

In the Matter of the Commission, ) Application No. NUSF-2  
 on its own motion, seeking to )  
 establish guidelines for ) ORDER OUTLINING  
 administration of the Nebraska ) EXEMPTED SERVICES  
 Lifeline Program. ) Entered: April 14, 1999

BY THE COMMISSION:

The Commission opened this docket to establish guidelines for the administration of the Nebraska Lifeline Program on March 16, 1999. Interested parties were requested to file comments on or before March 30, 1999, regarding which services should be exempt from the Nebraska Universal Service Fund (NUSF) surcharge. Written comments were received from the Universal Service Advisory Board, GTE, AT&T, US West Communications, Inc. (US West) and the Nebraska Telephone Association (NTA).

#### F I N D I N G S   A N D   C O N C L U S I O N S

Neb. Rev. Stat. sec. 86-1410 requires this Commission to establish the Nebraska Lifeline Service Program. It states that "the purpose of the Nebraska Lifeline Service Program shall be to promote the provision of universal service to low-income households by local exchange carriers" and that "support provided by the program shall be *specifically targeted* to maintain affordable rates for residential basic local exchange services *supported by the federal and state universal service mechanisms.*" {emphasis added}

Furthermore, it states that this Commission "shall establish means-tested eligibility guidelines and standards for the provision of support from the Nebraska Lifeline Service Program which are consistent with the Telecommunications Act of 1996, 47 U.S.C. 254, and any rules and regulations adopted and promulgated by the Federal Communications Commission."

Neb. Rev. Stat. sec. 86-1410(3) also states that "any person receiving low-income support from the Nebraska Lifeline Service Program shall be exempt from the payment of any surcharge established by the commission pursuant to the Nebraska Telecommunications Universal Service Fund Act." However, as discussed above, Section 86-1410 requires this subsection be consistent with Section 254 of the Telecommunications Act of 1996 (the Act) and Federal Communications Commission's (FCC) rules.

Section 254(b)(3) of the Act states, "[c]onsumers in all regions of the nation, including low-income consumers and those in rural, insular, and high cost areas, should have access to telecommunications and information services." Additionally, section 254(c)(1)(A) states "[t]he Joint Board in recommending, and the Commission in establishing, the definition of the services that are supported by Federal universal service support mechanisms shall consider the extent to which such telecommunications services (A) are essential to education, public health, or public safety."

The FCC in discussing Lifeline and Linkup plans in the Universal Service Order stated "[u]nder either plan, qualifying subscribers may receive assistance for a single telephone line in their principle residence."<sup>(1)</sup> Moreover, FCC policy defines the services eligible for Lifeline support to include "single-party service, voice grade access to the public switched telephone network (PSTN), DTMF or its functional equivalent, access to emergency services,

access to interexchange service, access to directory assistance, and toll limitation."<sup>(2)</sup>

The FCC has specifically limited Lifeline support, stating that "qualifying subscribers may receive assistance for a single telephone line in their principle residence."<sup>(3)</sup> Thus, Lifeline support, and any surcharge exemption obligation under Nebraska's program, must be similarly limited unless expressly authorized by this Commission.

Thus, both the Act and the FCC expressly limit Lifeline support to a single line per customer. Additional lines into the home, as well as cellular and paging services, do not currently receive Lifeline support and, therefore, should not be exempted from the NUSF surcharge under Section 86-1410(3).

In light of federal guidance and Nebraska Statutes, the Commission in Docket C-1645 limited support from the Nebraska Lifeline Program to a single line of service per customer. Given this finding and the comments filed herein the Commission is of the opinion and finds that the exemption for Lifeline recipients from the NUSF surcharge shall be limited to the single line of service receiving lifeline support until such time as the Commission modifies the Findings in Docket C-1645. This exemption will apply to basic local residential exchange service and any other services such as toll, caller-ID, touch-tone, etc. provided on the exempted line.

Further, the Commission proposes to implement this exemption through the creation of a secure database containing the exempted telephone numbers. This database will be maintained by the Commission. All local exchange and interexchange carriers providing service in Nebraska will be required to use the database to exempt services provided to customers via the applicable telephone numbers. The Commission will create a task force to develop the necessary procedures to implement this finding. In the event that this finding cannot be implemented by July 1, 1999, the Commission reserves the right to modify this finding on its own motion. The Commission believes this is the only method that will allow all service provided on exempt lines to be exempted, including dial-around calls.

O R D E R

IT IS THEREFORE ORDERED by the Nebraska Public Service Commission that the exemption for Lifeline recipients from the NUSF surcharge is hereby limited to the single line of service receiving Lifeline support and the services provided thereon unless otherwise authorized by this Commission.

IT IS FURTHER ORDERED that the Commission will organize a task force to develop the necessary procedures to implement a secure database of exempted telephone numbers.

MADE AND ENTERED at Lincoln, Nebraska, this 14th day of April, 1999.

NEBRASKA PUBLIC SERVICE COMMISSION:

COMMISSIONERS CONCURRING:

Chairman

ATTEST:

Executive Director

1. *In the matter of Federal-State Joint Board on Universal Service*, CC Docket No. 96.45, Report and Order, FCC 97-157 (rel. May 9, 1997), ¶ 341.
2. *Id.* at ¶ 328.
3. *Id.* at ¶ 341.

