

A REPORT TO THE
Governor
President of the Senate
Speaker of the House of Representatives

LINK-UP

FLORIDA

LIFELINE

ASSISTANCE

Number of Customers
Subscribing to Lifeline Service
and the Effectiveness of
Procedures to Promote Participation

PREPARED BY

The Florida Public Service Commission

DECEMBER 2011

PREPARED BY
The Florida Public Service Commission
Division of Regulatory Analysis
Office of Public Information

LINK-UP
FLORIDA
LIFELINE
ASSISTANCE

Number of Customers
Subscribing to Lifeline Service
and the Effectiveness of
Procedures to Promote Participation

Table of Contents

List of Tables	iii
List of Acronyms	iv
Executive Summary	1
I. Background	2
II. Program Support	2
III. Customer Eligibility	3
IV. Carrier Eligibility	4
V. Public Interest Determinations	7
VI. Subscribership and Participation Rates	7
A. Lifeline	7
B. Link-Up	11
C. Transitional Lifeline	12
D. Lifeline Automatic Enrollment Process	12
VII. Regulatory Actions Impacting Florida’s Lifeline Program	13
A. Florida Legislature	13
B. Florida Public Service Commission	13
C. Federal Communications Commission	16
VIII. Lifeline Awareness Promotion, Pursuant to Section 364.10, F.S.	18
IX. Effectiveness of Procedures to Promote Participation	25
X. Conclusion	25

List of Tables

Table 1. 2011 U.S. Poverty Guidelines	4
Table 2. Florida Lifeline Subscribership	8
Table 3. USAC Low Income Florida ETC Disbursements.....	8
Table 4. Lifeline Participation Rate in Eligible Florida Households.....	9
Table 5. Lifeline Net Participation.....	10
Table 6. SafeLink Wireless, Assurance Wireless, AT&T, CenturyLink, and Verizon Customer Gain/Loss.....	11
Table 7. AT&T, Verizon, and CenturyLink Link-Up Participants.....	11
Table 8. AT&T, Verizon, and CenturyLink Transitional Lifeline Participants.....	12

List of Acronyms

CFR	Code of Federal Regulations
CLEC	Competitive Local Exchange Carrier
DCF	Department of Children and Families
ETC	Eligible Telecommunications Carrier
FCC	Federal Communications Commission
FPG	Federal Poverty Guidelines
FPSC	Florida Public Service Commission
ILEC	Incumbent Local Exchange Carrier
NARUC	National Association of Regulatory Utility Commissioners
NASUCA	National Association of State Utility Consumer Advocates
NCPW	National Consumer Protection Week
OPC	Office of Public Counsel
SNAP	Supplemental Nutrition Assistance Program (formerly Food Stamps)
USAC	Universal Service Administrative Company
USF	Universal Service Fund

Executive Summary

The Tele-Competition Innovation and Infrastructure Enhancement Act of 2003 (the 2003 Act) requires that a statewide cooperative effort be made to support the Lifeline Assistance Program (Lifeline) in Florida. These programs are part of the federal Universal Service Program designed to enable low-income households to obtain a \$13.50 discount on their monthly phone bills or the option of receiving a free Lifeline cell phone and monthly minutes. The Link-Up program helps low-income consumers by reducing the telephone service installation charge and pays one-half (up to a maximum of \$30) of the initial installation fee for a traditional wireline telephone or an activation fee for a wireless telephone if applicable. This report presents Lifeline participation data for the July 2010 through June 2011 program year, and evaluates procedures put in place to strengthen the Lifeline program and increase the number of participants.

The number of eligible customers participating in the Lifeline program in Florida grew 47 percent during the July 2010 through June 2011 annual review period. As of June 30, 2011, 943,854 eligible customers participated in the Lifeline program. The five companies accounting for 918,925 Lifeline customers are SafeLink Wireless, Assurance Wireless, BellSouth Telecommunications, LLC, d/b/a AT&T Florida (AT&T), Embarq Florida, Inc. d/b/a CenturyLink, and Verizon Florida LLC (Verizon). As of June 30, 2011, SafeLink Wireless had 447,379 Lifeline customers, and Assurance Wireless had 286,866. The three largest incumbent local exchange carriers (ILECs)¹, AT&T, CenturyLink, and Verizon had 122,849, 39,524, and 22,307 Lifeline customers, respectively. In total, non ILEC Lifeline enrollment² was 748,515 customers, which accounts for 79.3 percent of Florida's Lifeline customers.

Lifeline assistance participation in Florida continues to grow through the automatic enrollment process with the involvement of the Florida Public Service Commission (FPSC or Commission), the Department of Children and Families (DCF), the Office of Public Counsel (OPC), and other state agencies to determine if a person is eligible for Lifeline service. According to the U.S. Department of Agriculture Report ending June 30, 2011, Florida had the highest number of households in the nation, 1,690,512, participating in the Supplemental Nutrition Assistance Program (SNAP), formerly Food Stamps. This year's 1,690,512 eligible Florida households, compared to last year's figure of 1,422,837, was an increase of 18.8 percent. SNAP continues as the largest qualifying program for Lifeline assistance in Florida. Staff anticipates that Lifeline enrollment of new customers will continue to grow due to the current economic conditions. This report provides greater detail on these initiatives and developments.

Get Connected and Get a Job was the slogan selected by the FPSC for Florida's 2011 Lifeline Awareness Week. Governor Rick Scott wrote a letter supporting the invaluable service of the Link-Up Florida and Lifeline Assistance programs and the importance of assisting unemployed Floridians in obtaining a phone to help them connect with possible job prospects. As in past years, the FPSC's Lifeline Awareness Week aimed to increase awareness among citizens who receive assistance from public benefit programs or who are income eligible.

¹ Incumbent Local Exchange Carrier (ILEC) and incumbent ETC are synonymous for purposes of this report.

² Non-ILEC Lifeline enrollment includes competitive ETC and non-ETC reseller enrollment.

I. Background

The FPSC is required to report to the Governor, the President of the Senate, and the Speaker of the House of Representatives by December 31 each year on the number of customers subscribing to Lifeline service and the effectiveness of procedures to promote participation in the program.³ This report is prepared pursuant to the requirements Section 364.10, Florida Statutes.

Section 364.10(2)(g)1, Florida Statutes, provides that any state agency that determines a person is eligible for Lifeline services must forward the information to the FPSC for automatic enrollment in the Lifeline program. The FPSC, the DCF, and the OPC entered into a Memorandum of Understanding (MOU) with respect to automatic enrollment and have worked together with the industry to successfully continue to improve the automatic enrollment process during 2011. Automatic enrollment has had a positive impact on increasing participation, and the FPSC anticipates continued success in the future.

II. Program Support

The Florida Link-Up and Lifeline programs are part of the federal Universal Service Program designed to enable low-income households to obtain and maintain basic local telephone service as outlined in Section 364.10, Florida Statutes. Under the Federal Communications Commission's (FCC) rules, there are four tiers of monthly federal Lifeline support.

- The first tier of federal support is a \$6.50 monthly credit for the federal subscriber line charge, which is available to all eligible subscribers. All 50 states have approved this tier of support.
- The second tier of federal support is a \$1.75 monthly credit that is available to subscribers in those states that have approved the credit. All 50 states have also approved this tier of support.
- The third tier of federal support is one-half the amount of additional state support up to a maximum of \$1.75 in federal support. Because Florida carriers provide an additional \$3.50 credit to Lifeline customers' bills,⁴ Florida Lifeline subscribers currently receive a total monthly credit of \$13.50, consisting of \$10.00 (\$6.50, \$1.75, and \$1.75) in federal support and \$3.50 in state support. The telephone subscriber may receive a credit less than \$13.50 if the subscriber's bill for basic local telephone service is less than the maximum available credit, or the ETC has an FCC approved subscriber line charges less than \$6.50.
- The fourth tier of support, available only to eligible subscribers living on tribal lands, provides an additional credit up to \$25.00 per month. This amount is limited so that the credit does not bring the basic local residential rate below \$1.00 per month.

