 2000.[36]

3. Tennessee

Tennessee residents are eligible for the state's Lifeline programs if their total annual household income is equal to or less than 125 percent of the federal poverty level guideline or if they qualify to receive any one of seven qualifying public assistance benefits.[37] A resident who applies under the income-based guidelines applies directly to the Tennessee Regulatory Authority for certification of income.[38] As discussed in section III, Tennessee also has engaged in extensive outreach efforts during the past year. As a result of Tennessee's efforts, the number of Lifeline subscribers increased by 31 percent from 1998 to 1999.[39] Likewise, telephone penetration for households with incomes of less than $10,000 increased significantly, from 83.3 percent in 1999 to 90.9 percent in 2000.[40]

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will apply after receipt and processing of a completed Lifeline application, including documentation indicating that the household income meets the eligibility standards established [herein].")

[34] *See* Michigan Bell Tariff at Part 4, Section 4.1.E.2.b.

[35] Telephone Penetration by Income by State at 15.

[36] *See id*.

[37] *See* BellSouth Telecommunications, Inc., General Subscriber Services Tariff A3. section 31.2(B) (2) (effective July 3, 2001), *available at* http://cpr.bellsouth.com/pdf/tn/tn.htm; *see also* Tennessee Regulatory Authority, Telephone Assistance Program http://www.state.tn.us/ tra/teleassist.htm.

[38] *Id*.

[39] Tennessee Regulatory Authority, Annual Report for the Period July 1, 1999 to June 30, 2000 at 16.

4. Texas

Texas allows low-income consumers to establish eligibility for its Lifeline program through either an income-based standard or categorical public assistance eligibility criteria. To meet the income-based criterion, consumers must have a household income of no more than 125 percent of the federal poverty line guidelines.[41] To enroll in Lifeline, consumers must submit an affidavit to their carrier certifying their income eligibility.[42]

In addition, as of March 1, 2001, Texas began to automatically enroll telephone customers who qualify as a result of their participation in certain public assistance programs directly into the Lifeline program. Under automatic enrollment, the Texas Department of Human Services ("TDHS") provides each eligible telecommunications carrier with an electronic listing of telephone customers eligible for automatic enrollment.[43] THDS customers who do not have telephone service must initiate a request for service from an eligible telecommunications carrier providing local service in their area.[44]

Because the Texas program was adopted in 2001, statistics concerning the effectiveness of the program are not available. However, subscribership should increase at rates similar to those in the other states that employ income-based eligibility criteria. In March of 1999, prior to the enactment of the automatic enrollment provisions in Texas statute, 83.1 percent of households earning less than $10,000 had telephone service, slightly below the national average of 83.4 percent. If the success of the other states in

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[40] Telephone Penetration by Income by State at 21.
[41] *See* 16 TEX. ANN. CODE § 26.412(b) (Westlaw 2001).
[42] *See id.* at § 26.412(e)(2)(A)(iii) (Westlaw 2001).
[43] *See id.* at § 26.412(f)(2)(B) (Westlaw 2001).

using income-based criteria is any indication, Texas is likely to see substantial increases in telephone penetration among its poorest residents over the next several of years.

5. California

California bases Lifeline eligibility solely on the amount of total household income rather than participation in a public assistance program.[45] Households that receive Lifeline benefits must have annual incomes at or below 150 percent of the federal poverty level.[46] The qualifying income amounts are adjusted annually for inflation according to the federal consumer price index and take into account the number of members of the household.[47]

As the first state to establish income-based eligibility criteria, California has one of the highest telephone penetration rates among low-income consumers. Slightly more than 90 percent of households in California earning less than $10,000 per year as of March 2000 had telephones, compared to 89.2 percent in 1999 and 87.7 percent in 1997.[48] Thus, California's telephone penetration grew by about two percent during this period to a level that is nearly three percent higher the national penetration rate of 87.5 percent for such households.[49]

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[44] *See id.* at § 26.412(e) (2001).
[45] *See* California Public Utilities Commission, *Order Instituting Rulemaking on the Commission's Own Motion to Consider Modifications to the Universal Service Lifeline Telephone Service Program and General Order 153*, Decision No. 00-01-028, Rulemaking No. 98-09-005, 14 (Oct. 5, 2000).
[46] *See id.*
[47] *See id.*
[48] Telephone Penetration by Income by State at 7.

C. Self-Certification of Eligibility Would Increase Efficiencies in Administering the Lifeline Programs

The Joint Board should also recommend that the Commission provide for self-certification of income-based eligibility. In its Twelfth Report and Order, the Commission stated its intention to consider whether to revise its rules to provide for self-certification based solely on income.[50] The Commission's current rules already provide for a modified form of self-certification of eligibility based on participation in designated public assistance programs.[51] To promote administrative ease and efficiency, the Commission's rules require federal Lifeline consumers to certify, under penalty of perjury, that they are receiving benefits from a designated public assistance program and that they will notify their carrier when they are no longer receiving these benefits.[52]

Expanding the Lifeline rules to include self-certification an income-based standard likewise would further the Commission's goal of fostering administrative efficiency.[53] Unlike the complicated qualifications for many federal public assistance programs, income-based eligibility criteria are fairly simple to understand and are adjusted for inflation and household size. The only information the subscriber would need to provide is the total household income and the number of persons in the household.

