Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of	)	
	)	
Lifeline and Link Up Reform and Modernization	)	WC Docket No. 11-42
	)	
	)	
Bridging the Digital Divide for Low-Income Consumers	)	WC Docket No. 17-287
	)	
	)	
Telecommunications Carriers Eligible for Universal Service Support	)	WC Docket No. 09-197
	)	
	)	
Affordable Connectivity Program	)	WC Docket No. 21-450
	)	
Emergency Broadband Benefit Program	)	WC Docket No. 20-445
	)	

COMMENTS OF THE NATIONAL ASSOCIATION OF STATE UTILITY CONSUMER ADVOCATES, CONNECTICUT OFFICE OF CONSUMER COUNSEL, MAINE OFFICE OF PUBLIC ADVOCATE, OREGON CITIZENS UTILITY BOARD, NEW JERSEY DIVISION OF RATE COUNSEL, PENNSYLVANIA OFFICE OF CONSUMER ADVOCATE, AND THE UTILITY REFORM NETWORK

INTRODUCTION

The National Association of State Utility Consumer Advocates (NASUCA),[1] Connecticut Office of Consumer Counsel, Maine Office of Public Advocate, New Jersey Division of Rate Counsel, Oregon Citizens Utility Board, Pennsylvania Office of Consumer Advocate, and The

[1] NASUCA is a voluntary association of 62 consumer advocate offices. NASUCA members represent the interests of utility consumers in 45 states, the District of Columbia, Puerto Rico, Barbados and Jamaica. NASUCA is incorporated in Florida as a non-profit corporation. NASUCA's full members are designated by the laws of their respective jurisdictions to represent the interests of utility consumers before state and federal regulators and in the courts. Members operate independently from state utility commissions. Some NASUCA member offices are separately established advocate organizations while others are divisions of larger state agencies (e.g., the state Attorney General's office). NASUCA's associate and affiliate members also represent the interests of utility consumers but are not created by state law or do not have statewide authority. Some NASUCA member offices advocate in states whose respective state commissions do not have jurisdiction over certain telecommunications issues.

Utility Reform Network ("TURN"), all members of NASUCA, ("NASUCA and States") provide these comments in response to the February 18, 2026 Federal Communications Commission (Commission or FCC)'s Notice of Proposed Rulemaking (Lifeline NPRM or NPRM) on the above referenced matters. NASUCA members represent the interests of individuals and households who rely on Lifeline for affordable voice and broadband services, and the broader community of telecommunications customers who help sustain the program. NASUCA's eight Lifeline resolutions reiterate preserving and strengthening the program's core mission of making essential voice and broadband services affordable for low-income consumers.[2] NASUCA resolutions support maintaining or increasing Lifeline support levels, ensuring service quality and affordability, and requiring eligible telecommunications carriers to meet strong federal and state standards while actively offering Lifeline services. The resolutions also promote consumer protections for preventing disconnection of basic voice service, allowing discounts on bundled services, improving outreach and enrollment, and protecting uniform oversight across states.

[2] (1) NASUCA Resolution 2019-02, Urging The FCC To Preserve Lifeline Support For Voice Service And To Stay And Study The Scheduled Changes In Lifeline Minimum Services. Available at https://nasuca.org/wp-content/uploads/2019/07/2019-02-NASUCA-Telecom-Resolution-re-Lifeline-for-Voice-Service-Min-Standards.pdf; (2) NASUCA Resolution 2018-01, Urging The FCC And States To Assure That Lifeline Eligible Households In All Regions Of The Nation Have Access To Voice And Broadband Internet Access Services From A Choice Of Providers And Networks, Made More Affordable With Lifeline Support. Available at https://nasuca.org/wp-content/uploads/2013/11/2018-01-NASUCA-Affordable-Lifeline-Support-Resolution_-003.pdf; (3) NASUCA Resolution 2017-05, Urging State Commissions And The FCC To Adopt Policies And Processes To Provide Lifeline Eligible Households With Access To Affordable Lifeline Voice And Broadband Internet Access Services. Available at https://nasuca.org/wp-content/uploads/2017/01/2017-05-NASUCA-Lifeline-Broadband-Resolution-.pdf; (4) NASUCA Resolution 2010-02, Calling for Reform of the Lifeline Program, including Reform for Prepaid Wireless Lifeline Services. Available at https://www.nasuca.org/calling-for-reform-of-the-lifeline-program-including-reform-for-prepaid-wireless-lifeline-services-2010-02/; (5) NASUCA Resolution 2009-06, Calling For Lifeline And Link-Up Program Support For Broadband Internet Access Services And Devices. Available at https://www.nasuca.org/calling-for-reform-of-the-lifeline-program-including-reform-for-prepaid-wireless-lifeline-services-2010-02/; (6) NASUCA Resolution 2006-01, Increasing Participation in Lifeline and Link-Up Telephone Assistance Programs Through Additional and More Effective Public Outreach. Available at https://www.nasuca.org/nasuca-lifeline-resolution-2006-01/; (7) NASUCA Resolution 2005-01, Resolution to Encourage Uniform ETC Standards. Available at: https://www.nasuca.org/resolution-to-encourage-uniform-etc-standards-2005-01/; and (8) NASUCA Resolution 1996-07, Supporting a Reduction in the Residential and Single Line Business Subscriber Line Charges and Increased Federal Contribution to the Lifeline Assistance Program in Response to the Recommended Decision of the Universal Service Joint Board. Available at https://www.nasuca.org/slclifeline-assistance-1996-07/.

