## STATE OF NORTH CAROLINA UTILITIES COMMISSION RALEIGH

DOCKET NO. P-100, SUB 133f

## BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of	
1996 ) PAF  PAF  PAF  PAF  PAF	DER AMENDING RTICIPATION IN THE ELINE AND LINK-UP OGRAMS AND AMENDING MMISSION RULE R9-6

BY THE COMMISSION: On May 8, 1987, the Federal Communications Commission (FCC) issued its Report and Order, FCC Order No. 96-45 (Universal Service Order or USO) implementing key portions of Section 254 of the Telecommunications Act of 1996 (TA96) including changes to the Lifeline and Link-Up programs. The Commission addressed Lifeline issues in Docket No. P-100, Sub 80 and Link-Up issues in Docket No. P-100, Sub 95. The subsidy program for local service rates began as the "Interstate Subscriber Line Charge Waiver Mechanism" under the federal lifeline assistance program in Docket No. P-100, Sub 80 and was enacted by Commission Order on February 24, 1986. The Link-Up program, Link-Up Carolina (LUC), was initiated by Commission Order and promulgated by Commission Rule R9-6 on December 22, 1987. The Commission in its *Order Requiring Expanded Lifeline and Link-Up Services, dated November 5, 1997,* established Docket No. P-100, Sub 133f to deal with Lifeline and Link-Up issues pursuant to the USO. Since that time, revisions and amendments to the Lifeline and Link-Up programs, including Link-Up rule changes, have been promulgated by Commission Order in Docket No. P-100, Sub133f.

On February 6, 2012, the FCC released the Lifeline and Link-Up Reform and Modernization Order (the Lifeline Reform Order) which adopts changes in the Lifeline and Link-Up programs. The criterion to participate in the Lifeline and Link-Up programs was changed to include consumers with household income at or below 135% of the Federal Poverty Guidelines. Also included in the criteria to participate in Lifeline and Link-Up is the addition of participants in the National School Lunch Program's free lunch program<sup>1</sup>. Also, several additional assistance programs apply to low-income consumers

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C.F.R. § 54.409(c).

<sup>&</sup>lt;sup>1</sup> Federal programs qualifying low-income consumers for participation in the Lifeline and Link-Up programs are: A consumer's household with income which must be at or below 135% of the Federal Poverty Guidelines, or a consumer must participate in one of the following federal assistance programs: Medicaid; Supplemental Nutrition Assistance Program (SNAP), formerly known as Food Stamps; Supplemental Security Income (SSI); Federal Public Housing Assistance (Section 8); Low-Income Home Energy Assistance Program (LIHEAP); National School Lunch Program's free lunch program; and Temporary Assistance for Needy Families (TANF). Low-income consumers living on Tribal lands may also qualify by participation in one of several additional assistance programs: Bureau of Indian Affairs general assistance; Tribally-administered TANF; Head Start (only those households meeting its income-qualifying standard); or Food Distribution Program on Indian Reservations (FDPIR). See 47

living on Tribal lands. The FCC stated in the Lifeline Reform Order that, "We amend our rules to require all states to utilize, at a minimum, the income and program criteria currently utilized by federal default states<sup>2</sup>. In doing so, we establish baseline eligibility requirements on top of which states may adopt additional program or income criteria to address the unique circumstances facing consumers in their states". The addition in qualifying programs for consumers to participate in the Lifeline program criteria was to begin with April 2012 disbursements. On May 1, 2012, the FCC issued a Public Notice which delayed the implementation date for the regulations implementing changes to the Lifeline program to June 1, 2012. However, the criterion to participate in the Link-Up program, which is now restricted to Indian tribal lands, was effective on April 2, 2012. The effective dates for these changes are April 2, 2012, for Link-Up and June 1, 2012, for Lifeline.

Based on the aforementioned changes for participation in the Link-Up program the Commission shall amend Rule R9-6 as follows:

(2) In order to be eligible for assistance, a residential subscriber must be a consumer with household income at or below 135% of the Federal Poverty Guidelines, or a residential subscriber must be a current recipient of: Medicaid; Supplemental Nutrition Assistance Program (SNAP), formerly known as Food Stamps; Supplemental Security Income (SSI); Federal Public Housing Assistance Section 8); Low-Income Home Energy Assistance Program (LIHEAP); National School Lunch Program's free lunch program; Tribally-administered TANF; Head Start (only those households meeting its income-qualifying standards); or Food Distribution Program on Indian Reservations (FDPIR).

Furthermore, the aforementioned criteria to participate in the Lifeline and Link-Up programs by participation in the respective federal qualifying programs are herein adopted for Lifeline and Link-Up benefits. The effective dates for these changes are April 2, 2012, *nunc pro tunc* for Link-Up and June 1, 2012, for Lifeline.

The Lifeline/Link-Up Task Force (Task Force) filed its Semi-Annual Report filed with the Commission on February 15, 2012. The Commission notes that in addressing the Lifeline Reform Order, the Task Force stated that, "Members of the Task Force will

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<sup>&</sup>lt;sup>2</sup> North Carolina was not cited as a federal default state in the FCC Notice of Proposed Rulemaking, CC Docket No. 96-45 released March 4, 2011.

meet and discuss the effect of the changes on Lifeline/Link-Up efforts in North Carolina and make a report in July".

IT IS, THEREFORE, SO ORDERED.

ISSUED BY ORDER OF THE COMMISSION.

This the <u>25<sup>th</sup></u> day of <u>June</u>, 2012.

NORTH CAROLINA UTILITIES COMMISSION

Hail L. Mount

Gail L. Mount, Chief Clerk

Commissioner Lucy T. Allen did not participate in this decision.

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