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[49] *Id.* at 6.
[50] *See* Twelfth Report and Order at 12247 (¶ 72).
[51] *See* 47 C.F.R. § 54.409(b) (2000).
[52] *Id.*
[53] To implement this proposal, the second to the last sentence of section 54.409(b) could be revised as follows: "certifying under penalty of perjury that the consumer receives benefits from one of the programs listed in this paragraph and identifying the program or programs from which that consumer receives benefits, <u>or that the total annual income for the consumer's household does not exceed 150 percent of the U.S. Department of Health and Human Services' Poverty Guidelines</u>."

For example, California currently uses self-certification to verify the initial eligibility of potential Lifeline customers and re-certify their eligibility each year.[54] Self-certification also is used in numerous state public assistance programs, such as the Texas Full Service Energy Efficiency Services,[55] public assistance programs under the Connecticut Workforce Investment Act,[56] and the Kansas Disabled Parking Privilege.[57] Because consumers must certify eligibility under penalty of perjury, the vast majority of consumers have no incentive to underreport their income. As the California PUC observed, the costs to verify income and ferret out potential abuse must far exceed any possible lost revenues from the few that might abuse the system. The Texas Public Utility Commission ("Texas PUC") also decided to enact self-certification for Lifeline "because no harm is incurred by its inclusion and it may be advantageous to the enrollment of a significant population of qualified customers."[58] Furthermore, the Commission itself has acknowledged that "studies indicate that the cost of verifying eligibility exceed losses resulting from fraud and abuse."[59] Therefore, self-certification

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[54] *See* California Public Service Commission, *Order Instituting Rulemaking on the Commission's Own Motion to Consider Modifications to the Universal Serice Lifeline Telephone Service Program and General Order 153*, Decision No. 00-01-028, Rulemaking No. 98-09-005 (Filed September 3, 1998) 399, paragraph 76, (Oct. 5, 2000).

[55] *See* Public Utility Commission of Texas, Self Certification Form of Income Eligibility for Full Incentive Energy Efficiency Services, *available at* www.puc.state.tx.us/electric/projects/22241/010501iscf.pdf (a copy of this form is attached hereto at Appendix B).

[56] *See* Connecticut Workforce Investment Act public assistance programs, *available at* www.ctdol.state.ct.us/wia/ap0021-attach.pdf (self-certification permitted to verify items that are not documentable or may cause undue hardship to obtain).

[57] *See* Kansas Department of Revenue, Department of Vehicles, Self Certification for Continued Eligibility for Disabled Parking Privilege, *available at* www.ksrevenue.org/pdf/tr159a.pdf.

[58] 26 Tex. Reg. 1611, 1698 (Feb. 23, 2001).

[59] First Report and Order at 8975 (¶ 376), *citing* Letter from Jack Leutza, California Public Utilities Commission to William F. Caton, Fed. Comm. Comm. (Jan. 28, 1997).

with periodic, partial verification should be relied upon to achieve the highest penetration while keeping administrative costs low.

The Commission could adopt a one-page, self-certification form, similar to that used by the Texas PUC to verify eligibility for that state LIHEAP program.[60] An applicant simply would provide contact information and household income and sign the application under penalty of perjury. Alternatively, upon initial certification, the carrier could further verify the applicant's income by submitting electronic data to a social welfare agency, as is permitted for carriers in Pennsylvania.[61]

As demonstrated above, self-certification provides a simple way to facilitate enrollment, conserve resources and increase participation in the federal Lifeline programs. Accordingly, the Joint Board should recommend that the Commission require self-certification of eligibility to participate in the federal default Lifeline programs.

II. States Should be Encouraged to Use Automatic Enrollment for Lifeline Programs

For the same reasons of economic and administrative efficiency, the Commission also should encourage states to use automatic enrollment in the Lifeline programs. The current Lifeline eligibility criteria require participation in a designated public assistance program. The eligibility criteria for the designated public assistance programs thoroughly evaluate household income, making it duplicative for consumers to re-demonstrate eligibility through a separate Lifeline application. Thus, the federal Lifeline programs

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[60] *See* Copy of Public Utility Commission of Texas Self Certification Form of Income Eligibility for Full Incentive Energy Efficiency Services at Appendix 2 hereto. The Texas PUC requires carriers to provide a self-certification form for new subscribers applying for the state Lifeline and Link-Up programs. *See* § 26.412(e)(2)(A)(iii) (2001).

[61] *See Bell Atlantic-Pennsylvania, Inc. Petition for Waiver of Section 54.509(b) of the Commission's Rules and Regulations, Memorandum Opinion and Order*, 16 FCC Rcd 61, 64 (2000).

should build upon the existing application processes for public assistance programs by encouraging states to allow low-income individuals enroll in the Lifeline programs automatically after they qualify for a designated public assistance program.[62] Automatic enrollment also would increase the effectiveness of the federal Lifeline program because it would remove an unnecessary administrative hurdle to enrollment, thus making it easier for low-income individuals to participate in the federal Lifeline programs.