NASUCA and States oppose the changes in the FCC's Lifeline NPRM because they are inconsistent with its established policy positions and the purpose of the Lifeline program. The proposed changes risk weakening support, reducing flexibility, creating unnecessary and duplicative burdens for those most in need, and undermining these long-standing principles.

BACKGROUND

Established in 1985, the federal Lifeline program ensured that low-income Americans have access to affordable communications services, which at that time applied to landline telephone service.[3] Over multiple dockets, the FCC has sought to modernize and reform the Lifeline program to reflect changes in communications services and the use and adoption of new technologies for modern life and to address potential waste, fraud, and abuse.[4] The FCC has also adopted changes "to streamline Lifeline enrollments and protect program integrity" by establishing centralized systems and changes to the application process including the National Verifier and the National Lifeline Accountability Database (NLAD).[5]

The Lifeline NPRM invites comments, including but not limited to: (1) ensuring that Lifeline services go to eligible low-income Americans by strengthening eligibility and legal status checks, improving consent for enrollment and switching providers, and continuing support for voice services; (2) proposing changes to improve program integrity and efficiency, including reviewing states that use their own enrollment verification systems and updating reporting requirements; and (3) changing the rules eligible telecommunications carriers (ETCs) must

[3] Lifeline NPRM, at 2 citing *MTS and WATS Market Structure, and Amendment of Parts 67 & 69 of the Commission's Rules and Establishment of a Joint Board*, CC Docket Nos. 78-72, 80-286, Report and Order, 50 Fed. Reg. 939 (1985).
[4] See Lifeline NPRM, at 1. The Lifeline NPRM lists past dockets including: WC Docket No. 17-287 *In the Matter of Bridging the Digital Divide for Low-Income Consumers* and WC Docket No. 09-197 *In the Matter of Telecommunications Carriers Eligible for Universal Service Support*.
[5] Lifeline NPRM, at 4 citing *2016 Lifeline Report and Order*, 31 FCC Rcd at 4006, 4011, ¶¶126, 133–35.

follow for Lifeline reimbursement such as usage tracking and de-enrollment for non-usage, and ensuring only ETCs directly providing Lifeline service are reimbursed.[6] While the NPRM seeks to strengthen eligibility verification, improve enrollment and consent procedures, enhance program integrity measures, and revise reimbursement rules for ETCs, NASUCA et. al. believes these unnecessary changes undermine the core purpose of Lifeline and those who need its assistance.

NASUCA and States are concerned that the NPRM's proposed changes—particularly increased eligibility restrictions, additional administrative requirements, and stricter carrier reimbursement rules—would reduce access, create unnecessary barriers to enrollment, and diminish the program's effectiveness. The existing safeguards, including the National Verifier and the National Lifeline Accountability Database, already provide sufficient tools to address waste, fraud, and abuse without further limiting participation.

NASUCA and States conclude that the proposed reforms are inconsistent with the established goals of Lifeline and with NASUCA's long-standing policy positions. NASUCA, et. al. urge the FCC to preserve the current structure of the Lifeline program and avoid changes that could jeopardize the ability to provide reliable, affordable communications access to low-income consumers.

NASUCA AND STATES' COMMENTS ON FCC'S PROPOSED CHANGES TO LIFLINE

I. Concerns About the Findings of the Office of Inspector General's Reports.

The Commission relies, in part, on three reports from the Office of Inspector General (OIG).[7] The OIG's reports outline findings on the FCC's top management and performance

[6] In the Matter of Lifeline and Link Up Reform and Modernization among others, Notice of Proposed Rulemaking, WC Docket No. 11-42 et al., FCC-26-8 (rel. February 23, 2026) (Lifeline NPRM).
[7] *See* NPRM at para. 8, FNs 25, 26, 27.

challenges for 2026,[8] its recommendations based on the FCC Top Management and Performance Challenges (TMPC),[9] and an advisory regarding deceased and duplicative Lifeline subscribers.[10] The OIG's TMPC report prioritized protecting the FCC's programs and the public from Fraud, Waste, and Abuse.[11] However, the OIG's description of fraud concerns deviated from that of the Commission's.

