

CenturyLink proposes throughout the draft to modify the references to "Lifeline telephone service" to reflect the federal language that refers to the service as a "voice telephony service". This term is a more broad definition that allows for the service to be "voice" but not restricted to "telephone". This change is also consistent with the federal Universal Service definition of supported services under those rules.

R746. Public Service Commission, Administration.

R746-341. Lifeline~~[/Link-up]~~ Rule.

R746-341-1. Applicability.

~~[Telecommunications corporations]~~ This Rule applies to each telecommunications corporation that ~~[have been]~~is designated as an eligible telecommunications ~~[carriers]~~carrier (ETC) by the Commission, pursuant to ~~[Section]~~47 U.S.C. § 214~~[of the Federal Communications Act, shall establish a lifeline telephone service pursuant to the requirements of Sections 2 through 10]~~.

CenturyLink comments in regards to R746-341-2. Definitions.

CenturyLink proposes to remove the term "Account holder" as it is not used elsewhere in the rules. We also propose changes to the term "Applicant", to align the definition of that term with the federal Lifeline rules. We also suggest changing the references to 47 U.S.C. § 214 to 47 CFR § 54, which is specific to the federal Lifeline program regulations, and adding references to 47 CFR § 54 in the definitions of "Income" and "NLAD".

R746-341-2. Definitions.

~~A. [] "Account holder" -- means the person responsible to pay the Lifeline account bills.~~

~~BA. "Applicant" [—]— means an ETC's customer who subscribes to the ETC's supported Voice Telephony services as defined in 47 CFR § 54.101(a). [the eligible telecommunications]an ETC's customer, residing in an ETC's service area, who [owns and resides in a residential property or rents and resides in a residential property]fills out an application for Lifeline service.~~

~~[— B. "Responsible Agency" -- means the state government agency that administers the certification, verification, and continued verification of Lifeline enrollment.]~~

EB. "[-]ETC[-]" [-]- means ~~[the]~~an eligible telecommunications carrier.

DC. "Federal ETC" - means an ETC that qualifies for, and participates in, only the federal Lifeline program.

ED. "Federal Poverty Guidelines" [—]- means the poverty guidelines issued each year by the Department of Health and Human Services and published in the Federal Register.

~~[—E.—]~~**FE.** "Household" - means a single person or group of individuals who meet the definition of mutual support contained in the federal Lifeline rules established pursuant to 47 U.S.C.CFR § 21454.400.

GF. "Income[]" - means income as defined in 47 CFR § 54.400 and includes gross income, whether earned or unearned, received by all members of the household including, but not limited to, salary before deductions. Income shall not include student financial aid, military housing and cost-of-living allowances, or irregular income from occasional small jobs.

HG. "Lifeline" - means either federal or state programs defined by 47 CFR § 54.401(a)~~U.S.C. § 214~~ and this rule.

~~IH.~~**IH.** "NLAD" - means the National Lifeline Accountability Database as provided for in 47 CFR § 54.404.

JI. "Participant" - means an ETC's customer currently receiving a Lifeline benefit.

KJ. "Program administrator" - means the state government agency with which the Commission contracts to administer the initial eligibility verification and continued eligibility verification, of the State Lifeline participants.

LK. "State ETC" - means an ETC that participates in both the federal and state Lifeline programs.

CenturyLink comments in regards to R746-341-3. Eligibility Requirements.

As described in FCC Rule 54.410(c), initial applications require verification of program participation by accessing eligibility databases or by reviewing documentation of program participation provided by the customer. CenturyLink proposes adding language that makes it clear that obtaining documentation of eligibility is required of the Federal ETC. Also, participation in these programs does provide for low-income eligibility verification, but the applicant must also provide the certifications required in § 54.410(d) and go through duplicate resolution in the NLAD before Lifeline eligibility can be fully determined. So, CenturyLink recommends that the proposed language that suggests Lifeline support should be added based solely on verification of program eligibility should be removed.

CenturyLink proposes modifications to Section A to more closely resemble federal language in § 54.409 and to reflect these additional considerations.

CenturyLink recognizes that Staff has proposed to add the additional federal Tribal eligibility programs in Section B, but has omitted one of the programs, "Head Start (if income eligibility criteria are met)". Instead, "Head Start" is shown in Section A for Lifeline. CenturyLink proposes "Head Start" should be moved to Section B, Tribal Residents.