States that provide for automatic enrollment have realized significant increases in telephone penetration. After the first year of automatic enrollment in New York in 1995, enrollment increased by 19 percent over the previous year.[63] Currently, New York enjoys a overall telephone penetration rate of 96.1 percent, nearly one and one-half percent above the national rate of 94.6 percent.[64] Likewise, the increase in Nevada's telephone penetration among low-income customers since the adoption of automatic enrollment has been remarkable, escalating from 78.2 percent of households with incomes of less than $10,000 in 1999 to 89.7 percent of such households in 2000.[65] Compared to 1999, when only approximately ten thousand households subscribed to Lifeline, by 2000 17,486 Nevada households subscribed to Lifeline.[66] Thus, in the year

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[62] The proposal could be implemented by adding a sentence after the second sentence of section 54.409 that reads as follows:
"The state commission shall use best efforts to coordinate with state agencies that administer the qualifying federal assistance programs listed in section 54.409(b) to implement automatic enrollment in Lifeline based upon participation, or eligibility to participate, in a qualifying federal assistance program."

[63] Industry Analysis Division, Common Carrier Bureau, Fed. Comm. Comm., *Trends in Telephone Service*, 7-6 (Dec. 2000).

[64] Telephone Penetration Rates by Income by State at 19.

[65] Telephone Penetration by Income by State at 17 (citing percentage of Nevada households with telephone service in March 1999 and March 2000).

[66] Industry Analysis Division, Common Carrier Bureau, Fed. Comm. Comm., *Trends in Telephone Service*, 7-7, 7-8 (rel. Mar. 2001) ("Trends in Telephone Service").

following implementation of automatic enrollment, Lifeline subscribership in Nevada increased by approximately 70 percent.

Several additional states, including Florida,[67] Illinois,[68] Maine,[69] New Jersey,[70] Ohio,[71] Tennessee,[72] Texas[73] and Washington,[74] also passed or are considering implementation of automatic enrollment for Lifeline services. Accordingly, the Joint Board should recommend that the Commission modify section 54.409 to strongly encourage states to develop automatic enrollment mechanisms as part of state Lifeline programs.

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[67] *See* Press Release, Office of the Governor, Consumer Safety and Protection, (April 18, 2001), *available at* http://www.ebudget.state.fl.us/priorities/consumersafety.asp).

[68] H.R. 3105, 92nd Gen. Assem., Reg. Sess. (Ill. 2001) (pending in the Senate). If passed, the bill would require the Public Utilities Commission to adopt rules providing for automatic enrollment for eligible Lifeline customers.

[69] The Maine Public Utilities Commission has requested that the local exchange carriers and the appropriate social service agencies convene a meeting designed to create a structure that facilitates automatic enrollment. *See* Maine Pub. Util. Comm., *Order Adopting Rule, Lifeline and Link Up Service Programs (Chapter 294)*, Docket No. 98-724, 5 (Feb. 22, 1999).

[70] As of February 16, 2001, the New Jersey Board of Public Utilities entered into negotiations with Verizon regarding automatic enrollment. In testimony before the State Board, the New Jersey Division of the Ratepayer Advocate recommended the adoption of the same automatic enrollment process used in New York and Ohio. *See Direct Testimony of Roger Colton on Behalf of the New Jersey Division of the Ratepayer Advocate*, In the Matter of Application of Bell-Atlantic New Jersey, Inc. for Approval of a Modified Plan for an Alternative Form of Regulation and to Reclassify All Rate Regulated Services, N.J. Bd. of Pub. Util., Docket No. TO99120934 at 14 (Aug. 9, 2000).

[71] *See* Ohio Pub. Util. Comm., Opinion and Order, at 7, 8, *In the Matter of the Application of Ameritech Ohio for Approval of an Alternative Form of Regulation*, Case No. 93-487-TP-ALT (Apr. 27, 2000).

[72] *See* H.R. 2816, 101st Gen. Assem., Reg. Sess. (Tenn. 2001). If it had passed, the bill would have ordered the Tennessee Regulatory Authority to promulgate rules providing for automatic enrollment for eligible customers.

[73] *See* 16 TEX. ADMIN. CODE § 26.412(f)(2)(B) (2001).

[74] *See* Public Counsel, Attorney General of Washington, *In Re Matter of the Rule-Making Proceeding Related to Washington Telephone Assistance Program,* Docket No. UT-003074, 5 (Sept. 25, 2000). The Public Counsel recommended in comments before the Washington Utilities and Transportation Commission that the Washington Commission

III. The List of Qualifying Public Assistance Programs Should Be Expanded to Capture a Larger Number of Low-Income Consumers

In addition to adopting an income-based eligibility standard, the Joint Board should recommend that the Commission modify section 54.409(b) to expand the list of qualifying public assistance programs. Currently, eligibility for the federal Lifeline programs require participation in one or more of the following public assistance programs: Medicaid, Food Stamps, Supplemental Security Income ("SSI"), federal public housing assistance, or Low-Income Home Energy Assistance ("LIHEAP").[75] In adopting the current Lifeline eligibility criteria, the Commission concluded that basing Lifeline eligibility on participation on any of the qualifying low-income assistance programs would achieve the Commission's "goal of wide Lifeline participation by low-income consumers," because the Commission believed that the eligibility criteria for the programs varied sufficiently enough to include most low-income customers.[76]

Despite the Commission's objectives for selecting these programs, these limited eligibility requirements do not reach as many low-income households that an income-eligibility standard would.[77] Although the introduction of a purely income-based qualification criterion would be the best option for expanding access to Lifeline, the inclusion of additional public assistance programs undoubtedly would help as well. In its Twelfth Report and Order, the Commission recognized the value of expanding the federal Lifeline eligibility criteria to extend Lifeline benefits to more people living on tribal lands. As such, the Commission included BIA general assistance, Temporary Assistance

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evaluate whether instituting automatic enrollment would be "feasible, effective, and result in transactional cost savings."

