

Kira M. Slawson (7081)  
BLACKBURN & STOLL, L.C.  
Attorneys for Utah Rural Telecom Association  
257 East 200 South, Suite 800  
Salt Lake City, Utah 84111  
Telephone: (801) 521-7900  
Fax: (801) 578-3579

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BEFORE THE PUBLIC SERVICE COMMISSION OF UTAH

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In the Matter of the Resolution of Certain ) DOCKET NO. 10-2528-01  
Issues Related to the Designation of a )  
Common Carrier as an Eligible ) COMMENTS OF UTAH RURAL  
Telecommunications Carrier ) TELECOM ASSOCIATION ON THE  
 ) ON-GOING LIFELINE PROGRAM  
 ) ADMINISTRATION  
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On August 26, 2013, the Utah Public Service Commission (the “Commission”) issued a Notice of Action and Invitation to Comment in this docket which identified September 23, 2013 as the deadline for filing Comments on the on-going Lifeline program administration. Utah Rural Telecom Association (“URTA”) on behalf of its members All West Communications, Inc., Bear Lake Communications, Inc., Carbon/Emery Telcom, Inc., Central Utah Telephone, Inc., Direct Communications Cedar Valley, LLC, Emery Telephone, Manti Telephone Company, Skyline Telecom, South Central Utah Telephone Association, Inc., Strata Networks, and Union Telephone Company, hereby files these Comments to address the on-going Lifeline program administration.

The purpose of these comments is to address the future administration of the Lifeline program in the State of Utah, including the method for processing new applications and performing the annual recertification URTA that should be adopted in the State of Utah.

Specifically, the Commission identified two options for program administration in its notice:

1. Rely on self-certification administered by the ETC for all participants who cannot be program matched.
2. Continue with the present system of requiring participants to fill out full applications and approve people for initial participating only if they can document eligibility, and continue with the process described above for annual recertification.

**I. Federal Requirements for Lifeline Program Eligibility.**

**A. Initial Lifeline Program Eligibility Determination.**

The procedure briefly outlined by the Commission in Option 1 above does not appear to be compliant with the Federal Rules for initial Lifeline eligibility determination. As the Commission is aware, 47 CFR §54.410 permits a participant's initial eligibility to be determined by the eligible telecommunications carrier, a state Lifeline administrator, or another state agency. The State of Utah has historically used the Department of Workforce Services (DWS) to establish a participant's initial eligibility, and URTA believes, as set forth in more detail below, that the DWS is in the best position to make the initial determination. However, regardless of who makes the determination, the requirements for establishing initial eligibility into the Lifeline program are basically the same. Under 47 CFR §54.410, there are two ways that participants may be eligible for participation in the Lifeline program: 1) income-based eligibility; or 2) program-based eligibility.

**1. Determining Income-Based Eligibility.**

To establish initial eligibility for the Lifeline program, 47 CFR §54.410 requires that

the state agency (or ETC) access one or more databases containing information regarding the subscriber's income ("income databases") and determine whether the prospective subscriber qualifies for Lifeline based on income.<sup>1</sup> If the state agency or the ETC cannot determine the prospective subscriber's income-based eligibility by accessing income databases, the prospective subscriber must provide appropriate documentation demonstrating eligibility, including: 1) prior year's state, federal or Tribal tax return; 2) current income statement from an employer or paycheck stub; 3) Social Security statement of benefits; 4) Veterans Administration statement of benefits; 5) a retirement/pension statement of benefits; 6) an Unemployment/Workers' Compensation statement of benefits; 7) federal or Tribal notice letter of participation in General Assistance; or 8) a divorce decree, child support award, or other official document containing income information.<sup>2</sup> Once the appropriate documentation is received and reviewed, the prospective subscriber can be enrolled in the Lifeline program, provided they provide the appropriate certification as discussed in Section 3 below.