In addition, the proposed language in Section B states that these programs only apply if a Tribal-eligible customer chooses not to receive federal Tribal Lifeline benefits. This language implies that the Program Administrator will accept and verify these additional programs for state Lifeline benefits. But that also implies that the Program Administrator can validate the applicant is eligible for federal Tribal benefits. By definition of this section, the applicant is a "Tribal Resident". Tribal residents that receive these program benefits also qualify for federal Tribal benefits. CenturyLink proposes that if the Tribal programs are added to this section of these rules, then the reference to the applicant not desiring Tribal credits should be removed. FCC 47 CFR § 54.409 (b) states that applicants residing on Tribal lands are eligible for Tribal benefits if they meet the eligibility qualifications. Thus, CenturyLink is proposing replacing the proposed language with language from FCC 47 CFR § 54.409 (b).

As expressed in regard to the language in Section A, Section C references to the addition of Lifeline benefits based solely on income eligibility is contrary to federal requirements. Instead, CenturyLink recommends language that is more aligned with the federal rule language in FCC 47 CFR § 54.409. We are also proposing changes to the acceptable proof of income eligibility in Section C to align those requirements with the federal guidelines shown in FCC 47 CFR § 54.410(b)(1)(i)(B).

CenturyLink proposes to add an additional criterion as "D", which requires that a qualifying low-income consumer must not already be receiving a Lifeline service. The FCC made it clear in its Lifeline Reform Order that duplication of benefits was a prime area of concern that gave rise to the changes enacted by the Order to eliminate waste, fraud, and abuse. This addition is proposed so that these rules will align with the federal criteria in FCC 47 CFR § 54.409(c) that includes the provision that only one Lifeline benefit is available in a household.

R746-341-3. Eligibility Requirements.

A. Initial Program-Based Criteria [~~The ETCs~~]- To constitute a low-income consumer, an applicant must subscribe to a Lifeline telephony service and, using an approved application form, certify via supporting documentation (in the case of a Federal ETC), or be verified by a responsible agency (in the case of a State ETC), under the penalty of perjury, that the applicant's household is eligible for public assistance under one of the following or its successor programs:~~An ETC shall provide [lifeline] Lifeline telephone service to [any applicant who self-certifies, under the penalty of perjury, his] an applicant's household is which, using an approved application form, is verified by either the program administrator (for State ETCs), or by a federal ETC, to be eligible for public assistance under one of the following or its successor programs:~~

- ~~1. Temporary Assistance to Needy Families (TANF);~~
- ~~2. Work Toward Employment;~~
- ~~3. Food Stamps;~~
- ~~4. General Assistance;~~
- ~~5. Home Energy Assistance Target Programs/Help Program;~~
- ~~6. Medicaid;~~
- ~~7. Refugee Assistance;~~
- ~~8. Supplemental Security Income.~~
- ~~9. Federal Public Housing Assistance, including Section 8 Housing;~~
- ~~10. National School Lunch Free Lunch Program; or~~
- ~~11. Head Start Program (income qualifying standard only).]~~
- ~~1. [B.] Medicaid;~~
- ~~2. Supplemental Nutrition Assistance Program (SNAP or Food Stamps);~~

- ~~3. Supplemental Security Income (SSI);~~
- ~~4. Federal Public Housing Assistance (Section 8);~~
- ~~5. Low-Income Home Energy Assistance Program (LIHEAP);~~
- ~~6. Temporary Assistance to Needy Families (TANF);~~
- ~~7. National School Lunch Program's Free Lunch Program; or~~
- ~~8. Head Start (if income eligibility criteria are met).~~

B. Tribal Residents - A consumer who lives on Tribal lands is eligible for Lifeline service as a "qualifying low-income consumer" as defined by § 54.400(a) and as an "eligible resident of Tribal lands" as defined by § 54.400(e) if that consumer meets the qualifications for Lifeline specified Section A. or if the consumer, one or more of the consumer's dependents, or the

consumer's household participates in one of the following Tribal-specific federal assistance programs:~~For an individual who could qualify for Tribal programs, but who wishes to receive (non-Tribal) Lifeline service instead of Tribal Lifeline service, the following programs may be used to determine eligibility in addition to any of the above listed programs:~~

1. Bureau of Indian Affairs General Assistance;
2. Tribally-Administered Temporary Assistance for Needy Families (TTANF);~~or~~
3. Head Start (if income eligibility criteria are met), or,
43. Food Distribution Program on Indian reservations (FDPIR).