On November 20, 2025, the Commission released a statement and order revoking California's opt out status from use of the National Verifier (NV) and National Lifeline Accountability Database (NLAD).[12] The Commission cited Governor Newsome's "recently signed legislation" and that states like California have "a track record of failing to comply with federal program rules."[13] Similarly, the Commission's order revoking California opt-out status cites AB 1303 as the defining factor in its decision.[14] The FCC also claimed that the data sharing provisions of the California law made it impossible for the California Public Utilities Commission (CPUC) and its third party administrator (TPA) to share the necessary information with the Universal Service Administrative Company (USAC) and the Commission for federal Lifeline program operations.[15] Even though AB 1303 only applies to the state LifeLine program, it does not prevent an applicant from sharing the relevant information with the TPA for

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[8] See FCC OIG, FCC's Top Management and Performance Challenges for FY 2026 (2025), https://www.fcc.gov/sites/default/files/FCC%26%23039%3Bs%20Top%20Management%20and%20Performance%20Challenges%20for%20FY%202026.pdf (FCC TMPC).
[9] *See* FCC OIG Open Recommendations From FCC OIG Investigations (2025), https://www.fcc.gov/sites/default/files/OI%20Open%20Recommendations%20Report_508.pdf (OIG Recommendations).
[10] *See* FCC OIG Advisory Regarding Deceased and Duplicate Lifeline Subscribers, (FCC OIG Jan. 26, 2026), https://www.fcc.gov/sites/default/files/FCC%20OIG%20Advisory%20Regarding%20Deceased%20and%20Duplicate%20Lifeline%20Subscribers.pdf (OIG Advisory).
[11] OIG TMPC at 3
[12] *See* Press Release, FCC, FCC Prevents California's Unlawful Abuse of Federal Lifeline Program (Nov. 20, 2025), https://docs.fcc.gov/public/attachments/DOC-415444A1.pdf.
[13] *Id*.
[14] Lifeline Link Up Reform and Modernization, WC Docket No. 11-42, Order, DA 25-965, para. 6 (2025), https://docs.fcc.gov/public/attachments/DA-25-965A1.pdf (FCC Opt Out Order).
[15] *Id*.

application to the federal Lifeline program. While the FCC championed this as a significant blow against waste, fraud, and abuse, it is not mentioned as a concern by any of the OIG reports released before the opt out was revoked.

In fact, the OIG TMPC highlighted a recent investigation of Q Link Wireless a Florida-based, FCC-subsidized telecommunications provider. The investigation found that Q-Link had fraudulently received more than $1.4 billion from the FCC programs such as Lifeline, the Emergency Broadband Benefit, and the Affordable Connectivity Program.[16] The OIG noted that of the $1.4 billion received only $128 million was ordered to be repaid.[17] The OIG also noted that the fraudulently obtained funds were could not be used to support eligible low-income households who depend on Lifeline services. As a result, the OIG described six strategies for combating waste, fraud, and abuse. Of them, only one is targeted at consumers, and five of them are how the FCC can enhance programmatic security by working with providers and states to better control the flow of information.[18] Further, the OIG's Open Recommendations include only one suggested modification to the program that impacts what documentation an applicant must provide, while leaving eight recommendations for steps the FCC could take to better its practices and processes to maximize transparency and consistency for the program.[19] Nowhere in any of the OIG's recommendations does it raise concerns about the opt-out states or California, specifically.

The Commission also references the OIG Advisory Regarding Deceased and Duplicate Lifeline subscribers. The Commission focuses on four primary issues identified by OIG. First, some providers continued to enroll deceased individuals in Lifeline. Second, the opt-out states'

[16] FCC TMPC at 6.
[17] *Id*.
[18] *Id*. at 7.
[19] OIG Recommendations at 3.

identity verification methods failed to prevent enrollment of deceased individuals. Third, the monthly reimbursement death check performed by USAC also failed to identify deceased subscribers. Last, duplicate claims of support were filed for the same subscriber across multiple opt-out states. However, the OIG's report falls short in two main areas.