³ Section 364.10(2)(h), Florida Statutes.

⁴ Since Florida does not have a state Universal Service Fund, the \$3.50 credit is absorbed by the ETC or Lifeline reseller providing service.

Link-Up, a companion program, provides a 50 percent reduction in the telephone service initial installation charge for a traditional landline phone or activation fee for a wireless phone if applicable, up to a maximum \$30 reduction. Eligible residents of tribal lands may receive up to \$100 in discounts on initial landline connection charges. The \$100 maximum is based on the sum of the federally financed 50 percent discount (up to the \$30 maximum) available to all qualified low-income individuals, plus a dollar-for-dollar match (up to \$70) for connection charges above \$60.

Transitional Lifeline Assistance requires that ETCs provide former Lifeline customers a 30 percent discount off the residential basic local service rate.⁵ The customer may receive the subsidy for one year from the date the customer ceases to be qualified for Lifeline.

III. Customer Eligibility

Program-Based

Eligibility for both Link-Up and Lifeline in Florida can be determined by customer enrollment in any one of the following programs:⁶

- Temporary Cash Assistance⁷
- Supplemental Security Income
- Supplemental Nutrition Assistance Program (SNAP), formerly Food Stamps
- Medicaid
- Federal Public Housing Assistance (Section 8)
- Low-Income Home Energy Assistance Plan
- National School Lunch Program's (NSLP) Free Lunch
- Bureau of Indian Affairs Programs (Tribal Temporary Assistance for Needy Families (TANF), Head Start Subsidy, and NSLP)⁸

Income-Based

In addition to the program-based criteria, customers with annual incomes up to 150 percent of the Federal Poverty Guidelines (FPG) may be eligible to participate in the Florida Link-Up and Lifeline programs. The Florida Legislature in 2009 provided that each local exchange telecommunications company that has more than 1 million access lines and is an ETC shall provide Lifeline applicants, who meet an income eligibility test of up to 150 percent of the Federal Poverty Guidelines, with Lifeline service. In 2010, Section 364.10(3)(a), Florida Statutes, was revised to allow any commercial mobile radio service provider designated as an eligible telecommunications carrier pursuant to 47 U.S.C. §214(e), upon filing a notice of election to do so with the Commission, provide Lifeline service to any customer who meets an income eligibility test of 150 percent or less of the federal poverty income guidelines. The U.S.

⁵ Section 364.105, Florida Statutes.

⁶ Rule 25-4.0665 (1) and (2), Florida Administrative Code.

⁷ Known as Temporary Assistance to Needy Families (TANF) for federal universal service purposes.

⁸ Eligible consumers living on tribal lands qualify if participating in one of the following federal assisted programs: (1) Tribal TANF, (2) National School Lunch Program's Free Lunch Program, or (3) Head Start Subsidy.

Department of Health and Human Services made a decision to increase the 2011 FPG.⁹ The OPC certifies customer eligibility under the income test for customers requesting to be enrolled in the Lifeline program for those local exchange telecommunications companies designated as ETCs that have more than one million access lines as described above. The OPC can also do income certification for wireless ETCs who have filed a notice election to do so with the FPSC.¹⁰

Table 1 shows that residential head of household income is determined by the federal poverty guidelines, which are based on the number of people in the household and the total amount of money received by all members in the household. Customers may be eligible if their income is up to 150 percent of the U.S. poverty guideline.

Table 1. 2011 U.S. Poverty Guidelines

Size of Household (number of people)	U.S. Poverty Guidelines Total Household Annual Income	150% of U.S. Poverty Guidelines Total Household Annual Income	150% of U.S. Poverty Guidelines Total Household Monthly Income
1	\$10,890	\$16,335	\$1,361
2	\$14,710	\$22,065	\$1,839
3	\$18,530	\$27,795	\$2,316
4	\$22,350	\$33,525	\$2,794
5	\$26,170	\$39,255	\$3,271
6	\$29,990	\$44,985	\$3,749
7	\$33,810	\$50,715	\$4,226
8	\$37,630	\$56,445	\$4,704
*For each additional person, add \$5,730 to the 150% U.S. Poverty Guidelines Total Annual Household Income.			

Source: U.S. Department of Health and Human Services

IV. Carrier Eligibility

Section 54.201(b) of the Code of Federal Regulations (CFR) provides that a state commission shall, upon its own motion or upon request, designate a common carrier that meets certain requirements as an eligible telecommunications carrier (ETC)¹¹ in a nonrural service area. Section 54.201(c) of the CFR provides that a state commission may, as long as the request is consistent with the public interest, convenience, and necessity, designate one or more common carrier(s) as ETC(s) in a rural service area.¹²

⁹ Federal Register: January 20, 2011 (Volume 76, Number 13), Notices.

¹⁰ See Section 364.10(2)(a), Florida Statutes.

¹¹ House Bill 1231 removed the Florida Public Service Commission authority to designate ETC wireless telecommunications providers. Effective July 1, 2011, wireless providers must directly apply for Florida ETC designation with the FCC.

¹² A state commission also has the authority to rescind the ETC status of any ETC designated by it that does not follow the requirements of the Lifeline Assistance program.

An ETC can be an incumbent local exchange carrier (ILEC), a competitive local exchange carrier (CLEC), or a wireless carrier. A carrier that is granted ETC status is eligible to receive universal service support¹³ pursuant to FCC rules.¹⁴

To qualify as an ETC, a common carrier must offer services that are supported by federal universal service support mechanisms, either using its own facilities or a combination of its own facilities and another carrier's resold service¹⁵ and the carrier must advertise the availability of such services and charges using mass media. Additionally, a company applying and qualifying for designation as an ETC must demonstrate good management and legitimate business practices to successfully administer the Lifeline program, ensuring that granting them ETC status is in the public interest to the citizens in Florida.

¹³ Universal Service Funds are available to ETCs which provide Lifeline service; rendering service to schools and libraries; and provisioning, maintaining, and upgrading facilities and services for rural, insular (islands that are territories or commonwealths of the United States), and high cost areas.

¹⁴ 47 CFR pt. 54 – Universal Service.

¹⁵ Those services supported by Universal Service include the following: (1) voice grade access to the public switched network, (2) an amount of local minutes of use of local exchange service provided free of charge to end users, (3) dual tone multi-frequency signaling or its functional equivalent, (4) single-party service, (5) access to emergency services, (6) access to operator services, (7) access to interexchange services, (8) access to directory assistance, and (9) toll limitation for qualifying low-income consumers.

The following 24 companies have ETC status in Florida and participate in the Lifeline Program as of June 30, 2011:

- BellSouth Telecommunications, LLC, d/b/a AT&T Florida (AT&T)
- American Dial Tone, Inc.
- Budget Prepay, Inc. d/b/a Budget Phone
- dPi Teleconnect, LLC
- Easy Telephone Services Company
- Embarq Florida, Inc. d/b/a CenturyLink
- Express Phone Service, Inc.
- GTC, Inc. d/b/a FairPoint Communications
- FLATEL, Inc.
- Frontier Communications of the South, LLC
- ITS Telecommunications Systems, Inc.
- Knology of Florida, Inc.
- Midwestern Telecommunications, Inc.
- Northeast Florida Telephone Company d/b/a NEFCOM
- Nexus Communications, Inc. d/b/a Nexus Communications TSI, Inc.
- Smart City Telecommunications LLC, d/b/a Smart City Telecom
- Sun-Tel USA, Inc.
- Quincy Telephone Company d/b/a TDS Telecom/Quincy Telephone
- T-Mobile South LLC d/b/a T-Mobile Wireless
- TracFone Wireless, Inc. d/b/a SafeLink Wireless
- Verizon Florida LLC
- Verizon Wireless (former ALLTEL territory)
- Virgin Mobile USA, L.P. d/b/a Assurance Wireless
- Windstream Florida, Inc.

