



STATE OF CALIFORNIA

GAVIN NEWSOM, Governor

PUBLIC UTILITIES COMMISSION

505 VAN NESS AVENUE
SAN FRANCISCO, CA 94102-3298

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TO PARTIES OF RECORD IN RULEMAKING 20-02-008:

This is the proposed decision of Commissioner Shiroma. Until and unless the Commission hears the item and votes to approve it, the proposed decision has no legal effect. This item may be heard, at the earliest, at the Commission's May 28, 2020 Business Meeting. To confirm when the item will be heard, please see the Business Meeting agenda, which is posted on the Commission's website 10 days before each Business Meeting.

Parties of record may file comments on the proposed decision as provided in Rule 14.3 of the Commission's Rules of Practice and Procedure.

/s/ KIMBERLY H. KIM for
Anne E. Simon
Chief Administrative Law Judge

AES:mph
Attachment

Decision **PROPOSED DECISION OF COMMISSIONER SHIROMA**
(Mailed 4/24/2020)**BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA**

Order Instituting Rulemaking to
Update the California Universal
Telephone Service (California LifeLine)
Program.

Rulemaking 20-02-008

**DECISION TEMPORARILY SUSPENDING THE LIFELINE RENEWAL
PROCESS AND TAKING OTHER ACTIONS TO ADDRESS THE COVID-19
EMERGENCY****Summary**

This decision affirms the temporary suspension of the renewal process for the California Universal Telephone Service Program in order to ensure continued access to affordable communications services during the COVID-19 emergency, effective on March 19, 2020 and continuing for 90 days thereafter. In addition, the California Public Utilities Commission's Communications Division is authorized to (a) extend this temporary suspension for so long as the renewal processes of other state public assistance programs remain suspended due to the COVID-19 emergency, (b) temporarily suspend the non-usage rule for so long as the Federal Communications Commission suspends the non-usage rule for its Lifeline program, and (c) reimburse providers for the federal subsidies that providers are unable to collect as a direct result of the Program's suspension of the renewal process beyond the federal suspension period.

1. Background

On March 4, 2020, Governor Newsom proclaimed a State of Emergency to exist in the State of California as a result of the threat of COVID-19. On March 17, 2020, Governor Newsom issued Executive Order N-29-20 to temporarily suspend renewal requirements for 90 days for the following public assistance programs: Medi-Cal, CalFresh, CalWORKs, Cash Assistance Program for Immigrants, California Food Assistance Program, and In Home Supportive Services.

On March 17, 2020, in response to the public health emergency associated with the COVID-19 outbreak, the Federal Communications Commission (FCC) issued Order DA 20-285 to temporarily waive the federal LifeLine program's recertification and reverification requirements (also known as renewal requirements) for 60 days. The FCC further noted its intent to monitor the COVID-19 situation and determine whether any additional waiver of rules or deadlines are needed.

On March 19, 2020, Governor Newsom issued Executive Order N-33-20 to direct all California residents to shelter in place to slow the spread of COVID-19, except to access necessities and maintain critical infrastructure sectors.

On March 19, 2020, the assigned Commissioner issued a ruling to temporarily suspend renewal requirements for the California Universal Telephone Service Program (California LifeLine or the Program) for 90 days from the date of such ruling and to request party comments. On April 3, 2020, parties filed comments.¹

¹ The following parties submitted comments on April 3, 2020: Assurance Wireless USA, L.P. and Sprint Spectrum, L.P.; Cox California Telcom, LLC; City and County of San Francisco; Joint Consumers (The Utility Reform Network, Center for Accessible Technology, and the

On March 30, 2020, the FCC issued Order DA 20-354 to extend the temporary suspension of Lifeline renewal requirements until May 29, 2020 and to also suspend de-enrollments due to non-usage until May 29, 2020.

2. Issues Before the Commission

The issues before the Commission are as follows:

- a. Whether to temporarily suspend renewal requirements for the Program, and if so, for how long.
- b. Whether to take any other actions to ensure continued access to California LifeLine during the COVID-19 emergency.

3. Suspension of Renewal Requirements

Generally, California LifeLine requires a participant to annually complete a renewal form prior to her/his anniversary date to verify continued eligibility for the Program.² Currently, a large portion of participants do not complete the renewal process each year and either lose access to Program benefits or must sign up for the Program as new participants.