The OIG fails to share information on deceased enrollment counts across the entire program. Instead, the OIG only addresses deceased subscriber enrollment counts in the opt out states.[20] Without this critical comparison, it is impossible to know whether deceased enrollment counts are the significant problem in the opt-out states. Additionally, the OIG fails to separate claims that are paid to deceased subscribers and those that are paid to the families of deceased subscribers. In some instances, the family member enrolled in the Lifeline program may have passed, however, the provider is still receiving updates and payments from remaining family members. If this is the case, the OIG should not conclude that it is fraud because the household likely remains eligible but has not transferred service into another name. Such transfers would likely require reapplication that may be difficult for households to complete if it is a short time after the death of a loved one, or if they were unaware of the particulars of the program.

The Commission also highlights that between December 1, 2020, and September 30, 2025, five million dollars was distributed to deceased opt-out state providers. Over the course of those same years the budget for the lifeline program was $15.512 billion.[21] The payments the OIG found that were paid out to deceased individuals amounts to 0.03% of the total Lifeline

[20] OIG Advisory at 4-8.

[21] Herman & Whiteaker, FCC Updates and Extends Certain Lifeline Service Standards and Extends Certain Lifeline Support (Aug. 13, 2025); Wireline Competition Bureau Announces Updated Lifeline Minimum Service Standards and Indexed Budget Amount, WC Docket No. 11-42, Public Notice, DA 23-621, p. 2 (WCB 2023); Wireline Competition Bureau Announces Updated Lifeline Minimum Service Standards and Indexed Budget Amount, WC Docket No. 11-42, Public Notice, DA 21-930, p. 2 (WCB 2021); Lifeline Program for Low-Income Customers, https://www.fcc.gov/general/lifeline-program-low-income-consumers#budget (last accessed Apr. 23, 2026) (15.512 billion is derived from adding the 2020, 2021, 2022, 2023, 2024, and 2025 budget figures).

budget for those five years. Claims that this level of improper payments threatens the Lifeline program and justifies restrictions on certain classes of eligible households should be tempered. The OIG's concern on the very real issue of fraud in federal programs is appropriate and the Commission should be working to hold the providers responsible for the lion's share of that fraud. Punishing consumers and states does not build public trust in this important and often essential program.

II. The FCC Proposed Rulemaking Is Not the Appropriate Mechanism for Effectuating Changes to the Lifeline Program.

Lifeline is the last remaining federal broadband subsidy program available to low-income people after the FCC's Affordable Connectivity Program expired in May of 2024 because it did not receive renewed congressional funding.[22] The Lifeline program continues a long-standing U.S. policy goal of ensuring universal telephone access. This essential concept dates back to early federal communication policy and was reinforced in 1913 when AT&T's "Kingsbury Commitment" included a promise of universal service.[23] The core principle is that connecting more people to a communications network benefits everyone because each additional user increases the network's overall value (often described as Metcalfe's Law).[24]

This goal was further formalized in the Communications Act of 1934, which created the FCC and tasked it with making nationwide communication services available to all Americans at reasonable cost.[25] While the FCC was created by and through this statutory authority, the Act's

[22] Fed. Commc'ns Comm'n, Affordable Connectivity Program, https://www.fcc.gov/acp (last visited Apr. 23, 2026).
[23] *Please see* Act of Feb. 20, 1792, ch. 7, 1 Stat. 232 (1792).
[24] *Please see* Robert M. Metcalfe, The Cost of Bandwagons: The Value of Connection, IEEE Commc'ns Mag., Dec. 1983, at 10.
[25] *Please see* Communications Act of 1934, Pub. L. No. 73-416, 48 Stat. 1064 (1934) (codified as amended at 47 U.S.C. §§ 151 et seq.).

main goal was to ensure efficient nationwide communication services at reasonable prices.[26] Specifically, the enabling statute for the FCC states:

> For the purpose of regulating interstate and foreign commerce in communication by wire and radio so as to make available, so far as possible, **to all the people of the United States, without discrimination on the basis of race, color, religion, national origin, or sex, a rapid, efficient, nationwide, and world-wide wire and radio communication service with adequate facilities at reasonable charges,** for the purpose of national defense, for the purpose of promoting safety of life and property through the use of wire and radio communication, and for the purpose of securing a more effective execution of this policy by centralizing authority heretofore granted by law to several agencies and by granting additional authority with respect to interstate and foreign commerce in wire and radio communication, there is hereby created a commission to be known as the "Federal Communications Commission", which shall be constituted as hereinafter provided, and which shall execute and enforce the provisions of this Act.[27]

As observed by the U.S. Supreme Court, "[t]he Lifeline Program advances a basic commitment. Now codified, it helps make phone service affordable to all Americans by providing a modest monthly subsidy."[28]

The Commission may not restructure or narrow the Lifeline Program in a manner inconsistent with congressional intent. NASUCA and States urge the Commission to refocus this proceeding on its proper statutory objective: **ensuring universal service support is directed toward affordability and meaningful access for low-income consumers.** The Commission should instead examine the structural barriers preventing eligible households from enrolling in and retaining Lifeline benefits, rather than adopting measures that risk undermining program participation.