## **2. Determining Program-Based Eligibility**

With regard to determining program-based eligibility, the state agency (or ETC) must access one or more databases containing information regarding enrollment in qualifying assistance programs ("eligibility databases") to determine whether the prospective subscriber qualifies for Lifeline based on participation in a qualifying assistance program<sup>3</sup>. If the prospective subscriber's eligibility cannot be determined by accessing the eligibility databases, the state agency or ETC must review documentation from the prospective subscriber that demonstrates eligibility. Appropriate documentation includes: 1) the current or prior year's

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<sup>1</sup> See 47 CFR §54.410(b)(1)(i)(A) and (2).

<sup>2</sup> See 47 CFR §54.410(b)(1)(i)(B) and (2).

<sup>3</sup> See 47 CFR §54.410(c)(1)(i)(A) and (2).

statement of benefits from a qualifying assistance program; 2) a notice or letter of participation in a qualifying assistance program; 3) program participation documents; or 4) another official document that demonstrates that the prospective subscriber (or a member of the prospective subscriber's household or dependent) receives benefits from a qualifying assistance program<sup>4</sup>. Again, once the appropriate documentation is received and reviewed, the prospective subscriber can be enrolled in the Lifeline program, provided they provide the appropriate certification as discussed in Section 3 below.

### **3. Certification from Prospective Subscriber.**

In addition to verifying the eligibility of the prospective subscribers in one of the two ways detailed above, prior to seeking reimbursement for providing Lifeline service to a subscriber, the prospective subscriber must provide a certification to the state agency or ETC that contains certain census information<sup>5</sup> and statements, made under penalty of perjury, that the subscriber, among other things, meets the eligibility criteria for the Lifeline program, has not made false statements, and will notify the carrier if eligibility changes<sup>6</sup>.

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<sup>4</sup> See 47 CFR §54.410(c)(1)(i)(B) and (2).

<sup>5</sup> This information is currently contained in the Lifeline Application that prospective subscribers fill out and return to the DWS prior to being enrolled as a Lifeline subscriber. Specifically, 47 CFR §54.410(d) requires: (i) The subscriber's full name; (ii) The subscriber's full residential address; (iii) Whether the subscriber's residential address is permanent or temporary; (iv) The subscriber's billing address, if different from the subscriber's residential address; (v) The subscriber's date of birth; (vi) The last four digits of the subscriber's social security number, or the subscriber's Tribal identification number, if the subscriber is a member of a Tribal nation and does not have a social security number; (vii) If the subscriber is seeking to qualify for Lifeline under the program-based criteria, as set forth in § 54.409, the name of the qualifying assistance program from which the subscriber, his or her dependents, or his or her household receives benefits; and (viii) If the subscriber is seeking to qualify for Lifeline under the income-based criterion, as set forth in § 54.409, the number of individuals in his or her household.

<sup>6</sup> Specifically, 47 CFR §54.410 (d)(3) requires the participant to certify the following: (i) The subscriber meets the income-based or program-based eligibility criteria for receiving Lifeline, provided in § 54.409; (ii) The subscriber will notify the carrier within 30 days if for any reason he or she no longer satisfies the criteria for receiving Lifeline...; (iii) If the subscriber is seeking to qualify for Lifeline as an eligible resident of Tribal lands, he or she lives on Tribal lands, as defined in 54.400(e); (iv) If the subscriber moves to a new address, he or she will provide that new address to the eligible telecommunications carrier within 30 days; (v) If the subscriber provided a temporary residential address to the eligible telecommunications carrier, he or she will be required to verify his or her temporary residential address every 90 days; (vi) The subscriber's household will receive only one Lifeline service and, to the best of his or her knowledge, the subscriber's household is not already receiving a Lifeline

## **B. Recertification of Lifeline Program Eligibility.**

In addition to the initial eligibility requirements for Lifeline program participation, Federal rules require annual re-certification for continued participation in the Lifeline program.<sup>7</sup> In order to re-certify a subscriber's eligibility, an ETC or the state agency must either: 1) confirm a subscriber's current eligibility to receive Lifeline by querying the appropriate eligibility or income databases and confirming that the subscriber still meets the program-based or income-based eligibility requirements for Lifeline, or 2) obtain a signed certification from the subscriber that meets the certification requirements required for initial eligibility, as set forth in 47 CFR §54.410(d).