C. Initial Income-Based Criteria [~~-- The ETCs~~]- ~~To constitute a low-income consumer, an applicant must subscribe to a Lifeline telephony service and, using an approved application form, certify via supporting documentation~~ An ETC shall provide [lifeline] Lifeline telephone service to [any] an applicant who certifies via supporting documentation[,] (to either the ETC for federal ETC customers, or the program administrator for state ETC customers), under [~~the~~] penalty of perjury, [~~his~~] that the applicant's household income [~~to be~~] is at or below 135 percent of the then applicable Federal Poverty Guidelines.

1. ~~- Income-based eligibility is based on family size and actual income;~~ therefore, [~~the Lifeline customers must~~] an applicant shall certify, under [~~the~~] penalty of perjury, the number of individuals residing in [~~their~~] the household.

2. [~~A Lifeline customer must~~] An applicant shall certify, under [~~the~~] penalty of perjury, that the documentation presented accurately represents the [~~applicant's~~] applicant's annual household income. The following documents, or any combination of these documents, are acceptable for Lifeline certification;

a. [~~-~~] Prior [year's] year's state, federal, or tribal tax return;

b. [~~-~~] Current year-to-date earnings statement from an employer or three consecutive months of paycheck stubs within the previous twelve months;

c. [~~-~~] Social Security statement of benefits;

d. [~~-~~] Veterans Administration statement of benefits;

e. [~~-~~] Retirement/pension statement of benefits;

f. [~~-~~] Unemployment/[Worker's] Workers Compensation statement of benefits;

g. [~~-~~] Federal or tribal notice letter of participation in Bureau of Indian Affairs General Assistance; or

h. [~~-~~] Divorce decree, or child support wage assignment statement.

i. If the prospective subscriber presents documentation of income that does not cover a full year, such as current pay stubs, the prospective subscriber must present the same type of documentation covering three consecutive months within the previous twelve months.

D. In order to constitute as a qualifying low-income consumer, a consumer must not already be receiving a Lifeline service, and there must not be anyone else in the subscriber's household subscribed to a Lifeline service.

~~[C.]~~ ED. Eligibility Certification ~~[—]~~— The application form for participation ~~[will]~~ shall be supplied by the ETC or the ~~[responsible agency]~~ program administrator and ~~[contain]~~ shall be consistent with both the ~~[following:~~

~~1. applicant's name, program participating telephone number, if available, identification]~~ federal requirements, then in effect, and any additional information requirements of the ~~[ETC which the applicant anticipates will provide service, and social security number;~~

~~2. a request for lifeline service]~~ program administrator, and ~~[where applicable, a request for Link up America Plan participation;]~~ shall include:

~~[— 3. an affirmative statement that the applicant qualifies for lifeline service.~~

~~4.]~~ 1. a statement, under ~~[the]~~ penalty of perjury, as to whether the person is participating in one of the programs listed in Subsection R746-341-3-(A) or qualifies under other federal eligibility criteria; or a statement, under ~~[the]~~ penalty of perjury, as to whether the ~~[person's]~~ person's household income is at or below 135 percent of the current Federal Poverty Guidelines;

~~[a. If]~~ 2. if qualified by income-based criteria, a statement, under penalty of perjury, that identifies the number of individuals residing in the household and affirms that the documentation presented to support eligibility accurately represents the ~~[applicant's]~~ applicant's household income ~~[.];~~

~~[— 5.]~~ 3. a statement that if the applicant is later shown to have submitted ~~[a]~~ false ~~[self-certification]~~ information in an attempt to qualify for the Lifeline program, the applicant ~~[will]~~ shall be responsible to re-pay the ~~[difference between]~~ benefits received; and

4. the signature of applicant, either physical or electronic.

FE. False Certification Penalties – A participant who does not qualify, but who has submitted false documentation or

statements to qualify for the Lifeline program, is responsible to re-pay the value of the benefits received to the state Lifeline program, and is subject to whatever penalties are then current for the federal Lifeline program.