[75] *See* 47 C.F.R. § 54.509(b).

[76] First Report and Order at 8774 (¶ 374).

[77] *Id.*

for Needy Families ("TANF"), Head Start Programs, and the National School Lunch Program within the list of qualifying programs for Lifeline and Link-Up on tribal lands."[78]

Accordingly, expanding the qualifying public assistance programs nationwide to include TANF, Head Start and the National School Lunch Program, as well as additional programs such as the Children's Health Insurance Program ("CHIPs") would be a positive step toward expanding access to Lifeline and Link-Up services for all low-income households.

In addition, the Commission should also permit those who qualify for these programs, but choose not to enroll in them, to be eligible for Lifeline. Many people opt not to accept public assistance benefits because of the stigma attached to receiving what some consider "handouts," pride in being self-sufficient, cultural aversion to receiving public assistance or inconvenience of administrative requirements to collect benefits. Declining participation in one public assistance program, however, should not preclude accepting enrollment in another.[79] Therefore, the Joint Board should recommend that the Commission revise section 54.409(b) to permit subscribers to qualify for Lifeline based upon their eligibility to participate in the designated public assistance programs, and not merely their participation in such programs.

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[78] *Id.* at 12245 (¶ 68).

[79] The State of Utah concluded as much when it provided for self-certification of Lifeline eligibility in the form of "a statement as to whether the person is participating in one of the [qualifying programs] or would be eligible for one of more of those programs." UTAH ADMIN. CODE R746-341-3 (Westlaw 2001).

IV. Outreach Requirements Targeted at Low-Income Consumers Would Increase Participation in the Federal Lifeline and Link-Up Programs

USCCB, *et al.* also urge the Joint Board to recommend that the Commission revise sections 54.405(b) and 54.411(d) to require specific outreach efforts targeted at low-income individuals who are likely to qualify for Lifeline and Link-Up.[80] As

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[80] To implement this proposal, section 54.405(b) could be amended by adding the following to the end of the section:

(i) "Carriers are required to inform customers of the Lifeline program at the time the customer requests service from the carrier. Carriers must notify customers of the Lifeline program and its guidelines at least once per year by mail.

(ii)Each year carriers must perform at least two of the following outreach efforts targeted at all individuals within the carrier's service area with household incomes at or below 150 percent of the U.S. Department of Health and Human Services Poverty Guidelines:

- (A) Distribute by mail or hand delivery informational brochures, letters or flyers that promote Lifeline;
- (B) Establish and adequately staff a toll-free, informational Lifeline phone line and promote the hotline via broadcast or print advertising, posters, flyers or similar materials.
- (C) Promote Lifeline via broadcast or print media at least twice per year;
- (D) Conduct town meetings, seminars or similar outreach events;
- (E) Publicize Lifeline in telephone bill inserts and/or telephone directories at least twice per year;
- (F) Undertake other promotional activities that are required or approved by state commissions and are reasonably designed to reach those likely to qualify for Lifeline; or
- (G) Hire Community-Based Non-Profit Organizations to Conduct Outreach Efforts Such as Those Listed Above in (A)-(F).

(iii) Outreach efforts undertaken pursuant to this section must inform recipients of the eligibility criteria, enrollment and verification procedures and general benefits of the Lifeline program.

(iv) Outreach efforts undertaken pursuant to this section must broadly distribute information to reach a wide variety of low-income populations, including households and those attending social service agencies and organizations, schools, senior citizen centers, recreation centers, places of worship and community events.

(v) In fulfilling the obligations of this section, eligible telecommunications carriers may coordinate with state commissions, public assistance agencies or non-profit organizations to obtain mailing lists and develop joint programs to distribute and promote the Lifeline program.

Section and 54.411(d) could be amended in a similar fashion by substituting the word "Link-Up" for "Lifeline."

discussed below, targeted outreach efforts are proven to increase telephone penetration among low-income populations.

A. Initiatives by States to Promote Lifeline Significantly Increased Subscribership in the Programs

According to sections 54.405(b) and 54.411(d), carriers offering Lifeline and Link-Up are required to publicize the availability of the programs "in a manner reasonably designed to reach those most likely to qualify for support."[81] However, these rules are vague and offer no practical guidance as to which outreach methods are likely to be successful in reaching and retaining eligible consumers. Furthermore, current statistics show that the minimal outreach efforts made by many carriers have not been successful in increasing telephone subscribership.[82]

Telephone subscribership among low-income individuals has increased dramatically in states that have undertaken targeted efforts to inform consumers of the Lifeline and Link-Up programs. The experience of two states, Maine and Tennessee, illustrates the significant impact relatively simple outreach efforts can have on increasing telephone subscribership.