## **II. State Procedures For Administration Of Lifeline Program**

Based on the foregoing Federal requirements, Option 1 for the State's on-going administration of the Lifeline program, as set forth in the Commission's Notice, which proposes to have all prospective subscribers who cannot be matched in the eligibility databases, merely self-certify with the ETCs, would not meet the requirements of the Federal rules. First, this type of program administration fails to consider prospective subscribers who may seek participation in the Lifeline program based on income-based eligibility criteria. Additionally, this type of program administration fails to collect the required documentation supporting income-based or program-based eligibility that is required by the Federal rules when prospective participants cannot be matched with eligibility or income based databases.

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service; (vii) The information contained in the subscriber's certification form is true and correct to the best of his or her knowledge, (viii) The subscriber acknowledges that providing false or fraudulent information to receive Lifeline benefits is punishable by law; and (ix) The subscriber acknowledges that the subscriber may be required to re-certify his or her continued eligibility for Lifeline at any time, and the subscriber's failure to re-certify as to his or her continued eligibility will result in de-enrollment and the termination of the subscriber's Lifeline benefits pursuant to § 54.405(e)(4).

<sup>7</sup> See 47 CFR §54.410(f).

**A. Initial Eligibility Determination in Utah.**

URTA and its members believe that the best course of action for the state of Utah, the ETCs, and most importantly, the prospective participants in the Lifeline program is to have the DWS continue to centrally manage the administration of the Lifeline program, including the initial eligibility verification, and the annual recertification. URTA and its members believe this can be easily and cost-effectively accomplished by the DWS. Prospective subscribers would submit the completed Lifeline Application, including, as needed, any required documentation, and would enter the participant information into the existing DWS database to see if the participants program match. In the event that the prospective participants match, the DWS would: 1) notify the ETC that the prospective subscriber meets the eligibility requirements; and 2) provide a copy of the prospective subscriber's Certification to the ETC. The ETC would then enroll the subscriber in the Lifeline program.

In the event that the participants **do not** match the eligibility or the income databases, the DWS would contact the applicant and request the documentation required by 47 CFR §54.410. The DWS would then: 1) review, document receipt, and then destroy or return the prospective subscriber's sensitive financial documentation<sup>8</sup>; 2) provide the appropriate notice to the ETCs that the prospective participant meets the eligibility criteria; and 3) provide a copy of the prospective subscriber's Certification to the ETC. The ETC would then enroll the subscriber in the Lifeline program.

The DWS already has access to qualifying assistance program databases that contain income and program eligibility information, and it is already in possession of much of the sensitive financial information of those program participants. From a security perspective,

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<sup>8</sup> See 47 CFR §54.410(b)(ii) and 54.410(c)(ii).

limiting the access to such sensitive financial information to one agency tends to reduce the risk that such information will fall into the wrong hands. Additionally, in previous technical conferences and/or meetings, the DWS technical IT staff, has indicated that administration of the system could be substantially automated within the DWS computer system. Assuming this could be accomplished cost effectively<sup>9</sup>, automated administration of the initial program eligibility determination by the DWS would be a secure, efficient and cost effective long-term solution for the State of Utah Lifeline program.

Additionally, as indicated in URTA's previous Comments in this Docket, the rural carriers are concerned generally with the administration of the Lifeline program being transferred to the ETCs due to privacy concerns within the rural communities. URTA and its members believe that rural carrier administration of the Lifeline program will have a chilling effect on rural community members' participation in the Lifeline program. Additionally, as indicate above, URTA and its members believe that the participant's sensitive financial information should be limited to as few eyes as possible for security and privacy concerns.