In light of the COVID-19 emergency, we have determined that the California Lifeline renewal requirements should be temporarily suspended to enable Program participants to continue to receive program benefits without interruption. During this emergency, Californians rely on communications services more than ever to access work, education, and other basic needs.

Greenlining Institute); Public Advocates Office; TruConnect Communications, Inc. (TruConnect); National Lifeline Association (including Boomerang Wireless, LLC, Global Connection Inc. of America, Telrite Corporation, and Amerimex Communications Corp.); and the Small LECs (The Ponderosa Telephone Co., Calaveras Telephone Company, Sierra Telephone Company, Inc., Volcano Telephone Company, Hornitos Telephone Company, Cal-Ore Telephone Co., Foresthill Telephone Co., Ducor Telephone Company, Winterhaven Telephone Company, Happy Valley Telephone Company, Kerman Telephone Co., Pinnacles Telephone Co., and The Siskiyou Telephone Company).

² General Order 153 Sections 4.5, 5.5, and 6.1.2.

In alignment with Executive Order N-33-20 directing all Californians to shelter in place with few exceptions, we ratify the temporary suspension of the Program's renewal process for 90 days from March 19, 2020, the date of the Assigned Commissioner's Ruling, and affirm that the Program will not de-enroll any participant due to the renewal process during this suspension period.

The remaining issue is whether to modify the 90-day period for this temporary suspension. At minimum, we should adopt a 90-day period for this temporary suspension. The 90-day period is consistent with Executive Order N-29-20, which temporarily suspended renewal requirements for 90 days from the issuance date of March 17, 2020 for several public assistance programs. California LifeLine participants use proof of eligibility for several of these public assistance programs to verify eligibility for California LifeLine.

We recognize that the State of California and local governments may maintain orders for residents to shelter in place or practice social distancing beyond this 90-day period. Further, we recognize that state and local efforts to protect the health of Californians from COVID-19 are exacerbating the financial vulnerability of California LifeLine participants.

Several parties supported extension of the suspension for so long as California remains in a state of emergency or California continues to suspend the renewal process for other state public assistance programs.³ Some parties raised concerns about the financial impact of extending the renewal process suspension for an undefined period.⁴

³ See April 3, 2020 comments by City and County of San Francisco, National Lifeline Association, Joint Consumers, Public Advocates Office and TruConnect.

⁴ See April 3, 2020 comments by Public Advocates Office, Joint Consumers and Small LECs.

We authorize the California Public Utilities Commission's Communications Division to extend this temporary suspension of the renewal process for so long as the renewal processes of other state public assistance programs remain suspended due to the COVID-19 emergency. This approach will provide the Commission the tools to provide uninterrupted access to the Program's benefits, consistently with the State of California's COVID-19 relief efforts for other public assistance programs, as well as the flexibility to determine when the renewals suspension should be lifted.

At the end of the extension period, Commission staff will work with the Program's administrator to implement a renewal process for those participants who were affected by the suspension.

4. Additional Actions to Ensure Continued Access

The Assigned Commissioner's Ruling requested comments on whether the Commission should take additional actions to ensure continued access to the Program during the COVID-19 emergency.

AT&T raised the potential for the FCC to refuse to pay federal Lifeline subsidies for participants whose renewal forms would have been due during the California renewal suspension period, after the FCC has reinstated its renewal process. AT&T proposed that the Commission reimburse providers for such amounts. In the event that the Commission's Communications Division extends the Program's suspension of the renewal process beyond the FCC renewals suspension period, we conclude that it would be reasonable to authorize the Communications Division to reimburse providers for the federal subsidies that providers are unable to collect from the FCC as a direct result of the difference in suspension periods.

Joint Consumers and TruConnect recommended that we prevent disconnections by temporarily suspending the non-usage rule, in alignment with the FCC's suspension of the non-usage rule.⁵ We find it reasonable to authorize the Commission's Communications Division to suspend the non-usage rule for so long as the FCC suspends its Lifeline program non-usage rule.

Several party comments highlighted the importance of prioritizing improvements to the renewal process. We will separately address this issue through the process identified in the scoping ruling for this rulemaking.