1. Maine Outreach Program

Although Maine had a telephone penetration rate of over 97 percent in 1998, one of the highest in the nation, the Maine Public Utility Commission ("PUC") managed to increase Lifeline enrollment in the state by 17 percent and Link-Up participation by 39

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[81] 47 C.F.R. §§ 54.405(b), 54.411(d) (2000).

[82] The national telephone penetration rate increased just one percentage point during the past ten years, from 93.6 percent in March 1991 to 94.6 percent in March 2001, and subscribership among the nation's poorest households remains below 90 percent. Telephone Penetration by Income by State at 6. The telephone penetration rate for U.S. households earning less than $10,000 annual income per year is approximately 87 percent. *Id.*

percent after just one targeted outreach effort.[83] In October and December 1999, the PUC conducted a mass mailing through the PUC's Consumer Advocate Division.[84] As part of the mailing, the PUC sent letters and flyers to participants enrolled in the public assistance programs used to establish eligibility for state Lifeline benefits. The materials explained the benefits, eligibility requirements and enrollment procedures for Lifeline and Link-Up. The PUC printed the materials in English and Spanish to ensure that those targeted by the outreach efforts could understand the information in the flyers. Thus, the mailing not only physically reached the targeted audience, but it provided useful eligibility information, presented in an accessible medium, that empowered eligible individuals to enroll in Lifeline.

By making information accessible to eligible individuals, Maine's outreach efforts resulted in an impressive increase in Lifeline and Link-Up subscribership. Whereas subscribership in these programs increased by only 1.9 percent from 1995 to mid-1999, after the Maine PUC mailing, subscribership in Lifeline increased by 17 percent and enrollment in Link-Up increased by 39 percent between September 1999 and April 2000.[85]

2. Tennessee Outreach Program

The Tennessee Regulatory Authority ("TRA") recently has made remarkable progress in increasing Lifeline subscribership in the State during the past two years. In 2000, the TRA hired a Lifeline Outreach Manager to design and implement outreach

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[83] Trends in Telephone Service at 6-24.

[84] Maine Public Utilities Commission, Consumer Assistance Division, *Annual Report on Consumer Assistance* at 2 (2000), *available at* www.state.me.us/mpuc/CAD/annual2000.pdf.

[85] *Id.*

efforts to increase subscribership among low-income consumers across the State.[86] In March 2001, the TRA, in conjunction with the state Department of Welfare, developed an informational letter and paid the Department of Welfare's costs in mailing the letter to the approximately 300,000 Food Stamps recipients in the state. The estimated cost per letter, including postage, software development and overhead, was 37 cents.[87] The TRA and Department of Welfare plan to execute future mailings to participants of a wider range of public assistance programs, and use customized software to eliminate any overlap in participants of multiple programs. The number of Lifeline subscribers increased by 31 percent from 1998 to 1999[88] and telephone penetration for households with incomes of less than $10,000 increased significantly, from 83.3 percent in 1999 to 90.9 percent in 2000.[89]

B. To Increase Lifeline Subscribership, the Commission Should Require Carriers to Perform Specific Outreach Activities

Currently, the Commission's rules do not provide carriers with an incentive to aggressively promote Lifeline to low-income consumers. The common method that incumbent local exchange carriers use to publicize the Lifeline programs is "through newsletters included in monthly phone bills." [90] This is obviously not an effective

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[86] Telephone interview with Vivian Michael-Wilhoite, Manager of Outreach, Tennessee Regulatory Authority (Dec. 4, 2001).

[87] Telephone interview with Vivian Michael-Wilhoite, Manager of Outreach, Tennessee Regulatory Authority (Dec. 4, 2001).

[88] Tennessee Regulatory Authority, Annual Report for the Period July 1, 1999 to June 30, 2000 at 16.

[89] Telephone Penetration by Income by State at 21.

[90] *See, e.g.*, Rebekah Gleaves, *Failure to Communicate: BellSouth has an incentive to keep poor people from getting subsidized phone service*, Nashville Scene at ¶ 3 (Oct. 18, 2001), *available at* http://www.nashvillescene.com.

method for informing those who lack phone service about Lifeline because they do not receive these billing statements.

Accordingly, the Commission should require carriers to perform specific outreach efforts. At minimum, carriers offering Lifeline services should be required to inform prospective customers of the Lifeline and Link-Up programs at the time new service is requested from a carrier, and each customer should receive notification of the program and its guidelines at least once per year by mail.[91] In addition, carriers could select from a menu of outreach options that would permit flexibility in tailoring their outreach programs to work with state agencies, nonprofit organizations, or independently, to reach a greater number of low-income households. Outreach efforts should be sufficiently broad to reach a range of low-income populations, including households with young children, the elderly, the disabled, unemployed individuals, migrant workers and recent immigrants.

