



BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

In the Matter of: the Rule Amendment)
to R746-341 Lifeline Rule) Docket No. 16-R341-01

Initial Comments of AARP

AARP welcomes the opportunity to submit comments to the Public Service Commission (“PSC” or “Commission”) regarding the pending change in eligibility for Utah’s Lifeline Program. AARP has participated previously in the PSC’s investigation of matters related to the regulation of the Utah Universal Public Telecommunications Service Support Fund (“Fund”).¹

AARP has more than 221,000 members in Utah, many of whom are living on fixed incomes and who reside throughout the state, in Utah’s urban and rural areas. The affordability and the availability of essential services such as basic voice service and broadband access to the Internet are key issues for AARP’s Utah members. AARP fully supports state policies that further the goal of achieving a reliable, advanced telecommunications network that is affordable and accessible to all consumers, regardless of their age, income and location.

AARP is aware that eligibility for the federal Lifeline program is scheduled to change imminently. Participation in the Low-Income Home Energy Assistance Program (LIHEAP), the Temporary Assistance to Needy Families (TANF) program, or the National School Lunch Program’s Free Lunch program will no longer qualify a Utah consumer for subsidized telephone service under the federal Lifeline program. Some customers

¹ In the Matter of the Consideration of Potential Changes in the Regulation of the Utah Universal Public Telecommunications Service Support Fund, in Response to Recent Changes in the Federal Universal Service Fund Program, Docket No. 12-999-10, AARP comments filed in 2012.

who previously qualified due to their participation in LIHEAP, TANF, or school lunch program may be able to continue participation in the Lifeline program under a different qualifier and AARP is hopeful that the Commission will urge them to do so. Other consumers, whose eligibility has depended in the past exclusively on their participation in one of these programs, will lose Lifeline subsidies. Meanwhile, for the first time, participation in the Veterans Pension and Survivors Pension Benefit will now qualify consumers for Lifeline support. AARP does not know how large this population is in Utah but anticipates that this population likely includes AARP members or AARP-eligible members.

While AARP is disappointed to see eligibility options decrease we understand the necessity of the revisions to the state program to mirror the revisions to the federal program. Having state eligibility requirements that do not match federal requirements would significantly increase the administrative and program costs of the state program, potentially increasing costs for all consumers, who ultimately pay for the USF.

AARP urges the Commission to undertake substantial outreach and consumer education in the major languages spoken in Utah regarding these changes in eligibility so that: (1) those consumers who will be losing Lifeline support (and who are not eligible through their participation in other programs) are adequately notified and can budget their limited income accordingly (or if possible, obtain eligibility through a different qualifying program); and (2) adequate notice is given to those consumers who are now, for the first time, eligible to participate in the Lifeline Program.

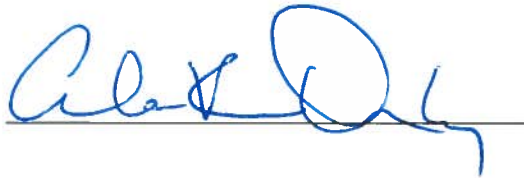
AARP's recommendation for enhanced consumer education is based on its detailed analysis of Lifeline participation rates throughout the country. AARP's national office has analyzed state-specific Lifeline participation levels. Based on that detailed analysis, AARP is concerned about the extremely low Lifeline participation levels in Utah among all age groups. Using data regarding poverty levels as a proxy for measuring the size of the population potentially eligible for Lifeline, the analysis compares state-specific poverty levels with state-specific Lifeline participation levels. As the attached figure (the second chart) entitled "Ranked proportional Lifeline participation by state population under federal poverty line" shows, using the federal poverty level as a gauge, Utah ranks near the bottom of participation levels throughout the country (the first chart displays the same information, with the states shown alphabetically). The third chart (on the second page of the attachment), shows

poverty levels and Lifeline participation levels disaggregated among age groups (recognizing that Lifeline participation occurs by households and the poverty levels correspond with individuals) within Utah, and underscores the importance of outreach and education. AARP fully supports the state's Lifeline Program and stands ready to assist the PSC with consumer education outreach efforts so that consumers can benefit fully from the Program.

As a separate matter, AARP also is aware that the scope of the federal Lifeline Program is changing significantly to encourage consumers to adopt broadband Internet access by providing broadband subsidies for eligible consumers. Among older consumers, affordability is a key barrier to broadband adoption, which the revised Lifeline Program, in part, seeks to address. Another barrier to broadband adoption by the state's older population is a lack of digital training and literacy. Accordingly, AARP welcomes the PSC's leadership and efforts to promote digital training and literacy throughout the state.

Respectfully submitted,

AARP Utah



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Attachments: Two-page attachment with three charts