**B. State Recertification Administration.**

With regard to recertification of eligible Lifeline participants, URTA and its members believe that the most cost efficient and effective method of administration would be to have the DWS query the income and eligibility databases to attempt to program or income match the participants. In the event the participants do not match the income or eligibility databases, URTA members would prefer a self-certification process whereby the participants certify that they meet the eligibility requirements of the Lifeline program as set forth in 47 CFR §54.410(d) and as permitted in 47 CFR §54.410(f).

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<sup>9</sup> As indicated below, URTA and its members are not privy to the costs associated with such automation.

**C. Costs Associated With Administration of the Lifeline Program.**

Although the Commission, in its Notice, has asked interested parties to comment on the “associated cost” of the Lifeline program administration, URTA and its members are not privy to the costs associated with automation of the Lifeline program administration within the DWS computer system, and therefore, cannot provide meaningful comments on that issue. If the Commission would like meaningful comments on the costs associated with such a system, URTA would suggest that the Commission schedule a technical conference with DWS and the interested parties to discuss the costs associated with DWS’ continued administration of the program.

With regard to the costs associated with a transition to ETC administration of the Lifeline program, the URTA members would be required to process Lifeline Applications. URTA members would need to have access to the statewide eligibility and income databases, and be required to query such databases for each application. URTA members would need to establish the proper procedures and forms for Lifeline program administration. Finally, the URTA members would be required to collect, review, document receipt, and then destroy or return the sensitive financial documentation of their rural neighbors. As a practical matter, the rural ETCs do not currently have excess personnel capacity in their organizations to accomplish such tasks. As such, they would be required to hire and train the appropriate staff members to accomplish these administrative tasks or contract a third party vendor. Obviously, this would result in substantial out of pocket costs to the companies. However, the real costs of transitioning Lifeline administration to the ETCs would be the costs to the participants who may seek to forego the Lifeline service because of concerns about providing sensitive personal financial information to their neighbors who work at and run the rural telephone companies.



### **III. National Lifeline Administration Database.**

Although the Commission did not specifically request comments from interested parties on the National Lifeline Accountability Database (NLAD), as the Commission is aware, the FCC has implemented the NLAD to prevent multiple carriers from receiving support for the same subscriber, thereby reducing fraud in the Lifeline program. Beginning in 2014, ETCs must submit to the NLAD, the name, address, and phone number of each of its Lifeline subscribers, the subscribers' service initiation and de-enrollment dates (when de-enrollment occurs), the means through which the subscriber qualified for support (e.g., Medicaid or income), the last four digits of the Social Security number and date of birth of the subscriber, the amount of Lifeline support received by the subscriber each month (e.g., flat rate or Tribal lands support) as well as whether the subscriber has also received Link Up support, and if so, the address, and date of service initiation to which Tribal Link Up support applied. URTA and its members recommend that the state of Utah permit and require the DWS to provide such information to the NLAD on behalf of the ETCs, both initially and on-going. As discussed in detail above, DWS is in possession of this sensitive personal information, and is in a better, more secure and efficient position to upload this data to the NLAD.

### **IV. Conclusion**

The URTA members do not believe it is in the best interests of the Lifeline program, or the participants to transition administration of the Lifeline program to the carriers. Therefore, URTA and its members strongly encourage this Commission to continue to administer the Lifeline program through the DWS. Additionally, URTA would suggest that the Commission schedule a technical conference with the director and/or administration of the DWS so that the

costs, timelines, and technical details associated with automation of this process within the DWS can be fleshed out with the Commission, the DWS, the ETCs, and other interested parties in a timely manner.

Respectfully submitted this 23<sup>rd</sup> day of September, 2013.