Subsequent to June 30, 2011, three new companies, Absolute Home Phones, Inc., Global Communications Inc. of America, and Tele Circuit Network Corporation, were designated as ETCs in Florida by the FPSC.

V. Public Interest Determinations

Under Section 214 of the Act,¹⁶ the FCC and state commissions must determine that an ETC designation is consistent with the public interest, convenience and necessity for rural areas. They also must consider whether an ETC designation serves the public interest consistent with Section 254 of the Act. Congress did not establish specific criteria to be applied under the public interest tests in Sections 214. The public interest benefits of a particular ETC designation must be analyzed in a manner that is consistent with the purposes of the Act itself, including the fundamental goals of preserving and advancing universal service; ensuring the availability of quality telecommunications services at just, reasonable, and affordable rates; and promoting the deployment of advanced telecommunications and information services to all regions of the nation, including rural and high-cost areas.¹⁷ The FPSC continues to make an affirmative determination that such designation is in the public interest, regardless of whether the applicant seeks designation in an area served by a rural or nonrural carrier.

Beyond the principles detailed in the Act, the FCC and state commissions have used additional factors to analyze whether the designation of an ETC is in the public interest. A rigorous ETC designation process ensures that only fully qualified applicants receive designation as ETCs and that all ETC designees are prepared to serve all customers within the designated service area.

VI. Subscribership and Participation Rates

A. Lifeline

The number of customers enrolled in Lifeline increased by 301,725 during the July 2010 through June 2011, 12-month review period, representing a 47 percent increase. The effectiveness of the FPSC/DCF Lifeline automatic enrollment process continues to have a positive impact on participation in 2011. The concern of the possibility of a qualified customer in Florida receiving more than one Lifeline benefit continues to be a high priority at the FPSC.¹⁸ Federal law prohibits any Lifeline customer from receiving more than one Lifeline-supported service at the same time.

¹⁶ The Telecommunications Act of 1996.

¹⁷ In the Matter of Federal-State Joint Board on Universal Service, CC Docket No. 96-45, Order FCC 05-46 (¶40), adopted February 25, 2005, released March 17, 2005.

¹⁸ See Federal Communications Commission section, item 4, page 17, of this report.

Table 2 shows the number of Lifeline subscribers from September 2007 through June 2011. The large increase of Lifeline subscribers receiving benefits in 2011 is largely attributable to wireless companies and the economy. The continued efforts implementing the FPSC/DCF automatic enrollment process continues to also support these gains.

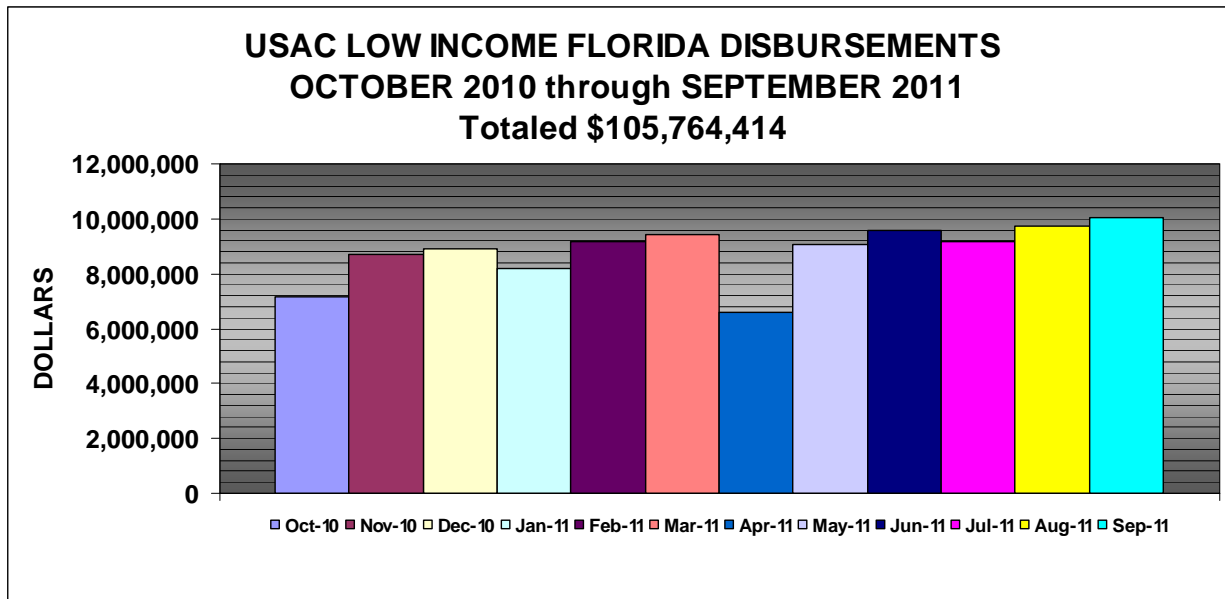
Table 2. Florida Lifeline Subscribership

	September 2007	June 2008	June 2009	June 2010	June 2011	% Net Gain 2010-2011
Lifeline Subscribers	159,028	183,972	618,774	642,129	943,854	47%

Source: Industry responses to FPSC data requests (2007-11)

Table 3 shows USAC Low Income disbursements for Florida ETCs for the 12-month period ending September 2011, which totaled \$105,764,414, and averaged \$8,813,701 per month. Last year's same month period totaled \$83,045,099. USAC Low Income disbursements to Florida ETCs had a 27.4% increase over the previous year. September 2011 was the largest monthly total ever, and the first time Florida ETCs were reimbursed over \$10 million by USAC for a single month for Lifeline. These dollars enabled Florida citizens qualifying for Lifeline benefits to receive discounted monthly bills with a credit of \$13.50 or a free Lifeline wireless phone with free minutes per month that would be unavailable without the Lifeline program.

Table 3. USAC Low Income Florida ETC Disbursements



Source: USAC Disbursement Data for Florida ETCs (September 2011)

Table 4 shows Lifeline participation rates for June 2008 through June 2011.¹⁹ As of June 2011, the participation rate increased to 55.8 percent. Lifeline Enrollment increased 47 percent over the previous year, due to factors such as continued economic conditions and Assurance Wireless entering Florida as an ETC Wireless provider. Florida was the largest SNAP²⁰ recipient in the U.S. in June 2011 with 1,690,512 households receiving SNAP. The 2011 eligible Florida households increased 18.8 percent over 2010. Even with the increase in eligible households, Florida's 2011 participation rate increased 10.7 percentage points over the previous year.

**Table 4. Lifeline Participation Rate
In Eligible Florida Households**

Year	Lifeline Enrollment	Eligible Households	% Participation Rate
June 2011	943,854	1,690,512	55.8%
June 2010	642,129	1,422,837	45.1%
June 2009	618,774	1,185,516	52.2%
June 2008	183,972	1,186,015	15.5%

Sources: Report and Order and Further Notice of Proposed Rulemaking, WC Docket 03-109, In the Matter of Lifeline and Link-Up, Order No. FCC 04-87, released April 29, 2004; industry responses to FPSC data requests (2008-2011); and the U.S. Department of Agriculture data figures are as of September 29, 2011.

¹⁹ The participation rate is the ratio of enrolled subscribers to the eligible households.

²⁰ United States Department of Agriculture, Supplemental Nutrition Assistance Program (SNAP), formerly Food Stamps. Data figures are as of September 29, 2011.

Table 5 represents the distribution of Lifeline enrollment from September 2007 through June 2011.