Other party comments raised the need to include information about California LifeLine in state and local COVID-19 relief education and outreach efforts. We note that the Commission is coordinating outside of this rulemaking with energy utilities and other state and local COVID-19 relief education and outreach efforts to share information about the Program.

5. Comments on Proposed Decision

The proposed decision of Commissioner Shiroma in this matter was mailed to the parties in accordance with Section 311 of the Public Utilities Code and comments were allowed under Rule 14.3 of the Commission's Rules of Practice and Procedure. Comments were filed on _____, and reply comments were filed on _____ by _____.

6. Assignment of Proceeding

Genevieve Shiroma is the assigned Commissioner and Stephanie S. Wang is the assigned Administrative Law Judge in this proceeding.

⁵ FCC Order DA 20-285.

Findings of Fact

1. On March 4, 2020, Governor Newsom proclaimed a State of Emergency to exist in the State of California as a result of the threat of COVID-19.

2. On March 17, 2020, Governor Newsom issued Executive Order N-29-20 to temporarily suspend renewal requirements for 90 days for the following public assistance programs: Medi-Cal, CalFresh, CalWORKs, Cash Assistance Program for Immigrants, California Food Assistance Program, and In Home Supportive Services.

3. California LifeLine participants use proof of eligibility for several of the public assistance programs subject to Executive N-29-20 to verify Program eligibility.

4. On March 17, 2020, the FCC issued Order DA 20-285 to temporarily waive the federal LifeLine program's recertification and reverification requirements and non-usage rule for 60 days in response to the COVID-19 outbreak.

5. On March 19, 2020, Governor Newsom issued Executive Order N-33-20 to direct all California residents to shelter in place to slow the spread of COVID-19, with limited exceptions.

6. On March 19, 2020, the assigned Commissioner issued a ruling to temporarily suspend renewal requirements for the California LifeLine Program for 90 days from the date of such ruling and to request party comments.

7. On March 30, 2020, the FCC issued Order DA 20-354 to extend the temporary suspension of federal Lifeline renewal requirements until May 29, 2020 and to also suspend de-enrollments due to non-usage until May 29, 2020.

8. The State of California and local governments may maintain orders for residents to shelter in place or practice social distancing beyond the Program's 90-day renewal suspension period.

9. State and local efforts to protect the health of Californians from COVID-19 are exacerbating the financial vulnerability of California LifeLine participants.

Conclusions of Law

1. The Program's renewal process should be suspended effective March 19, 2020 and continuing for 90 days thereafter.

2. The Commission's Communications Division should be authorized to extend this temporary suspension of the Program's renewal process for so long as the renewal processes of other state public assistance programs remain suspended due to the COVID-19 emergency.

3. At the end of the extension period, the Commission's Communications Division should work with the Administrator to implement a renewal process for those participants who were affected by the suspension.

4. In the event that the Commission's Communications Division extends the Program's suspension of the renewal process beyond the FCC's Lifeline renewals suspension period, the Commission's Communications Division should be authorized to reimburse Program providers for the federal subsidies that they are unable to collect from the FCC as a direct result of the difference in suspension periods.

5. The Commission's Communications Division should be authorized to suspend the Program's non-usage rule for so long as the Federal Communications Commission continues to suspend the federal Lifeline program's non-usage rule in response to the COVID-19 emergency.

O R D E R

IT IS ORDERED that:

1. The renewal process for the California Universal Telephone Service Program (Program) is suspended effective March 19, 2020 and continuing for 90 days thereafter.

2. The California Public Utilities Commission's Communications Division is authorized to extend this temporary suspension of the Program's renewal process for so long as the renewal processes of other state public assistance programs remain suspended due to the COVID-19 emergency.

3. If the Communications Division suspends the Program's renewal process beyond the Federal Communication Commission's Lifeline renewals suspension period, the Communications Division is authorized to reimburse Program providers for the federal subsidies that they are unable to collect from the Federal Communications Commission as a direct result of the difference in suspension periods.

4. The Communications Division is authorized to suspend the Program's non-usage rule for so long as the Federal Communications Commission continues to suspend the federal Lifeline program's non-usage rule in response to the COVID-19 emergency.

5. Rulemaking 20-02-008 remains open.

This order is effective today.

Dated _____, at San Francisco, California.