GF. Tribal Land Lifeline Discounts - This rule does not govern or otherwise affect the Tribal Land Lifeline Discount program.

CenturyLink comments in regards to R746-341-4. Duties of the Program Administrator.

Although CenturyLink suggested in the last round of comments that state administrators would have access to the NLAD to make queries, USAC (Universal Service Administration Company) has not made that functionality available yet. To our knowledge USAC has not indicated when, if at all, that functionality will be added. At this time, only ETCs have access to the NLAD for verification of eligibility and to enroll new subscribers, or to de-enroll or make changes to existing Lifeline subscribers. Until the NLAD's functionality is changed, the Program Administrator will not have access to the NLAD to check for pre-existing Lifeline participation. So, CenturyLink proposes language that indicates that, at such time the NLAD query becomes available to the Program Administrator, the Administrator will be responsible for checking the NLAD for existing Lifeline. However, until that time, the ETC will be responsible for the NLAD verifications.

CenturyLink proposes changes to the Annual Verification process in B. to include references to the federal requirements. Those requirements currently provide for Lifeline carriers to utilize the subscriber lists from the carrier's current year February Form 497, adjusted to remove any current year additions in January and February, as the snapshot for the current year's recertification. The Utah proposed language that ETCs should provide a December 31 Lifeline subscriber list is in conflict with this federal requirement. CenturyLink agrees that the FCC's definition of the snapshot should ultimately result in a subscriber list as of December 31, but CenturyLink proposes revisions and additional language to make the rule language more consistent with the federal requirements. Utilizing the February Form 497 adjusted subscriber list as a starting point for the annual reverifications will be less confusing than if two lists were required - one for state and one for federal. And ultimately the federal guidelines produce the same result, a December 31 subscriber

list.

The draft rules also include a provision that the annual verification should be conducted "in the month following the deadline for submission of Federal Communication Commission Form 497". However, it is unclear what Form 497 submission is being referenced. Some ETCs file those monthly; others file them quarterly. Federal rules allow for the annual reverification to be performed before the end of the year but isn't more specific than that. Perhaps a better approach would be to suggest that ETCs should submit their subscriber snapshots by June 1, and the Program Administrator should then initiate the annual verification process within the month following the receipt of those lists. CenturyLink has not suggested alternate language at this time but is concerned about this issue and will want to be included in finalizing the language on this point.

ETCs must also report the results of the annual recertification efforts by January 31 of the year following those efforts using FCC Form 555, which is filed with USAC, the FCC and state commissions. When the recertification is performed by a state Lifeline administrator or agency, that agency must provide the results of the recertification study to the ETC in the format required by the Form 555 so the ETC can report those results. CenturyLink has added B.3. to address that reporting requirement.

CenturyLink suggests adding a reference to R746-341-3 in Section C.3. for clarification.

CenturyLink suggests changes to R746-341-4.D. to recognize that a current participant desiring to switch Lifeline benefits from one carrier to another must go through the NLAD's benefit transfer process.

R746-341-4. Duties of the Program Administrator.

A. Initial Eligibility

1. The program administrator shall process all applications submitted for participation in the state Lifeline telephone service program. At such time the Program Administrator has access to perform queries in the NLAD, the Program Administrator will include a after checking query of the NLAD for pre-existing

Lifeline participation in its process for determining Lifeline eligibility. The program administrator shall inform the applicant and the state ETC of the results of the application process.

B. Annual Eligibility Verification

1. The program administrator shall verify on an annual basis the continuing eligibility status of state ETC Lifeline ~~telephone service~~ participants. ~~The annual eligibility verification shall be performed on a participant list current as of December 31, and shall be conducted in the month following the deadline for submission of Federal Communication Commission Form 497.~~ The annual eligibility verification shall be performed on the participant list as defined by the FCC in its May 22, 2013 Public Notice in Docket No. 11-42 and any subsequent FCC guidance.

2. The annual eligibility verification process shall be performed by the program administrator using the same process as outlined in the de-enrollment process in R746-341-4.C. and in accordance with 47 CFR § 54.410(f)(3).

3. The program administrator shall provide results of the annual recertification efforts to the ETCs pursuant to 47 CFR § 54.410(f)(4) and will provide all necessary FCC Form 555 information to ETCs by December 31 of the year in which the annual verification was performed.