Table 5. Lifeline Net Participation

ETCs	Sept 2007	June 2008	Net Growth Rate	June 2009	Net Growth Rate	June 2010	Net Growth Rate	June 2011	Net Growth Rate
SafeLink Wireless	N/A	N/A	N/A	393,036	N/A	396,114	0.8%	447,379	12.9%
Assurance Wireless	N/A	N/A	N/A	N/A	N/A	N/A	N/A	286,866	N/A
AT&T	93,337	104,506	12.00%	126,090	20.70%	126,114	0.02%	122,849	-2.6%
CenturyLink	30,016	34,803	15.90%	39,855	14.50%	41,593	4.4%	39,524	-5.0%
Verizon	23,918	22,720	-5.00%	20,916	-7.90%	23,681	13.2%	22,307	-5.8%
Windstream	3,806	4,266	12.10%	4,807	12.70%	5,517	14.8%	6,249	13.3%
Budget Phone	59	565	857.60%	1,134	100.70%	3,099	173.3%	2,912	-6.0%
Flatel	N/A	N/A	N/A	2,279	N/A	1,888	-17.2%	2,845	50.7%
FairPoint	2,030	2,179	7.30%	2,777	27.40%	3,093	11.4%	2,446	-20.9%
American Dial Tone	1,840	1,847	0.40%	2,862	55.00%	18,127	533.4%	1,903	-89.5%
TDS Telecom	736	735	-0.10%	845	15.00%	920	8.9%	811	-11.8%
NEFCOM	635	638	0.50%	837	31.20%	769	-8.1%	795	3.4%
Knology	126	221	75.40%	695	214.50%	959	38.0%	761	-20.6%
Sun-Tel	N/A	N/A	N/A	N/A	N/A	N/A	N/A	434	N/A
Nexus	2037	2,084	2.30%	1,038	-50.20%	333	-67.92%	201	-39.6%
ITS Telecom	79	101	27.80%	124	22.80%	147	18.5%	178	21.1%
dPi	N/A	N/A	N/A	588	N/A	1,273	116.5%	169	-86.7%
Frontier	150	172	14.70%	179	4.10%	159	-11.2%	157	-1.3%
T-Mobile Wireless	N/A	N/A	N/A	N/A	N/A	N/A	N/A	70	N/A
Smart City	8	9	12.50%	20	122.20%	18	-10.0%	23	27.8%
Verizon Wireless	38	32	-15.80%	66	106.30%	18	-72.7%	17	-5.6%
Midwestern	174	465	167.20%	107	-77.00%	153	43.0%	16	-89.5%
Express	N/A	N/A	N/A	2,275	N/A	3,923	72.4%	1	-100.0%
Easy Telephone	N/A	N/A	N/A	N/A	N/A	376	N/A	0	-100.0%
Non-ETC Reseller	N/A	8,551	N/A	18,073	121.60%	13,664	-24.4%	4,941	-63.8%
Total	159,028	183,972	15.70%	618,774	236.30%	642,129	3.8%	943,854	47.0%

Sources: FPSC data requests (2007-2011)

As presented in Table 6, the 5 Florida ETCs which had the largest number of Lifeline participants had a customer gain in 2011 of 331,423 customers.

Table 6. SafeLink Wireless, Assurance Wireless, AT&T, CenturyLink, and Verizon Customer Gain/Loss

Company	June 2011 Customer Participation	Lifeline Customer Gain/Loss over 2010
SafeLink Wireless	447,379	51,265
Assurance Wireless	286,866	286,866
AT&T	122,849	-3,265
CenturyLink	39,524	-2,069
Verizon	22,307	-1,374
Total	918,925	331,423

Source: Industry responses to FPSC data requests (2010-2011)

B. Link-Up

Florida's Link-Up program helps low-income consumers by reducing the telephone service installation charge. This program pays one-half (up to a maximum of \$30) of the initial installation fee for a traditional wireline telephone or activation fee for a wireless telephone if applicable. Eligible residents of tribal lands may receive up to \$100 in discounts on initial connection charges. The \$100 maximum is based on the sum of the federally financed 50 percent discount (up to the \$30 maximum) available to all qualified low-income individuals, plus a dollar-for-dollar match (up to \$70) for connection charges above \$60.

Table 7 displays Link-Up program participants for AT&T, Verizon, and CenturyLink from June 2008 through June 2011. SafeLink Wireless and Assurance Wireless, cell phone providers of Florida Lifeline, accounted for 734,245 customers and may not assess Link-Up or activation charges to Lifeline customers, therefore, the decrease in Link-Up participants in 2011 was significantly lower over the previous year.

Table 7. AT&T, Verizon, and CenturyLink Link-Up Participants

Year	AT&T, Verizon, and CenturyLink Link-Up Customers
June 2011	12,980
June 2010	53,078
June 2009	35,330
June 2008 ²¹	13,959

Source: Industry responses to FPSC data requests (2008-2011)

²¹ The June 2008 number represented a nine-month period, October 1, 2007, through June 30, 2008.

C. Transitional Lifeline

In accordance with Section 364.105, Florida Statutes, current customers who no longer meet eligibility criteria and are removed from Lifeline service receive a 30 percent discount on the residential basic local service rate for a period of 12 months after ending Lifeline service. For example, a former Lifeline customer with a phone bill that includes a \$25.00 basic rate would receive a \$7.50 monthly discount for one year. Transitioning from Lifeline service means that the consumer’s socio-economic status may have improved, and the customer may have advanced beyond the qualifying eligibility criteria.

Table 8 presents data on Transitional Lifeline customers for AT&T, Verizon, and CenturyLink for September 2007 through June 2011. The decrease in Transitional Lifeline participants in the last 3 years is attributable to the rapid increase of free Lifeline phones and free minutes provided by wireless Lifeline ETCs.

**Table 8. AT&T, Verizon,
and CenturyLink
Transitional Lifeline Participants**

Year	AT&T, Verizon, and CenturyLink Participants
June 2011	3,118
June 2010	3,710
June 2009	3,996
June 2008	8,822
September 2007	11,463

Source: Industry responses to FPSC data requests (2007-2011)

D. Lifeline Automatic Enrollment Process

Implementation of the Lifeline automatic enrollment process has been a major success. Staff began formally tracking the number of Lifeline applications filed via the Lifeline automatic enrollment process in July 1, 2007, and cumulative Lifeline automatic enrollment applications as of June 30, 2011, totaled 362,638.

The automatic enrollment process entails the DCF client checking a “yes” or “no” box on the DCF Web application, indicating an interest in receiving the Lifeline discount on his or her telephone service. The “no” box provides an option to the applicant not to subscribe to Lifeline. If the client answers in the affirmative, the applicant identifies a telephone service provider from a drop-down box on the application and answers applicable questions. The DCF forwards to the FPSC the necessary information of those clients approved by DCF for benefits who have indicated a desire to receive Lifeline. The FPSC computers sort the information by ETC and place the applications on the FPSC’s secure Web site for retrieval by the appropriate ETC.

The FPSC and DCF continue to work together to further streamline the Lifeline Automatic Enrollment process, making the procedure easier and more efficient for applicants. With the increase in additional companies, including wireless providing Lifeline, the DCF application was modified for clarity by separating ETCs by wireline and wireless providers on the list of Florida ETCs. The FPSC Web site allows applicants to access and complete a Lifeline application for enrollment of Lifeline benefits.

All ETCs are required to enroll the subscriber in the Lifeline program as soon as practicable, but no later than 60 days from the receipt of the FPSC's automatic e-mail notification. In addition, upon completion of initial enrollment, the ETC is required to credit the subscriber's bill for Lifeline service as of the date the ETC received the FPSC's e-mail notification.