Furthermore, in order to ensure that carrier actually undertake outreach efforts, the Commission should require carriers to report on their outreach efforts at least once per year.[92] For example, Maine Public Utilities Commission requires carriers to provide,

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[91] *See, e.g.*, Maine Public Utilities Commission Lifeline and Link Up Service Programs (Chapter 294), *Order Adopting Rule*, Docket No. 98-724 at 8 (Feb. 22, 1999).

[92] This proposal could be implemented by adding a new subsection to section 54.405(c) as follows:

(c) "Report the following information to the Administrator semi-annually, by June 30 and December 31 of each year:

(i) a summary of outreach efforts undertaken pursuant to this rule;

(ii) the total number of qualified low-income customers to whom the carrier provided Lifeline service; and

(iii) the name of the carrier's contact person for Lifeline issues."

Section 54.411 likewise could be revised to include a new subsection 54.411(e) containing the above provision, but with the word "Link-Up" substituted for "Lifeline."

at least annually, "a summary of outreach efforts undertaken,"[93] "designate a single contact person for Lifeline and Link-Up issues,"[94] and "report monthly . . . the total number of qualified low-income customers to whom Lifeline service or Link-Up service was provided."[95] In similar fashion, the Commission should require carriers that receive Lifeline support to document their outreach efforts, file copies of outreach materials and report the number of Lifeline subscribers at least once a year in order to make the federal Lifeline program more effective.

The Commission already directs carriers to publicize Lifeline and Link-Up "in a manner reasonably designed to reach those likely to qualify" for these services. [96] The Commission should expand this rule and require carriers to undertake the kind of outreach efforts that have been proven effective at increasing subscribership. Accordingly, USCCB, *et al.* urge the Joint Board to recommend that the Commission revise sections 54.405(b) an 54.411(d) to require carriers to perform a minimum number of targeted outreach activities, and report at least once a year on their progress in increasing Lifeline enrollment.

V. Carriers Should Be Prohibited from Requiring Deposits as a Condition of Participation in the Lifeline Programs

Finally, USCCB, *et al.* urge the Joint Board to recommend that the Commission revise section 54.401(c) to prohibit carriers that do not offer toll blocking from requiring Lifeline customers to pay a deposit prior to receiving service.[97] The Commission's current rules permit such carriers to require deposits from Lifeline customers.

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[93] CODE ME. R. 65-407 Ch. 294, § 7.B.
[94] *Id.*
[95] *Id.* at § 7.C.
[96] 47 C.F.R. §§ 54.405(b), 54.411(d) (2000).
[97] *See* 47 C.F.R. § 54.401(c) (2000). USCCB, *et al.*'s proposal could be implemented by

As the Commission acknowledged in its First Report and Order, deposit requirements often have the effect of deterring low-income individuals from taking advantage of the Lifeline program.[98] The Commission's original intent in prohibiting carriers that provide toll blocking from requiring deposits for Lifeline service was that subscribers should not have to pay a deposit if they voluntarily choose to block their access to long distance service.[99] Lifeline customers of carriers that do not yet offer toll blocking should not be forced to pay a deposit, and thus, treated differently from customers of carriers that provide toll limitation.

Carriers have had four years since the toll blocking deposit rules became effective in 1998 to upgrade their networks and provide toll blocking, primary interexchange carrier or blocking, or some other similar mechanism for prohibiting a local customer from accessing long distance service. Accordingly, because toll blocking is a widely-available service, the Commission should presume that carriers can provide toll blocking and should not permit carriers to shirk their obligation under section 54.401(c) to waive deposit requirements for customers who are willing to block their toll calls.[100]

Furthermore, the Commission's rules do not currently clarify whether states, through their Lifeline programs, may prohibit or restrict carriers that do not offer toll

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deleting the last two words of the first sentence, and all of last sentence of section 54.401(c), so that this subsection would read: "Eligible telecommunications carriers may not collect a service deposit in order to initiate Lifeline service, if the qualifying low-income consumer voluntarily elects toll blocking from the carrier."

[98] *See* First Report and Order at 8988 (¶ 398).

[99] *See id.*

[100] *See, e.g.*, State of Iowa, Department of Commerce, Utilities Board, *In Re: Goldfield Access Network, L.C., Order Designating Eligible Telecommunications Carrier Status,* Docket No. Iowa Admin. Code 199-39.2(4) (Issued July 30, 1999) (denying waiver of carrier's request for waiver of Iowa toll blocking requirement as qualification for eligible telecommunications carrier because toll blocking is "widely available" and thus the carrier "should be able to offer toll blocking and comply with the requirements of the

blocking from requiring deposits. To the extent that the Commission decides not to revise section 54.401(c) to prohibit such practices, then the Commission should, at the very least, expressly affirm that states may prohibit or restrict carriers that do not offer toll blocking from requiring deposits from Lifeline subscribers.[101]

Therefore, USCCB, *et al.* strongly recommend that the Commission modify section 54.401(c) to prohibit carriers from imposing any deposit requirement and clarify that states may prohibit carriers from imposing deposit requirements as a condition for participating in Lifeline.

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federal and state rules, making a waiver unnecessary").

[101] USCCB, *et al.*'s proposal could be implemented by adding to the end of the second sentence of section 54.401(c): "unless prohibited or restricted by state law."