C. De-Enrollment Process

1. The program administrator shall manage the de-enrollment process for state ETC Lifeline ~~telephone service~~ participants who are no longer eligible for the program. Upon an initial finding that a Lifeline recipient is no longer eligible to participate in the state [1]Lifeline [~~service rate and the otherwise applicable service rate;~~]program, the program administrator shall send a notice to the participant explaining the participant's Lifeline ~~telephone service~~ benefit will be discontinued after 30 days unless the participant verifies continuing eligibility before that date. The notice shall include the reason(s) for the recipient being ineligible and a description of the options available to the recipient to demonstrate eligibility.

[~~6. a statement whether this is a new connection or a reconnection; and~~

~~7. the applicant's signature.]~~

2. [~~D.~~]At the end of thirty days, if the participant has not demonstrated continuing eligibility, the program administrator shall notify the relevant state ETC to discontinue the ineligible participant's Lifeline ~~telephone service~~ benefit. The benefit must be discontinued in the month following notification; thus the next month's benefit cannot be provided.

3. Ineligible past participants may reapply for the

Lifeline program, but must do so by submitting a completed application to the program administrator for state program participation, or to a federal ETC for federal only participation, in accordance with the application process in R746-341-3.

D. Participants Switching Between ETCs – When a current Lifeline ~~telephone service~~ participant desires to change to a different ETC's Lifeline ~~telephone service~~, ~~the participant and~~ ETCs shall follow the established NLAD procedures ~~for benefit transfers~~. A participant who is not able to complete the switch due to unresolved problems may seek the assistance of the Division of Public Utilities requesting help in resolving the issue.

E. Documentation Retention [~~—~~]— The [~~responsible agency will~~] program administrator shall retain income and program eligibility certification [~~for as long as agreed with the Commission~~] documentation, in electronic format, for as long as required by then current federal Lifeline policies. Copies of the relevant documentation shall be made available on request to auditors from either the federal Lifeline ~~telephone service~~ program or the state Lifeline ~~telephone service~~ program.

CenturyLink comments in regards to R746-341-5. Duties of ETCs

CenturyLink proposes changes to R746-341-5.A.1. to indicate that ETCs should provide the Program Administrator with an entire current Lifeline subscriber list as well as a list of subscribers that have had Lifeline benefits removed within the last month. Those two lists should provide the Administrator sufficient information to determine what changes have occurred since the prior month's report.

CenturyLink is proposing minor changes to A.3. and adds a reference to the corresponding federal rule in A.6.

CenturyLink requests clarification of the phrase "as required by the program administrator's policies" in A.2. and A.8. The requirement is that ETCs should provide certain participant "identifying information" but the rules don't define what that information is. CenturyLink's suggests that the information should be no more than what is required of ETCs to provide to the NLAD in accordance with 47 CFR § 54.404(b)(6).

CenturyLink proposes changing the language in A.5. from removal of the benefits "beginning with the next month's billing cycle" to removal of the benefits "within five

(5) business days" of notification so that these rules will correspond with the federal rules in 47 CFR § 54.405(e). If ETCs do not follow the removal process prescribed by the federal Lifeline program to remove benefits upon notice within five (5) business days, they are subject to not being reimbursed from the Fund. Thus, it is critical that the state adopt the same guidelines for Lifeline removal that the federal program requires.

CenturyLink is proposing changes to R746-341-5.A.7. to recognize that an ETC cannot add Lifeline to a current participant's account upon request from that participant that they want to switch Lifeline providers. Instead, the state ETC will need to refer the participant to the Program Administrator. At that point the Program Administrator will verify the participant's eligibility, which will likely include having them complete a new application form, then will include the eligible applicants on the ETC's monthly add report. The entry on the monthly add report will serve to indicate to the ETC to initiate the NLAD benefit transfer process.

As CenturyLink also proposed above in R746-341-4 B., it suggests revisions to the Annual Verification process outlined in A.8. of this section to include references to the federal requirements. Those requirements currently provide for Lifeline carriers to utilize their subscriber lists from their February Form 497, adjusted to remove any current year additions in January and February, as the snapshot for the current year's recertification. The Utah proposed language that ETCs should provide a December 31 Lifeline subscriber list is in conflict with this federal requirement. CenturyLink has proposed revisions and additional language to align this language with the federal requirements.