ETCs are required to provide the FPSC, within 20 calendar days of receiving the FPSC's e-mail notification, the names, addresses, telephone numbers, and date of the application for any misdirected applications; any applications for customers currently receiving Lifeline service; or any rejected applicants, including the reason(s) the applicants were rejected as shown in Rule 25-4.0665, F.A.C. The information filed by the ETCs is confidential and exempt from the public records requirement; however, the information contained in the response is disclosed to the Commission, pursuant to the criteria set forth in Section 364.107(3)(a)(4), Florida Statutes.

The implementation of the Lifeline automatic enrollment process has shown good results; furthermore, with more companies participating in the Lifeline program, the potential to continue to reach significantly greater numbers of eligible customers in coming years exists through automatic enrollment.

VII. Regulatory Actions Impacting Florida's Lifeline Program

Key actions by the Florida Legislature, the FPSC, and the FCC to advance the Link-Up and Lifeline programs continued during 2011. A discussion of these initiatives is presented below.

A. Florida Legislature

House Bill 1231 - HB 1231 removed the FPSC's authority to designate wireless ETCs in the State of Florida. The Bill amended Section 364.011, Florida Statutes, by removing the phrase "or specifically authorized by federal law." The Telecommunications Act of 1996 authorizes states to designate wireless carriers as ETCs. However, the FPSC's jurisdiction was removed by elimination of this phrase. Wireless carriers which desire ETC status in Florida now have to apply with the FCC.

B. Florida Public Service Commission

1. Lifeline Work Group. The Lifeline Workgroup was created by Section 364.10(2)(g)3, Florida Statutes, and includes the Commission, the Department of Children and Family Services, the Office of Public Counsel, and each eligible telecommunications carrier offering Lifeline and Link-Up services. Its purpose is to determine how the eligible Lifeline

subscriber information will be shared, the obligations of each party with respect to the use of that information, and the procedures to be implemented to increase enrollment and verify eligibility in these programs.

A Lifeline Working Group meeting was held at the Florida Public Service Commission on August 18, 2010. Representatives from the FPSC, the Department of Children and Families, the Office of Public Counsel, and ETCs participated. Key questions discussed at the meeting included: (1) How should an eligible subscriber's personal identifying information be shared? (2) Should an eligible subscriber's personal identifying information be used by an ETC for marketing purposes? (3) What should be the obligations of each party with respect to the use of an eligible subscriber's personal identifying information? (4) What procedures should be implemented to increase enrollment and verify eligibility in these programs? Formal written comments were received, and the complete submitted comments from the workshop can be viewed at: www.floridapsc.com/utilities/telecomm/ETCWorkshops/08-18-10/index.aspx.

A second meeting of the Lifeline Working Group was conducted on November 7, 2011. Fifteen Florida ETCs were represented along with a representative of the Florida Office of Public Counsel. The purpose of the meeting was to discuss procedures to be implemented to increase Lifeline enrollment, specifically, the following three items:

- 1) The new 2011 language contained in Section 364.10(2)(h), Florida Statutes, which states "The commission may undertake appropriate measures to inform low-income consumers of the availability of the Lifeline and Link-Up programs."
- 2) The 2011 Final Report by the National Regulatory Research Institute (NRRI)²² which recommends that the Commission staff should work with Florida telecommunications providers to determine how they can assume the majority of Lifeline outreach over the long term.
- 3) Recommendations from The Florida Legislature Office of Program Policy Analysis and Government Accountability (OPPAGA) that eligible telecommunications carriers develop outreach materials for specific consumer groups, such as young and rural populations, and wireless users; and develop outreach strategies.²³

The overwhelming consensus among the ETCs was that the FPSC should maintain the status quo on the amount of Lifeline Outreach it conducts. Although the NRRI and OPPAGA reports recommended shifting Lifeline Outreach to the ETCs, the ETCs were reluctant to have any more Lifeline Outreach responsibilities shifted to them. Many ETCs explained their existing outreach programs and stated that they should not be required to expand or assume any more Lifeline outreach requirements.

2. On July 15, 2010, the FPSC filed comments in FCC Docket 96-45 and WC Docket No. 03-109. The FPSC submitted comments in response to FCC Public Notice 10J-2

²² Final Report - Assessing the Structure and Cost of the Florida Public Service Commission Telecommunications Department, August 31, 2011.

²³ OPPAGA report No. 08-63.

released June 14, 2010. The FCC sought for recommendations to the Lifeline and Link-Up eligibility, verification, and outreach rules.

Eligibility - The FPSC encouraged the FCC to expand the definition of “household” to include residents of group living facilities such as homeless shelters without requiring any additional certification that is required of any other Lifeline applicant. The FPSC supported the use of automatic enrollment processes for Lifeline such as are used in Florida without imposing a mandatory automatic enrollment requirement for Lifeline on states.

Verification - The FPSC comments supported the use of electronic certification and verification for Lifeline. If a national database of Lifeline participants is created, the FPSC believes it should be maintained by the Universal Service Fund administrator under strict confidentiality provisions. The FPSC comments supported requiring ETCs and Resellers of Lifeline service to maintain documentation verifying compliance for a fixed time period of at least three years.

Outreach - The FPSC comments supported the participation of the FCC, NARUC, the state public utility commissions, and the National Association of State Utility Consumer Advocates (NASUCA) in an annual National Lifeline Awareness Week. The comments also encouraged the FCC to ensure that all ETCs advertise the availability of Link-Up and Lifeline services and charges and participate in public information campaigns.

The complete July 15, 2011 comments submitted by the FPSC in response to FCC Public Notice 10J-2 can be viewed at: <http://fjallfoss.fcc.gov/ecfs/document/view?id=7020541266>.

3. On April 6, 2011, the FPSC filed comments in FCC Docket 96-45 and Docket No. 03-109. The FPSC submitted comments in response to an FCC Notice of Proposed Rulemaking (NPRM) released on March 4, 2011. In its NPRM (FCC 11-32), the FCC sought comment on its set of proposals to reform and modernize Lifeline and Link-Up, including recommendations of the Federal-State Joint Board on Universal Service, the Government Accountability Office, and the National Broadband Plan. Florida has been the largest net contributor to the federal USF for at least 12 years (1999-2010). The FPSC has been concerned about the inequity in the amount Florida customers are paying into the federal USF versus the amount the USF is reimbursing ETCs in Florida, and encouraged the FCC to address this inequity during the proceedings to reform the USF. The FPSC comments included a number of recommendations to help prevent fraud, waste, and abuse of the federal universal service fund. The FPSC’s April 6, 2011 comments can be reviewed at: <http://fjallfoss.fcc.gov/ecfs/document/view?id=7021237305>.

4. May 12, 2011 conference call to the FCC. On May 12, 2011, at the request of FCC staff, FPSC staff participated in a telephone conference regarding Lifeline and Link-up Reform and Modernization. The topics addressed included the issues of duplicate Lifeline coverage, State and National Lifeline databases, the FPSC coordination with the Florida Department of Children and Families, the potential of using a database to eliminate duplicate Lifeline payments for the same customers, in-depth data validation, exemptions for customers in group living, wireless ETC matters, capping of the low-income USF, and the passage of the new Florida telecommunications legislation (HB 1231).²⁴

²⁴ Later became law, CHAPTER 2011-36, Florida Statutes.

5. ETC Petitions. Considerable activity continued in 2011 (July 1, 2010 through June 30, 2011) regarding formal ETC petitions filed with the FPSC for consideration. In total, one wireless company ETC petition was granted; two wireless ETC petitions were withdrawn; two wireless ETCs voluntarily rescinded ETC status; one CLEC ETC petition was granted; three CLEC ETC petitions were granted after June 30, 2011; two CLEC ETC petitions are pending, and one CLEC ETC petition was withdrawn. Three pending wireless carriers withdrew petitions for ETC designation with the FPSC, and six wireless carriers submitted their petitions to the FCC for ETC designation in Florida as a result of the FPSC losing jurisdiction to designate wireless ETCs.

