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PSC to hear comments on Lifeline reform

The Montana Public Service Commission, PSC, is sponsoring a roundtable discussion Monday on federal requirements expected to impact most telephone companies in the state.

The roundtable is an opportunity for telephone companies and others to discuss changes to the federal Lifeline and Link Up low-income telephone assistance programs.

A representative from the Federal Communications Commission, FCC, which recently reformed the programs, is expected to participate in the roundtable.

The Lifeline program provides a monthly discount on telecommunications services for eligible subscribers, while the Link Up program is a one-time credit for phone-line installation. Additional discounts are available on tribal lands.

Carriers are reimbursed for discounts offered through the federal program at a rate of \$10 per month for eligible customers on non-tribal lands. Federal reform of Lifeline decreases the monthly discount to \$9.25 per month, which means some customers would see a 75-cent increase on monthly phone bills.

Carriers are not reimbursed, however, for a \$3.50 per month state discount. And with a planned expansion of eligibility requirements, that fact has many carriers wondering what impact the new guidelines will have on their budgets. They also raise questions about implementation requirements.

CenturyLink and the Montana Independent Telecommunications Systems, or MITS, have submitted comments to the PSC in preparation for Monday's roundtable.

In comments to the PSC, MITS general manager Bonnie Lorang said her member organization has serious concerns that "the eligibility expansion under the Federal

Lifeline program may be particularly challenging for low income subscribers, telecom providers, social service agencies, and the PSC.”

The PSC argues federal reform of the program conflicts with Montana law and that the legislature doesn’t convene until January to consider resolving those issues. On March 20, the PSC filed a petition asking the FCC for a waiver from immediately implementing eligibility criteria. The FCC has not acted on the request.

Under existing Montana law, a residential subscriber with a single telephone line who receives Medicaid benefits is eligible for Lifeline assistance. On tribal lands, additional discounts and expanded eligibility guidelines are in place.

In addition, the feds are requiring Montana to expand its eligibility to include those who meet federal low-income guidelines, or participate in certain income-based programs.

It would also require carriers to conduct annual recertification, showing that all Lifeline participants continue to be eligible for the discount. In the past, recertification was based on a statistically-valid sample.

The order further eliminates Link Up in non-tribal areas and clarifies rules for the number of service connections per household as well as how subscribers may be removed from the program.

Monday’s meeting is open to the public from 1:30 to 4 p.m. at the PSC, 1701 Prospect Ave., in Helena. The public may also watch online via a live stream of the roundtable by visiting the PSC’s website, www.psc.mt.gov.