



Senator Steven Bradford

REPRESENTING THE 35TH DISTRICT

SB 704 – Improving California’s LifeLine Program

SUMMARY

SB 704 updates and improves the LifeLine universal telephone service program to increase participation among eligible low-income households and better accommodate vulnerable populations — including foster youth, veterans, and the recently incarcerated — who often struggle to access the program because of their complex household status.

BACKGROUND

LifeLine is a joint federal and state universal service program established to ensure all low-income families can access basic telephone service. Assemblymember Gwen Moore created the California LifeLine component in 1987. Since then, it has evolved to include the wireless services that more and more people rely upon. The California Public Utilities Commission (CPUC) oversees the program for the State, including collecting revenue from intrastate telecommunications to partially-fund the program. The Federal Communications Commission (FCC) establishes program criteria and provides the remainder of program funding. The CPUC contracts with a third-party administrator to manage the program, which includes allocating combined state and federal LifeLine payments to telecommunications service providers for participants that they serve.

But program participation rate among already-eligible populations remains low compared to other public purpose programs and there are persistent problems with LifeLine, as identified by the Legislative Analyst’s Office in a report released in April 2019. Furthermore, the existing one-subscription-per-household rule unintentionally creates undue burdens for otherwise eligible, vulnerable populations that have complex

guardianship or household statuses — such as foster youth and the formerly incarcerated.

The Public Policy Institute of California also reported in March 2019 that broadband internet access in some households is persistently low and that affordability is often the critical barrier.

SOLUTION

SB 704 updates the qualifying criteria for the LifeLine program to conform with changes in FCC regulations. It requires the CPUC, by July 2020, to update the program to improve the enrollment and recertification process for subscribers. It requires the CPUC, by July 2021, to update the program’s rules to increase participation rates (including among specified vulnerable populations) and the use of community-based or non-profit organizations to enroll eligible individuals, as well as asking the CPUC to consider methods that phase out the use of for-profit, third party originators (also known as “street teams”) to enroll subscribers.

SB 704 also allows certain vulnerable populations with complex guardianship or household compositions to access a LifeLine subscription of their own if someone else in that household has already acquired one. It requires the CPUC to consider whether it should expand LifeLine to include broadband internet service (as the FCC has already done). Finally, SB 704 requires the CPUC to enter into inter-agency agreements with the Department of Social Services and the Department of Healthcare Services by July 2020 to increase participation in LifeLine among the LifeLine-eligible populations those agencies serve through the CalFresh and Medical programs, respectively, and subject to existing federal requirements.



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