6. ATMS Investigation in Docket Nos. 100340-TP and 110082-TP. On June 28, 2010, staff opened Docket No. 100340-TP to evaluate Associated Telecommunications Management Services' (ATMS) compliance with Chapter 25-24, Florida Administrative Code, and applicable Lifeline, ETC, and universal service requirements applicable to ATMS companies doing business in Florida. As a result of its investigation, on March 24, 2011, staff opened Docket Number 110082-TP in order to recommend the initiation of a show cause proceeding against ATMS. ATMS had been under investigation by FPSC staff for violation of State Lifeline statutes and rules. The investigation focused on ATMS' companies American Dial Tone, Bellerud Communications, LLC, LifeConnex Telecom, LLC, Triarch Marketing, Inc., BLC Management LLC, and All American Telecom, Inc. (Docket No. 100340-TP)

By Order PSC-11-0259-AS-TP, issued June 16, 2011, the Commission approved a four-year settlement agreement with ATMS. Under the agreement, the company will pay a \$4 million fine to the State of Florida through equal \$250,000 quarterly installments beginning August 1, 2011. The agreement also provided that ATMS surrender the competitive local exchange carrier certificates of All American Telecom, Bellerud, and LifeConnex, leaving American Dial Tone as the sole ATMS subsidiary with a certificate to provide telecom service in the state. ATMS withdrew its request for a CLEC certificate for Triarch Marketing, Inc., and BLC Management LLC had its CLEC certificate revoked for failure to pay its Regulatory Assessment Fees.

ATMS was subsequently assessed \$25,000 pursuant to its settlement agreement by failing to respond to staff's ETC data request. The staff data request, which all ETCs provided responses to, was due on September 19, 2011. ADT subsequently committed to respond to the data request by September 30, 2011, but on that date notified staff that it would respond through email, which the company failed to do.

In its letter to ATMS, staff noted that the settlement agreement states that "the companies will respond accurately and within a reasonable time to all commission data requests within the commission's jurisdiction," with violations for failing to comply with the agreement subject to a \$25,000 fine. For failing to respond to the staff data request, staff notified ATMS that it had 14 days to take corrective action, and must also pay a \$25,000 assessment.

C. Federal Communications Commission

1. FCC Proposes Comprehensively Reforming and Modernizing Lifeline and Link-Up FCC (11-32). The FCC adopted a notice of Proposed Rulemaking was adopted taking steps to Comprehensively Reform and Modernize the Lifeline and Link-Up programs for the 21st

century. Program rules and administration have not kept pace with significant changes in technology, markets, and regulations. Building on recommendations of the Federal-State Joint Board on Universal Service, the Government Accountability Office, and the Broadband Plan, the FCC proposed:

- Strengthening protections against waste, fraud, and abuse, including through creation of a National Accountability Database to verify customer eligibility;
- Taking immediate steps to create a uniform national framework for validating ongoing eligibility;
- Ensuring Lifeline only supports services consumers are actually using;
- Allowing discounts to be used for bundled voice-broadband service;
- Launching pilot programs to test strategies for supporting broadband service; and
- Evaluating a cap on the program, either temporary or permanent, in light of recent, rapid growth.

2. FCC Reforms Lifeline Program to Eliminate Waste and Ensure Fiscal Responsibility (FCC 11-97). The FCC strengthened protections in the Lifeline Program to eliminate and prevent waste by ensuring that multiple carriers do not get support for serving the same consumer. After determining through enhanced oversight that some subscribers have Lifeline-subsidized phone service from multiple carriers, the FCC clarified its rules to expressly prohibit more than one benefit per subscriber. The FCC initiated the following actions:

- The Universal Service Administrative Company must notify consumers receiving multiple Lifeline benefits that they are allowed to have only one Lifeline-subsidized phone service.
- Consumers have thirty days to choose which subsidized phone service to keep.
- The company or companies not chosen by the consumer must de-enroll the customer from Lifeline within five days after notification by USAC of the customer's choice.
- At the end of the process, consumers will have no more than one Lifeline phone service benefit.

3. ETC Florida Wireless Applications submitted to the FCC. Effective July 1, 2011, the FPSC lost authority to designate wireless ETCs in the State of Florida. The following ETC Wireless petitions for Florida were subsequently submitted to the FCC:

- Nexus Communications, Inc. – June 3, 2011
- TAG Mobile, LLC (dPi Wireless) – June 7, 2011
- i-wireless, LLC – June 15, 2011
- Budget PrePay, Inc. – August 1, 2011
- Platinum Tel Communications, LLC – August 5, 2011
- Cintex Wireless, LLC – August 29, 2011

4. Universal Service Administrative Company (USAC) and the FPSC concern of the possibility of a qualified customer receiving more than one Lifeline benefit. Federal law prohibits any Lifeline customer from receiving more than one Lifeline-supported service at the same time. A Lifeline customer receiving a landline Lifeline discount could also receive a free handset and free minutes from a wireless ETC providing Lifeline service. Additionally, the possibility exists for a Lifeline customer to receive more than one free handset and free minutes

from a different wireless ETC providing Lifeline service. In either case, each ETC would not know the other is providing the same customer with Lifeline benefits. In August 2011 the Universal Service Administrative Company (USAC) began sending letters to Florida consumers who they have discovered are receiving more than one Lifeline-supported service. The letter listed the companies which the consumer had more than one Lifeline-supported service, and included a toll-free number for the consumer to call. The toll-free number allowed customers to call for clarification and to decide which company they prefer to keep to receive their Lifeline benefit. The USAC letter specified that those persons had to take action within 35 days from the date of the letter to continue to receive one Lifeline benefit from the telephone or cell phone company of their choice and, if applicable, to avoid future unwanted charges on their phone bill. If the consumer failed to respond within 35 days, USAC assigned one company as the default provider. The FPSC has been proactive in alerting current and potential Lifeline customers of the one-per household rule in a number of ways through press releases, communication with agencies promoting Lifeline, updating the FPSC Lifeline web-site, and through correspondence letters sent by the FPSC for Lifeline. These de-enrollment procedures will affect future participation rates of Florida's Lifeline program.

VIII. Lifeline Awareness Promotion, Pursuant to Section 364.10, F.S.

Promotional activities in 2011 featured National Lifeline Awareness Week, National Consumer Protection Week, the Connect Florida Campaign, and ongoing "grass roots" efforts to increase awareness and enrollment in the programs.

Lifeline Across America. In 2011, the Lifeline Across America Working Group (FCC, NARUC, and NASUCA representatives) concentrated on the third annual National Telephone Discount Lifeline Awareness Week (Lifeline Awareness Week). The Group's national effort is to make sure that low-income families and individuals are aware of the Lifeline and Link-Up programs and understand the requirements for participation, including the requirement that eligible consumers may receive no more than a single Lifeline discount at a time. This year's primary message was that Lifeline provides discounts on one basic monthly phone service (wireline or wireless) for qualified subscribers. Enhanced Lifeline discounts are available for qualified low-income consumers living on Tribal lands. Lifeline Awareness Week 2011 also emphasized that Federal rules prohibit qualifying low-income consumers from receiving more than one Lifeline service at the same time. That is, qualifying low-income consumers may receive a Lifeline discount on either a home or wireless phone service, but may not receive a Lifeline discount on both services at the same time. According to NARUC, more than 20 state public utility commissions issued press releases, received gubernatorial proclamations, released radio and television public service announcements, and published letters-to-the-editor to help spread the word about the Link-Up and Lifeline programs.

Also, the technical sub-group of Lifeline Across America continued to hold conference calls to discuss special issues related to the administration of the Link-Up and Lifeline programs. The sub-group includes representatives from the FCC, NARUC, USAC, and state commissions. The FPSC continues to share information about Florida's Lifeline regulations and procedures and Florida's Lifeline Awareness Week.