VI. Conclusion

For the foregoing reasons, and in the interest of promoting access among low-income individuals to the local telecommunications network, USCCB, *et al.* urge the Joint Board to recommend that the Commission modify its rules to provide for: (A) an eligibility requirement based on an income level of 150 percent of the federal poverty guidelines, with self-certification of eligibility, (B) additional federal public assistance programs that serve as benchmarks for consumers to qualify for Lifeline and Link-Up benefits, (C) outreach requirements targeted at low-income consumers and annual outreach reporting requirements, and (D) no deposit requirement for Lifeline and Link-Up recipients, regardless of whether a carrier offers toll-blocking service.

Respectfully submitted,

Christopher R. Day
Angela J. Campbell
Institute for Public Representation
Georgetown University Law Center
600 New Jersey Avenue, N.W.
Suite 312
Washington, D.C. 20001
Phone: (202) 662-9535

Counsel for USCCB, *et al.*

Of Counsel:

Tara O'Brien Wu, Student
Georgetown University Law Center

December 31, 2001

Appendix A

Descriptions of Organizations and Constituencies

THE UNITED STATES CONFERENCE OF CATHOLIC BISHOPS

The United States Conference of Catholic Bishops (USCCB), formerly the United States Catholic Conference, is a nonprofit corporation organized under the laws of the District of Columbia whose members are the active Catholic Bishops of the United States. The USCCB advocates and promotes the pastoral teachings of the Bishops in areas such as education, family life, health care, social welfare, immigration, civil rights, the economy, housing, and communications.

THE ALLIANCE FOR COMMUNITY MEDIA

The Alliance for Community Media is a national membership organization dedicated to fostering the public's access to electronic media. The Alliance represents the interests of an estimated 1.5 million individuals involved with community, religious, and charitable groups who use public, educational and governmental access channels on cable television and who are interested in access to other electronic media. The Alliance seeks to assure broad access to such media by all persons by providing facilities for communication and through public education, building coalitions and supporting local organizing.

THE APPALACHIAN PEOPLE'S ACTION COALITION

The Appalachian People's Action Coalition (APAC) is a nonprofit corporation and community organization based in southeastern Ohio. It serves as a community development and advocacy organization for low-income residents of Appalachian Ohio. APAC and its over 400, mostly low-income members have worked to ensure that rural low-income consumers in Ohio have access to affordable telecommunications services. Moreover, APAC has extensive experience as an intervener in telecommunications proceedings before the Public Utilities Commission of Ohio.

CENTER FOR DIGITAL DEMOCRACY

The Center for Digital Democracy (CDD) is a nonprofit organization working to ensure that the digital media systems serve the public interest. CDD is committed to preserving the openness and diversity of the Internet in the broadband era, and to realizing the full potential of digital communications through the development and encouragement of noncommercial, public interest programming. To these ends, CDD's four broad goals are to: 1) enhance public understanding of the changing dimensions of the US digital media system, 2) foster the development of a new generation of activists to work on digital media policy issues, 3) promote the development of a new online "commons," a consolidated and more visible space in which the public will have access to a variety of noncommercial sources of information and service, and 4) stimulate nonprofit organizations to become active producers of next-generation broadband media content.

CONSUMER ACTION

Consumer Action is a 30-year old, non-profit membership organization that focuses on the telecommunications needs of low-income and limited-English speaking consumers. Each year Consumer Action distributes more than two million copies of free educational materials in five languages, through a national network of 6,500 community groups and social service agencies. Many of these groups serve seniors, recent immigrants, people with disabilities, farm workers and the homeless.

CONSUMER FEDERATION OF AMERICA

Since 1968, the Consumer Federation of America (CFA) has provided consumers a well-reasoned and articulate voice in decisions that affect their lives. The size and diversity of its membership -- more than 285 organizations from throughout the nation with a combined membership exceeding 50 million people -- enables CFA to speak for virtually all consumers. In particular, CFA looks out for those who have the greatest needs, especially the least affluent.

CFA is first and foremost an advocacy organization, working to advance pro-consumer policy on a variety of issues before Congress, the White House, federal and state regulatory agencies, and the courts. CFA is also an educational organization, disseminating information on consumer issues to the public and the media, as well as to policy makers and other public interest advocates. Finally, CFA is a membership organization, providing support to national, state, and local organizations committed to the goals of consumer advocacy and education.

EDGEMONT NEIGHBORHOOD COALITION

The Edgemont Neighborhood Coalition is a non-profit community organization located in the City of Dayton, Montgomery County, Ohio. The Coalition is comprised of residents of Edgemont, a low-income African-American neighborhood, who operate a community computer center where residents are able to access computer and telecommunications technology. The Edgemont Neighborhood Coalition also works to ensure that its community has access to affordable telecommunications services, and has extensive experience in matters involving such services before the Public Utilities Commission of Ohio and the Federal Communications Commission.

MIGRANT LEGAL ACTION PROGRAM

The Migrant Legal Action Program (MLAP) is a national advocacy center which works with indigent migrant and seasonal farm workers nationwide. MLAP has as its goal the improvement of living and working conditions for this group of hardworking people. The program works with a network of legal services offices, grassroots farm worker organizations, and other nonprofit groups to better the lives of farm worker families.

