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UTAH STATE SENATE

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March 11, 2010

Chairman Ted Boyer
Commissioner Richard M. Campbell
Commissioner Ron Allen
Utah Public Service Commission
Heber M. Wells Building
160 East 300 South
Salt Lake City, UT 84114

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UTAH PUBLIC SERVICE COMMISSION

Dear Commissioners:

This letter is written to support the pending application before the Utah Public Service Commission to expand Lifeline, a public assistance program enacted and funded by the Federal Communications Commission (FCC) that ensures telephone service is available and affordable for low-income seniors and families in Utah. It is our understanding that TracFone, a leading national wireless provider, has applied for Eligible Telecommunications Carrier (ETC) status for the purpose of offering Lifeline services to low-income households in the State of Utah.

The ongoing economic recession has created enormous financial burdens on Utah families, and it has disproportionately impacted low-income seniors and families in Utah who are often forced to give up telephone service that had served as both a safety lifeline and a critical link to seeking and maintaining employment status. The Lifeline program, entirely funded by the FCC-administered Universal Service Fund, provides access to cell phones that studies have clearly demonstrated can significantly boost the earning potential of low-income families, and Lifeline is a critical component of personal safety and access to emergency services.

In 2009 only 21 percent (29,982 households) of the estimated 145,986 low-income households in Utah had Lifeline service. The low penetration rate is due in part to the fact that existing Telecommunications Carriers do not incorporate marketing for the Lifeline program in their business model, and as a consequence, the majority of Utah's low-income population does not even know that this program exists.

It is my understanding TracFone has invested more than \$100 million in the development of a business model that is known as the "SafeLink" program and has effectively marketed this product to more than 2.8 million households in the District of Columbia and 21 states including:

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Alabama, Connecticut, Delaware, Florida, Georgia, Illinois, Louisiana, Maryland, Massachusetts, Michigan, Missouri, New Hampshire, New Jersey, New York, North Carolina, Ohio, Pennsylvania, Tennessee, Virginia, West Virginia, and Wisconsin.

It is important that Utah's low-income households have access to the SafeLink program to empower these low-income families and seniors to increase their earning potential, protect their personal safety, and have access to emergency services. The SafeLink service will provide eligible households with a free cell phone, a free allocation of 67 minutes of service every month that carry over if unused for one year, and mobile access to emergency services.

I believe SafeLink will help Utah's low-income residents contribute to a robust state economy without any drain on already scarce state revenues. It is imperative that the SafeLink program be approved as quickly as possible to allow these at-risk families in Utah to have access to this valuable program.

Sincerely,

A handwritten signature in cursive script that reads "Karen Mayne".

Senator Karen Mayne
Assistant Senate Minority Whip

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