National Lifeline Awareness Week (September 12-18, 2011). *Get Connected and Get a Job* was the slogan selected by the FPSC for Florida's 2011 Lifeline Awareness Week. Governor Rick Scott wrote a letter supporting the invaluable service of the Link-Up Florida and Lifeline Assistance programs and the importance of assisting unemployed Floridians in obtaining a phone to help them connect with possible job prospects. (Governor Scott's letter follows on the next page). As in past years, the FPSC's Lifeline Awareness Week aimed to increase awareness among citizens who receive assistance from public benefits programs or who are income eligible.



RICK SCOTT
GOVERNOR

September 6, 2011

Dear Friends:

It is my pleasure to welcome all attending the Florida Kick-off of National Lifeline Awareness Week.

Link-Up Florida and Lifeline programs provide an invaluable service to many citizens throughout our state by offering discounts on connection fees and monthly telephone bills. As of June 2010, 642,129 eligible customers participated in the Lifeline program. This year's theme, "Get Connected and Get a Job," is designed to reach unemployed Floridians who are eligible for the programs and help them connect with possible job prospects.

Thank you to the Florida Public Service Commission, the Office of Public Counsel, other state and federal agencies and telecommunications companies for your dedication to providing access to local telephone services. Your commitment to promote and improve the success of the Link-Up and Lifeline program greatly benefits many families in Florida.

Best wishes for a successful week helping Floridians to Stay Connected!

Sincerely,

A handwritten signature in blue ink, appearing to read "Rick Scott".

Rick Scott
Governor

The Commission partnered with the **WORKFORCE** boards to help Florida's unemployed residents get a phone to connect with job opportunities, as well as businesses and community services, and to help them save money on their telephone and utility bills. The week began with a kickoff in Tallahassee, followed by events at the Madison County Senior Center and at state centers in Sarasota, Fort Myers, Palm Coast, Palm Bay, and Rockledge. Commissioner Lisa Edgar launched the kickoff at the **WORKFORCE plus** Leon County Office, with the center's CEO, the Office of Public Counsel (OPC), and local government and state representatives participating.

Each Lifeline Awareness Week event offered individual assistance to consumers applying for the programs. Several telecommunications companies also joined the FPSC at the **WORKFORCE** locations offering program information and assistance in signing up eligible residents.

National Consumer Protection Week and Other Community Events. The FPSC continued to seek existing community events and attend new events where Lifeline educational materials could be distributed and discussed with citizens. National Consumer Protection Week (NCPW), March 6-10, 2011, provided a backdrop for 2011 Lifeline outreach activities and other educational opportunities. NCPW is a coordinated annual consumer education campaign that encourages individuals to take advantage of their consumer rights. For this year's event, the Commission partnered with five senior centers across the state to help Florida's senior residents save money on their telephone and utility bills. In keeping with the national theme, *Your Information Destination*, the FPSC also highlighted conservation in its NCPW message: *The PSC...Your Conservation Information Destination!* to emphasize the importance of using good consumer sense at every stage of life. Commission presentations included information about reducing utility expenses through conservation and applying for Lifeline. One-on-one assistance was provided to consumers wanting to enroll in Link-Up and Lifeline at these events. Utility representatives were also available to offer assistance at some locations.

Other events and locations where Lifeline information was shared included Ambassadors for Aging Day; Active Living Expo; Earth Day at the Capitol; Housing Authorities in Miami-Dade, Orlando, and Tampa; Community Days in Homestead, Riviera Beach, Orlando, and Tampa; Senior Days in Tallahassee, and Madison and Franklin Counties; Orange County Housing Community and Development; William Beardall Center; Felix Miga Senior Citizen Center; Eatonville Neighborhood Center for Families; Marks Street Senior Center; Palm Beach County Community Services; Department of Elder Affairs Communities for a Lifetime Initiative; Affordable Housing Services; and Section 8 Housing Choice Voucher Program.

Each year the FPSC provides educational brochures, including Link-Up and Lifeline, to 280 Florida public libraries for distribution to consumers. This year, the Commission increased its program participants by adding 53 state public libraries to the distribution list.

Connect Florida Campaign. The Connect Florida Campaign (Campaign), established by Linking Solutions, Inc., OPC, and AT&T in 2004, remains a factor in increasing consumer awareness and participation in Link-Up and Lifeline. During the July 2010–June 2011 reporting period, Verizon, CenturyLink, and SafeLink Wireless joined AT&T and OPC in support of the initiative. Campaign event locations included Fort Pierce, Riviera Beach, Miami, Homestead, Crystal River, Ft. Lauderdale, Tampa, and Jacksonville. In addition to the larger events, campaign activities included smaller training sessions with non-profit organizations, public

agencies, faith based groups, community centers, and community activities. The campaign also focused on National School Lunch Program participants in Title I schools in Dade, Duval, Escambia, and Santa Rosa Counties. From July 2010–June 2011, the Linking Solutions Campaign held 474 sessions throughout Florida with 22,968 attendees and submitted approximately 3,692 Link-Up and Lifeline applications.

Community Services Block Grant Program. The Florida Department of Community Affairs (DCA) previously modified its procedures in the Community Services Block Grant program to add an indicator to its work plan, allowing the community action agencies to report on the number of clients they help to secure Lifeline services. During the fifth year reporting period of October 1, 2009–September 30, 2010, an additional 1,852 households were signed up for Lifeline benefits through 15 Community Action Agencies. Data for October 2010 to September 2011 is not available until early 2012.

Income-Based Lifeline Applicants. The OPC continues to provide assistance to consumers applying for Lifeline based upon income, receiving an average of 3,026 calls per month. OPC staff processed over 36,313 calls from potential applicants from July 2010 through June 2011. During that time, OPC also received 18,208 Florida OPC Lifeline applications and approved approximately 6,324 applications for customers of AT&T, CenturyLink, Verizon, and SafeLink Wireless. The remaining applications were either denied, pending, or from non AT&T, CenturyLink, Verizon, or SafeLink Wireless customers. Applications that were received, but not included in these totals, were from out-of-state customers or were public assistance program-based applications that were forwarded to the appropriate company. Since September 2008, OPC has been processing income-based applications for customers of TracFone/SafeLink Wireless.

Ongoing Lifeline Outreach. Ensuring easily accessible Lifeline information through the agencies and organizations having regular interaction with eligible consumers is crucial to the Lifeline awareness effort. The Lifeline Partners (listed in the next section) have continued to develop new partnerships, participate in local community events, offer training sessions, provide updates about program changes, and supply brochures and applications as in recent years. The information provided in the Lifeline Reports from 2003 through 2007 offers a detailed historical perspective and serves to illustrate ongoing outreach efforts. Learn more about the Lifeline Partners and valuable assistance they offer in promoting Lifeline by visiting the FPSC’s Web site at <http://www.psc.state.fl.us/publications/reports.aspx#tele>.

Lifeline Partners. The following local, state, and federal agencies, organizations, businesses, and telecommunications companies are involved in the collaborative effort to increase awareness and participation in the Link-Up and Lifeline programs. Each month, the FPSC sends a cover letter and informational packet to two organizations to encourage continued Lifeline outreach to their eligible clientele. In an additional outreach effort, the FPSC attends two community events monthly to promote Lifeline.