BLACKBURN & STOLL, LC

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Kira M. Slawson  
Attorneys for Utah Rural Telecom  
Association

CERTIFICATE OF SERVICE

Docket No. 10-2528-01

I hereby certify that on the 23<sup>rd</sup> day of September, 2013, I served a true and correct copy of Utah Rural Telecom Association's Comments On the On-Going Administration of the Lifeline Program via e-mail transmission to the following persons at the e-mail addresses listed below:

Division of Public Utilities  
Bill Duncan  
Casey Coleman  
Shauna Benvenegu-Springer  
Chris Parker  
Dennis Miller  
[wduncan@utah.gov](mailto:wduncan@utah.gov)  
[ccoleman@utah.gov](mailto:ccoleman@utah.gov)  
[sbenvegn@utah.gov](mailto:sbenvegn@utah.gov)  
[chrisparker@utah.gov](mailto:chrisparker@utah.gov)  
[dennismiller@utah.gov](mailto:dennismiller@utah.gov)

Office of Consumer Services  
Michelle Beck  
Cheryl Murray  
[mbeck@utah.gov](mailto:mbeck@utah.gov)  
[cmurruy@utah.gov](mailto:cmurruy@utah.gov)

Assistant Utah Attorneys Generals  
Patricia Schmid  
Justin Jetter  
Brent Coleman  
[pschmid@utah.gov](mailto:pschmid@utah.gov)  
[jjetter@utah.gov](mailto:jjetter@utah.gov)  
[brentcoleman@utah.gov](mailto:brentcoleman@utah.gov)

Department of Workforce Services  
Tricia Cox  
Susan Kolthoff  
Kathy Link  
[tcx@utah.gov](mailto:tcx@utah.gov)  
[skolthoff@utah.gov](mailto:skolthoff@utah.gov)  
[klink@utah.gov](mailto:klink@utah.gov)

Solix, Inc.  
Eric Seguin  
[eseguinc@solixinc.com](mailto:eseguinc@solixinc.com)

Salt Lake Community Action Program  
Betsy Wolf  
[bwolf@slcap.org](mailto:bwolf@slcap.org)

Greenberg Traurig, LLP  
Mitchell Brecher  
[brecherm@gtlaw.com](mailto:brecherm@gtlaw.com)

Lance J.M. Steinhart, P.C.  
Lance J.M. Steinhart  
[lsteinhart@telecomcounsel.com](mailto:lsteinhart@telecomcounsel.com)

Crossroads Urban Center  
Timothy J. Funk  
[funk@crossroads-u-c.org](mailto:funk@crossroads-u-c.org)

Ballard Spahr  
Sharon M. Bertelsen  
[bertselsens@ballardspahr.com](mailto:bertselsens@ballardspahr.com)

Ray Quinney & Nebeker P.C.  
Brett L. Tolman  
[btolman@rqn.com](mailto:btolman@rqn.com)

Department of Community & Culture  
Sherman Roquero  
Kathy Kinsman  
[kinsman@utah.gov](mailto:kinsman@utah.gov)  
[sroquero@utah.gov](mailto:sroquero@utah.gov)

Hatch, James & Dodge\  
Gary A. Dodge  
[gdodge@hjdllaw.com](mailto:gdodge@hjdllaw.com)

Leclairryan  
James L. Messenger  
[james.messenger@leclairryan.com](mailto:james.messenger@leclairryan.com)

CenturyLink  
Torry R. Somers  
James Farr  
[torry.r.somers@centurylink.com](mailto:torry.r.somers@centurylink.com)  
[james.farr@centurylink.com](mailto:james.farr@centurylink.com)

Virgin Mobile USA, L.P.  
Peter Lurie  
Elaine Divelbliss  
[peter.lurie@virginmobileusa.com](mailto:peter.lurie@virginmobileusa.com)  
[elaine.divelbliss@virginmobileusa.com](mailto:elaine.divelbliss@virginmobileusa.com)

Holland & Hart LLP  
Thorvalad A. Nelson  
Sara Kerkhoff Rundell  
James A. Holtkamp  
[tnelson@hollarnhart.com](mailto:tnelson@hollarnhart.com)  
[sakrundell@hollandhart.com](mailto:sakrundell@hollandhart.com)  
[jholtkamp@hollandhart.com](mailto:jholtkamp@hollandhart.com)

Budget PrePay, Inc.  
Robin Enkey  
[robine@budgetprepay.com](mailto:robine@budgetprepay.com)

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Kira M. Slawson