Also in Section A.8. it is suggested, "The list shall be provided to the program administrator when the ETC submits the Federal Communication Commission Form 497 for the year in question." Form 497's are filed either monthly or quarterly. They are not an annual submission as this language suggests. CenturyLink is recommending removal of that sentence and suggests that the Commission consider proposing a more specific date that is in line with the federal requirement, perhaps June 1.

The issues in R746-341-5.B.3. are similar to those described in R746-341-5.A.7. The current Lifeline recipient will have to complete a new application for benefits with the federal ETC, which will initiate the benefit transfer process in the NLAD when

the ETC tries to enroll the applicant in the NLAD. CenturyLink is proposing language that recognizes that process. Also, CenturyLink is proposing to remove the references to providing the benefits in the following month. Federal ETCs are not subject to state rules regarding benefit application.

~~[~~E.~~ Tribal Land]~~ R746-341-5. ~~[Lifeline Discounts — Customers who live on tribal lands and who qualify for the state Lifeline service rate based on the program qualifications, other federal eligibility criteria, and income qualifications set forth in R746-341-3, are eligible to receive a larger federal discount. Those federal discounts are not within the scope of, nor governed by, these rules.~~

R746-341-4. Continuing Eligibility.

~~— A. Annual Verification — The continuing eligibility of customers on the Lifeline service rate shall be verified annually~~

~~— B. Verification Responsibilities — At least annually, the responsible agency shall provide the ETCs with information identifying customers who are eligible for Lifeline service or Link-up America Plan participation.~~

~~— C. Verification Methods — The responsible agency will verify the continued eligibility of Lifeline customers under the program based and income based eligibility criteria.~~

~~— 1. The responsible agency shall identify a method by which income eligibility will be verified on an annual basis including, but not limited to, annual self certification, random beneficiary audits, a periodic submission of income documents, or the continued eligibility of a statistically valid sample of Lifeline customers.~~

~~— 2. Should the ETC have a]~~ Duties of ETCs

A. State ETCs

1. Each state ETC shall, at least monthly, send to the program administrator: changes in the status of

a. the Lifeline participants to whom the state ETC currently provides Lifeline voice telephony service, including:

a. participants changing residence locations (addresses);
participants switching carriers; or and

b. customersthe list of participants whose no longer receive Lifeline benefits were removed within the last monthtelephone service.

2. The records sent shall contain the full identifying information for each participant as required by the program

administrator's policies.

3. Each state ETC shall provide information to potential applicants regarding how to receive an application from the program administrator. This information shall be provided on the phone, in person, in written format at the ETC's offices, and online at the ETC's website.

4. Each state ETC shall add the Lifeline discount to a customer's account, as directed by the program administrator, within five business days.

5. Each state ETC shall remove the Lifeline discount from a participant's account as directed by the program administrator within five business days beginning with the next month's billing cycle following of notification of the participant's ineligible status.

6. Each state ETC shall update the NLAD whenever it implements changes in a participants' Lifeline status in accordance with the requirements for NLAD updates found in 47 CFR § 54.404.

7. If a Lifeline participant seeks to switch service to a different state ETC or from a federal ETC to a state ETC, the program administrator shall be notified by the ETC to which the participant of their desire to switch Lifeline providers switches. Once informed by the program administrator of the applicant's eligibility, the involved state ETCs shall follow all applicable NLAD procedures to accomplish the participant's desired switchbenefit transfer. The new benefit may not be applied until the following month. Each ETC shall update the NLAD to reflect the change in the participant's status.

8. Annually, each state ETC shall send the program administrator a full list of all Lifeline participants, and qualifying individuals if necessary, the participant list as defined by the FCC in its May 22, 2013 Public Notice in Docket No. 11-42 and any subsequent FCC guidance. current as of December 31 of the preceding year. The list shall be provided to the program administrator when the ETC submits the Federal Communication Commission Form 497 for the year in question. The list shall contain the identifying information as required by the program administrator's policies.