Lifeline Partners include these local, state, and federal agencies, organizations, and businesses:

- AARP - Florida Chapter (formerly the American Association of Retired Persons)
- Ability Housing of Northeast Florida

- ACCESS Florida Community Network Partners
- Agency for Health Care Administration (AHCA)
- Agency for Workforce Innovation (AWI) and Workforce Florida, Inc. (WFI)
- Area Agencies on Aging
- Big Bend 2-1-1 and other 2-1-1 Agencies
- Boley Centers, Inc.
- Braille and Talking Book Library
- Brain Injury Association of Florida, Inc.
- Bureau of Indian Affairs Programs
- Capital Area Community Action Agency, Inc. (CACAA)
- Centers for Independent Living
- City and County Consumer Assistance Departments
- City and County Housing Authorities
- Community Partnership Group
- Faith Radio Station and other Florida radio stations
- Federal Social Security Administration (SSA) - Tallahassee District
- Florida Alliance for Information and Referral Services (FLAIRS)
- Florida Assisted Living Association
- Florida Association for Community Action (FACA)
- Florida Association of Community Health Centers
- Florida Association of Counties
- Florida Association of County Human Service Administrators
- Florida Association of Food Banks (FAFB)
- Florida Association of Housing and Redevelopment Officials (FAHRO)
- Florida Coalition for Children
- Florida Coalition for the Homeless
- Florida Council on Aging
- Florida Department of Children and Families (DCF)
- Florida Department of Community Affairs (DCA)
- Florida Department of Education (DOE)
- Florida Department of Elder Affairs (DEA)
- Florida Department of Revenue (DOR)
- Florida Department of Veterans' Affairs (DVA)
- Florida Developmental Disabilities Council
- Florida Home Partnership
- Florida Hospital Association
- Florida Housing Coalition
- Florida Housing Finance Corporation
- Florida League of Cities, Inc.
- Florida Low Income Housing Associates
- Florida Nurses Association
- Florida Office of Public Counsel (OPC)
- Florida Public Libraries
- Florida Public School Districts
- Florida Public Service Commission (FPSC)

- Florida Rural Legal Services, Inc.
- Florida Telecommunications Relay, Inc. (FTRI)
- Florida Voters League
- 1000 Friends of Florida, Inc.
- Habitat for Humanity – Florida
- HANDS of Central Florida
- Hemophilia Foundation of Greater Florida
- Leon County School Board
- Linking Solutions, Inc.
- Mid-Florida Housing Partnership, Inc.
- NAACP (Florida Associations)
- Nursing Homes Administrators
- Senior Resource Alliance
- Tallahassee Memorial Hospital (TMH) and other Florida hospitals
- Tallahassee Urban League
- Three Rivers Legal Services, Inc.
- United Way of Florida
- Urban Leagues of Florida
- U.S. Department of Housing and Urban Development (HUD)
- Washington County Council on Aging

Telecommunications Companies:

- BellSouth Telecommunications, LLC, d/b/a AT&T Florida (AT&T)
- American Dial Tone, Inc.
- Budget Prepay, Inc. d/b/a Budget Phone
- dPi Teleconnect, LLC
- Easy Telephone Services Company
- Embarq Florida, Inc. d/b/a CenturyLink
- Express Phone Service, Inc.
- GTC, Inc. d/b/a FairPoint Communications
- FLATEL, Inc.
- Frontier Communications of the South, LLC
- ITS Telecommunications Systems, Inc.
- Knology of Florida, Inc.
- Midwestern Telecommunications, Inc.
- Northeast Florida Telephone Company d/b/a NEFCOM
- Nexus Communications, Inc. d/b/a Nexus Communications TSI, Inc.
- Smart City Telecommunications LLC d/b/a Smart City Telecom
- Sun-Tel USA, Inc.
- Quincy Telephone Company d/b/a TDS Telecom/Quincy Telephone
- T-Mobile South LLC d/b/a T-Mobile Wireless
- TracFone Wireless, Inc. d/b/a SafeLink Wireless
- Verizon Florida LLC
- Verizon Wireless (former ALLTEL territory)

- Virgin Mobile USA, L.P. d/b/a Assurance Wireless
- Windstream Florida, Inc.

IX. Effectiveness of Procedures to Promote Participation

Efforts to increase Link-Up and Lifeline participation can be separated into two categories, consumer outreach and enrollment process. The FPSC, in cooperation with other state and federal agencies, the OPC, ETCs, and other organizations, remains engaged in extensive outreach efforts. Because most of these efforts run concurrently, measuring the impact of any single activity on Link-Up and Lifeline participation is difficult. Nevertheless, outreach efforts overall are having a positive outcome and should be continued. Outreach efforts are also being expanded to include more CLEC and wireless ETCs.

The Commission continues to focus on enrollment process issues as a means of increasing participation. As previously discussed in this report, specific enrollment process initiatives include the following:

- Simplified Certification Process
- Lifeline Rulemaking
- FPSC Automated Online Application Process
- FPSC/DCF Automatic Enrollment Process
- DCF Certification/Verification Web Services Interface²⁵

X. Conclusion

The overall net Lifeline growth rate was 47 percent during the July 2010 through June 2011 review period. As of June 30, 2011, 943,854 eligible customers participated in the Florida Lifeline program. The five companies with the highest Lifeline enrollment, SafeLink Wireless, Assurance Wireless, AT&T, CenturyLink, and Verizon totaled 918,925 eligible Lifeline customers. As of June 30, 2011, SafeLink Wireless had 447,379 Lifeline customers; Assurance Wireless had 286,866; AT&T had 122,849 Lifeline customers; CenturyLink had 39,524 Lifeline customers, and Verizon had 22,307 Lifeline customers. The FPSC attributes the continued growth to the ETC designation of prepaid wireless providers such as SafeLink Wireless and Assurance Wireless. These ETCs provide a free phone and free monthly minutes to the customer. Other contributing factors to the growth include streamlining the enrollment process, refining the FPSC/DCF automated application procedure and the simplified certification process in Florida, so that applying to the Lifeline program is easier and faster than in previous years.

National Lifeline Awareness Week (September 12-18, 2011), began the national outreach effort to increase Lifeline customers. *Get Connected and Get a Job* was the slogan selected by

²⁵ The Web services interface allows Florida ETCs a secure gateway into the DCF computer to verify that a Lifeline customer is participating in the SNAP, Medicaid, or Temporary Cash Assistance program administered by DCF. The ETC enters the person's first and last name, date of birth, and last four digits of the person's social security number. The DCF computer responds as to whether the person currently participates in one of the DCF programs without identifying the program because of confidentiality.

the FPSC for Florida's 2011 Lifeline Awareness Week. Governor Rick Scott wrote a letter supporting the invaluable service of the Link-Up Florida and Lifeline Assistance programs and the importance of assisting unemployed Floridians in obtaining a phone to help them connect with possible job prospects. As in past years, the FPSC's Lifeline Awareness Week aimed to increase awareness among citizens who receive assistance from public benefits programs or who are income eligible.

As a result of the continued increase in Florida Lifeline participation, USAC Low Income disbursements for Florida ETCs for the 12-month period ending September 2011 was at an all time high which totaled \$105,764,414, and averaged \$8,813,701 per month. Last year's same month period totaled \$83,045,099. USAC Low Income disbursements to Florida ETCs had a 27.4% increase over the previous year. September 2011 was the largest monthly total ever, and the first time Florida ETCs were reimbursed over \$10 million by USAC for a single month.

These dollars enabled Florida citizens qualifying for Lifeline benefits the choice of either a single Lifeline benefit on their landline phone, or one wireless provider (discounted monthly bills with a credit of \$13.50) or a free or discounted cell phone (with free minutes per month) that would be unavailable without the Lifeline program. The FPSC will continue to identify and find solutions to barriers that may prevent Lifeline from achieving greater success for the benefit of Florida's low-income consumers. Additionally, Lifeline enrollment of new customers is anticipated to continue due to the current economic conditions in the state and competition among Lifeline providers for the best Lifeline benefits for Florida's customers.

**STAY
CONNECTED
FLORIDA**

**Get Lifeline Assistance
and Save Money on
Your Monthly Phone Bill**



LINK-UP & LIFELINE
FLORIDA ASSISTANCE