

**BEFORE THE FLORIDA PUBLIC SERVICE COMMISSION**

In re: Adoption of the National School Lunch )  
Program and an income-based criterion at or ) Docket No. 040604-TL  
below 135% of the Federal Poverty Guidelines )  
as eligibility criteria for the Lifeline and Link- ) Filed December 17, 2004  
Up programs )  
\_\_\_\_\_ )

**AARP'S PREHEARING STATEMENT**

Pursuant to the Order Establishing Procedure, Order No. PSC-04-1066- PCO-TL issued November 1, 2004, as amended by the Order Modifying Procedure, Order No. PSC-04-1096- PCO-TL issued November 5, 2004, AARP files this Prehearing Statement.

**WITNESSES AND EXHIBITS:** **AARP is sponsoring the** rebuttal testimony of Dr. Mark N.

Cooper. Dr. Cooper has no exhibits to his rebuttal testimony.

**BASIC POSITION:** Adoption of income eligibility based on 135% of the federal poverty guidelines, adoption of eligibility based on participation in the National School Lunch program, and adoption of the self-certification process proposed by BellSouth will have a positive effect on the Lifeline and Link-Up programs. However, the Commission should consider, and require, the automatic enrollment of all persons participating in one or more of the programs providing Lifeline eligibility. Participants in these programs are per se entitled to Lifeline assistance. To ignore the availability of known databases of persons entitled to Lifeline assistance by virtue of their qualifying program participation would be unjustifiably inefficient. The use of expensive, individualized methods of enrolling eligible customers into the Lifeline program should be focused on those non-qualifying program participants who are hardest to reach. Automatic enrollment would provide benefits to most of the 86.3% -- over 949,000 households -- of Floridians eligible for Lifeline assistance as of March 31, 2004, but who are not currently receiving assistance. Additionally, automatic enrollment would significantly increase Florida's extremely low 13.7% subscribership level, which is less than half the national average of 38%. Lastly, automatic enrollment would reverse Florida's current status as a net contributor to the national program, whereby it currently contributes over \$44.7 million annually into the Low Income Support Mechanism, while taking back only \$15.5 million in assistance payments to its residents.

**ISSUE 1:** Is the Commission authorized under state or federal law to order the actions set forth in Order No. PSC-04-0781-PAA-TL?

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AARP'S Position: Yes.

ISSUE 2: **Are the actions taken by the Commission in Order No. PSC-04-0781-PAA-TL reasonable and non-discriminatory?**

AARP'S Position: Except for the portion of the order providing a lesser benefit for those persons using self-certification, the actions taken by the Commission in the PAA order are reasonable.

ISSUE 3: **Should the Commission address the Lifeline and Link-Up issues in rulemaking pursuant to Section 120.54, Florida Statutes?**

AARP'S Position: No position.

ISSUE 4: **What are the economic and regulatory impacts of implementing the actions taken by the Commission in Order No. PSC-04-0781-PAA-TL?**

AARP'S Position: Adoption of income eligibility based on 135% of the federal poverty guidelines, adoption of eligibility based on participation in the National School Lunch program, and adoption of the self-certification process proposed by BellSouth would have a positive effect on the Lifeline and Link-Up programs. Adopting automatic enrollment based on qualifying program participation would have a substantially greater positive effect on these programs.

ISSUE 5A: **Should consumers be allowed to self certify for program-based Lifeline and Link-Up eligibility?**

AARP'S Position: Consumers that are participating in qualifying programs should automatically be enrolled for Lifeline and Link-Up assistance. Absent automatic enrollment, the Commission should adopt the self-certification program proposed by BellSouth.

ISSUE 5B: If so, how much assistance should be provided for customers using self-certification?

AARP'S Position: \$13.50 per month.

ISSUE 6: Is the Commission authorized under state or federal law to establish a state lifeline funding mechanism?

AARP'S Position: No.

ISSUE 6A: What is the appropriate state lifeline funding mechanism and how should it be implemented and administered?

AARP'S Position: The Commission is not authorized to set up a state lifeline funding mechanism.

MATTERS UPON WHICH ACTION IS SOUGHT / CONFIDENTIALITY: None

OTHER MATTERS: AARP has no pending motions, no pending requests or claims for confidentiality, no requirement of the Order Establishing Procedure with which it cannot comply, no FCC or court decisions to cite at this time other than those identified in the prefiled testimony, and AARP does not object to any witness's qualification as an expert.

Respectfully submitted,

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**CERTIFICATE OF SERVICE**

**I HEREBY CERTIFY** that a true and correct copy of this document has been served by

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