1.9. If a state ETC has a reasonable basis to believe that a Lifeline telephone service [customer no longer qualifies for Lifeline service in accordance with this rule, the ETC shall inform the responsible agency. If a Lifeline customer does not appear as a participant in a program on the state computer system or the responsible agency otherwise has a basis to believe that the customer] participant no longer qualifies for Lifeline service,

the [responsible agency will send a notice to the Lifeline customer requesting;] ETC shall promptly inform the program administrator and provide the documentation, or reason, for its belief.

[— a. — proof of participation in any of the programs listed in R746-341-3.A or other federal eligibility criteria; or

— b. — documentation of eligibility under the income-based criteria set forth in R746-341-3.B.

— E. — False Certification Penalties — A Lifeline telephone service customer who does not qualify and has falsely self-certified and participated in the Lifeline program will be responsible to pay the difference between the Lifeline service rate and the otherwise applicable service rate for the length of time the customer subscribed to Lifeline telephone service for which the customer was not eligible.]

10. A state ETC shall cooperate with the Division of Public Utilities to resolve Lifeline service complaints the Division brings to the state ETC's attention.

B. Federal ETCs

Each designated federal ETC shall operate in the State of Utah subject to the conditions outlined in the commission order granting ETC status, the applicable provisions of this rule, and in accordance with the federal Lifeline program requirements.

1. Each federal ETC shall update the NLAD to reflect the ETC's initial eligibility verification decision and the participant's Lifeline status whenever the federal ETC adds or removes a Lifeline customer.

2. Each federal ETC shall update the NLAD with all changes in the ETC's participants' Lifeline status.

3. If a Lifeline participant seeks to switch service to a different federal ETC or from a state ETC to a federal ETC, the program administrator shall be notified by the ETC to which the participant switches. The federal ETCs shall follow all applicable NLAD procedures to accomplish the participant's desired switch/benefit transfer. The new benefit may not be applied until the following month. Each ETC shall update the NLAD to reflect the change in the participant's status.

4. A federal ETC shall cooperate with the Division of Public Utilities to resolve Lifeline service complaints the Division of Public Utilities brings to a federal ETC's attention.

CenturyLink comments in regards to R746-341-6. State Lifeline Features.

CenturyLink proposes modifications to the proposed definition in A. so that the

description will align with comparable federal language in 47 CFR § 54.401. Of particular concern is the reference in A. to specific services, which are not inclusive of all Lifeline-supported services, and to "matching funds", which is an outdated term. Federal Lifeline support no longer provides for "matching funds", but allows for a flat-rate support amount. We also added a reference to the Part 54 rule that defines the federal support amount.

CenturyLink proposes deleting D. in its entirety. The FCC eliminated the Link Up program, which provided for reimbursement for waiver of certain service charges, except in Tribal areas. Section D of these proposed state rules allows for waivers of certain non-recurring service charges on a one-time annual basis. This proposal will be very difficult to administer, especially in light of the FCC's elimination of its Link Up program. CenturyLink proposes the elimination of this section to bring the state rules in line with federal rules that no longer provide for support for service charges.

Specifically, in regards to the proposed restrictions in E., federal rules do not restrict Lifeline to the applicant's "principal residence" and does not place the one-per-household limitation on "residential access lines". Instead, federal guidelines state that Lifeline benefits are for "voice telephony services" and are limited to "one benefit per household". This allows for Lifeline benefits to be provided to more than just a residential POTS line, which is all the proposed language suggests, but also restricts the benefit to only one per household, regardless of the type of line for which the benefit is received. CenturyLink proposes the changes below, which follow federal guidance in 47 CFR § 54.401(a) and § 54.409 (c).

R746-341-6. State~~[R746-341-5.]~~ = Lifeline Telephone Service Features.

A. — Discounts ~~[—]~~ ETCs may allow qualifying low-income consumers to apply state and federal Lifeline discounts to any residential service plan that includes voice telephony service in accordance with with FCC 47 CFR § 54.401(a). ~~Lifeline telephone service provided by state ETCs shall consist of dial tone line, usage charges or their equivalent, and [any] authorized Extended Area Service (EAS) charges, less a discount of~~ The state Lifeline benefit amount is \$3.50 ~~and [any] all other matching funds established by the Federal Communication Commission. The available federal support amount is the amount established in 47 CFR § 54.403.~~

~~[— B.]~~ B. Service Characteristics - State Lifeline voice

telephonye service shall include all features listed in Utah Code Ann. § 54-8b-2(2).