Appendix B

Public Utility Commission of Texas Self Certification Form of Income Eligibility for Full Incentive Energy Efficiency Services

Public Utility Commission of Texas

Self Certification Form of Income Eligibility for Full Incentive Energy Efficiency Services

This statement is made to verify my household income. The Public Utility Commission of Texas has authorized energy efficiency programs to reduce the utility bills of income eligible households. Contractors participating in the programs receive higher incentive payments when you are income eligible. The purpose of the higher payment is to enable the contractor to provide the improvements at very low cost or at no cost to you.

Name			
Street Address		Apartment Number	
City		TX	Zip Code
Area Code ( )	Phone Number	Number of Persons in Household	

I currently qualify in one of the following categories. Check the appropriate category box.

Category 1

☐ I receive benefits from one or more of the programs listed below (check each box that applies):

☐ Food Stamps	☐ Medical Assistance	☐ Temporary Assistance to Needy Families
☐ Supplemental Security Income	☐ Children's Health Insurance Program	☐ Qualified Medicare Beneficiary
☐ Public Housing, Section 8 Housing, or Other Housing Authority Assistance		

Participating in this program will not affect your eligibility for other program benefits . If you checked one or more of the boxes in Category 1, please sign and date the form

Category 2

☐ My total household income before taxes is at or below the amount shown in the table below as determined by completing the Income Calculation Worksheet at the bottom of this form. **(Do not check this box before completing the worksheet.)**

INCOME CALCULATION WORKSHEET

Step 1-Fill out the Income Calculation Worksheet.

Instructions: ***Do not*** *complete this worksheet if you checked any of the boxes in Category 1. To accurately determine your* ***household income*** *you must include the income of all persons residing in your home from all sources. To determine the amount of income in each category enter the amount(s) on the check or benefit statement.*

	Amount per week / month / year (circle one)
Wages from full or part-time employment as shown on paystub or W-2 form:	_____
Unemployment or Worker's Compensation	_____
Social Security	_____
Retirement Income	_____
Child Support and/or Alimony	_____
All other earnings	_____
TOTAL HOUSEHOLD INCOME	_____

(Add the amount entered on each line to figure your total household income.)

Step 2. Compare your total household income per week, month or year to the amount shown in the table below for the number of persons in your household. If your total household income is equal to or less than the amount shown in the table you are income eligible. Please check the box next to Category Two and sign and date the form.

Household Size	Annual Income	Monthly Income	Weekly Income
1	$16,700	$1,391	$321
2	$22,500	$1,875	$432
3	$28,300	$2,358	$544
4	$34,100	$2,841	$655
5	$39,900	$3,325	$767
6	$45,700	$3,808	$878
7	$51,500	$4,291	$990
8	$57,300	$4,775	$1,101

Notice: Income ceilings are for April 1, 2000-March 31, 2001. Annual updates are posted on www.puc.state.tx.us

Under penalty of perjury, I certify that the above declaration is true and correct. I understand that the information is subject to audit and investigation by the Public Utility Commission of Texas.

Applicant signature	Date	Contractor signature	Date

The information provided on this form will be used solely for the purpose of determining whether your household is eligible for this program and will be kept confidential by the contractor and by the Public Utility Commission of Texas. It will not be sold or provided to any other party. Keep a copy of this form for your records.

CERTIFICATE OF SERVICE

I, Christopher R. Day, hereby certify that I have on this 31st day of December, 2001, sent via U.S. Mail, postage prepaid, copies of the "Comments of United States Conference of Catholic Bishops, *et al.*" to the following:

Sheryl Todd (three copies)
Common Carrier Bureau
Accounting Policy Division
Federal Communications Commission
445 12th Street, S.W., Room 5-B540
Washington, DC 20554

Thomas Dunleavy, Commissioner
New York Public Service Commission
One Penn Plaza, 8th Floor
New York, NY 10119

Martha Hogerty, Public Counsel
Missouri Office of Public Counsel
301 West High Street, Suite 250
Truman Building, P.O. Box 7800
Jefferson City, MO 65102

Kathleen Q. Abernathy, Commissioner
FCC Joint Board Chair
Federal Communications Commission
445 12th Street, S.W., Rm. 8-A204
Washington, DC 20554

Bob Rowe, Commissioner
Montana Public Service Commission
1701 Prospect Avenue
P.O. Box 202601
Helena, MT 59620-2601

Michael J. Copps, Commissioner
Federal Communications Commission
445 12th Street, S.W., Rm. 8-A302
Washington, DC 20554

Nanette Thompson, Chair
Regulatory Commission of Alaska
1016 West Sixth Avenue, Suite 400
Anchorage, AK 99501-1693

Kevin J. Martin, Commissioner
Federal Communications Commission
445 12th Street, S.W., Rm. 8-C302
Washington, DC 20554

Lila Jaber, Commissioner
Florida Public Service Commission
2540 Shumard Oak Boulevard
Tallahassee, FL 32399

Qualex International
Portals II
445 12th Street, S.W., Room CY-B402
Washington, DC 20554
(diskette copy)

Christopher R. Day