C. Deposits [—]— When customer security deposits are otherwise required, they ~~[will]~~shall be waived for Lifeline ~~telephone service~~ ~~[customers]~~participants if the customer voluntarily elects to receive toll blocking.

~~[— C. Link Up America Plan Participation — Companies providing Lifeline service shall apply for the Link Up America Plan provided by the Federal Communications Commission.]~~

D. [] ~~Nonrecurring Charge Waiver — Lifeline telephone service [customers will]participants shall receive a waiver of the nonrecurring service charge for changing the type of local exchange usage service to Lifeline service, or changing from flat rate service to message rate service, or vice versa, but only one such waiver shall be allowed during [any]a given 12-month period.~~

~~DE.~~ Disconnection [—]— Lifeline voice telephonye service shall not be disconnected for nonpayment of toll service.

~~EF.~~ Restrictions [—]— Lifeline voice telephonye service ~~[will]~~shall be subject to the following restrictions:

~~1. Lifeline telephone service [will]shall only be provided to the [applicant's]applicant's principal residence.~~

~~12. A Lifeline participant must not be receiving Lifeline from more than one ETC or on more than one voice telephony service, and there must not be anyone else in the subscriber's household subscribed to a Lifeline service. A Lifeline telephone service [customer will]participant shall only receive a Lifeline discount on one single residential access line.~~

~~FG.~~ Other Services [—]— A Lifeline ~~telephone service~~ ~~[customer will]~~participant may not be required to purchase other services from the state ETC, nor prohibited from purchasing other services unless the ~~[customer]~~participant has failed to comply with the ~~[ETC's]~~state ETC's terms and conditions for those services.

R746-341-7. Federal Lifeline Telephone Service Features.

Federal Lifeline ~~telephone service~~ consists of those features and conditions set forth in the applicable commission docket in which the federal ETC status was granted, as modified by subsequent orders and R746-341.E

CenturyLink comments in regards to R746-341-8. ETC Reporting Requirements.

The PSC needs to determine the costs it will allow to be recovered by ETCs from the

state USF. For example, the advertising expenses of ETCs to promote Lifeline should not normally be recoverable unless the PSC mandated advertising and other promotional activities.

R746-341-8. State ETC Reporting Requirements.

[A.—]Reporting Requirements [—]— State ETCs shall submit, to the Division of Public Utilities, a semi-annual report, ~~[by]~~for the periods through June 30 and December 31, of each year, containing a description of the ~~[ETC's]~~state ETC's Lifeline program. The reports shall also contain monthly information on:

[1]A. the forgone revenue resulting from the discounts provided to Lifeline ~~[customers]~~participants, if any;

[2]B. the amounts of administrative ~~[, advertising, voucher and other program]~~ expenses;

[3]C. interest accrual amounts on Lifeline ~~[and Link up]~~ funds ~~[, and]~~ , if any;

[4]D. the number of Lifeline telephone service ~~[customers]~~participants by exchange area per month; and

[5]E. a detailed report of outreach efforts.

R746-341-9. [R746-341-8.]Funding of Lifeline.

[A.—]Cost Recovery [—]— The total cost of providing the state portion of Lifeline telephone service, including ~~[the]~~commission approved administrative costs of the state ETCs and the costs incurred by the ~~[responsible agency]~~program administrator, shall be recovered and funded as provided in Utah Code Ann. § 54-8b-15.

R746-341-10. [R746-341-9.]Collection and disbursement of Lifeline Funds.

[A.—]State ETC Payment [—]— Within 30 days after the review ~~[and]~~ audit of ~~[an ETC's]~~a state ETC's semi-annual report by the Division of Public Utilities results in a favorable recommendation, the Public Service Commission shall disburse an amount equal to the ~~[ETC's]~~ETC's semi-annual Lifeline program expenses and Lifeline discounts granted. For amounts the Division of Public Utilities disallows, the state ETC may petition the Commission to open a docket to examine the reasonableness of the denied amounts.

KEY: telephone, telecommunications, rules and procedures, lifeline rates

Date of Enactment or Last Substantive Amendment: February 24,

2014

Notice of Continuation: October 18, 2010

Authorizing, and Implemented or Interpreted Law: 54-4-1; 54-4-4