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[26] *Id*.
[27] 47 U.S.C.S. § 151 (**emphasis added**).
[28] *FCC v. Consumers' Rsch.,* 606 U.S. 656, 686 (2025), *citing* 47 U.S.C.S. § 254 (j); 47 CFR §§54.400-54.424.

NASUCA and States assert that the FCC lacks statutory authority to impose the restrictions on the Lifeline Program contemplated in the Lifeline NPRM. Those restrictions exceed the bounds of the FCC's enabling statute.

The proposed limitations, discussed below, exceed the Commission's authority under Section 254 of the Communications Act and are inconsistent with Congress's express mandate that universal service support promote affordable access to telecommunications services for low-income consumers.[29] The Commission should not use program administration or restructure Lifeline in a manner that materially narrows eligibility or access unless clearly authorized by statute.

The FCC's directives must be assessed in light of its core statutory obligation under the Communications Act of 1934 to ensure that all "charges, practices, classifications, and regulations" governing communications services remain "just and reasonable."[30] Any action that would reduce the accessibility of the Lifeline program or impose barriers that undermine participation is in conflict with, rather than consistent with, that statutory mandate. The *National Lifeline Association v. FCC* case provides guidance.[31] In that case, the court ruled that the FCC's restrictions were arbitrary and capricious because the FCC failed to provide evidence that their actions would not severely limit access to affordable services for people on tribal lands, in direct conflict with their mandate.[32]

The questions presented in the current Lifeline NPRM are more in line with those as posed in *National Lifeline Association v. FCC*, rather than *FCC v. Consumer's Research* and should be analyzed under *National Lifeline Association v. FCC* framework. The *National*

[29] 47 U.S.C. § 254(b)(1), (3) (establishing principles of affordability and access for universal service).
[30] 47 U.S.C. § 201(b).
[31] *National Lifeline Association v. FCC,* 915 F.3d 19 (D.C. Cir. 2019).
[32] *Id*.

Lifeline Association v. FCC case focused on administrative procedures related to low-income subsidies, whereas *FCC v. Consumer's Research* focused on the constitutionality of the funding mechanism for the entire Universal Service Fund under the nondelegation doctrine.[33] *FCC v. Consumer's Research* is instructive when reviewing how the proposed changes in this Lifeline NPRM follow suit, or do not, with the "intelligible principle" doctrine:

> To distinguish between the permissible and the impermissible in this sphere, we have long asked whether Congress has set out an "intelligible principle" to guide what it has given the agency to do. Under that test, "the degree of agency discretion that is acceptable varies according to the scope of the power congressionally conferred." The "guidance" needed is greater, we have explained, when an agency action will "affect the entire national economy" than when it addresses a narrow, technical issue (*e.g.*, the definition of "country [grain] elevators"). But in examining a statute for the requisite intelligible principle, we have generally assessed whether Congress has made clear both "the general policy" that the agency must pursue and "the boundaries of [its] delegated authority." And similarly, we have asked if Congress has provided sufficient standards to enable both "the courts and the public [to] ascertain whether the agency" has followed the law. If Congress has done so, as we have almost always found, then we will not disturb its grant of authority.[34]

Considering the above, the modifications proposed in the Lifeline NPRM exceed the Commission's statutory authority. The contemplated changes are neither narrow in scope nor merely administrative, despite the Commission's characterization. Instead, the modifications carry significant economic implications at a national scale. In doing so, they implicate the type of major policy determinations that require clear congressional authorization and depart from the intelligible principles set forth in the Commission's enabling statutes.

Also, the legal framework governing judicial review of agency statutory interpretation has materially changed and further underscores the problems in the Lifeline NPRM. In *Loper Bright Enterprises v. Raimondo*, the Supreme Court held that courts may no longer defer to an

[33] *Id*., *See also FCC v. Consumers' Rsch*., 606 U.S. 656 (2025).
[34] *FCC v. Consumers' Rsch*., 606 U.S. 656, 673 (2025).

agency's interpretation of an ambiguous statute and must instead exercise independent judgment in construing the law.[35] Any FCC interpretation of the Communications Act, including Section 254 and other relevant portions, carries no controlling weight and is subject to de novo judicial review.[36] Accordingly, the Commission's interpretation of its authority under Section 254 and related provisions will not be afforded weight and must be assessed de novo against the text, structure, and purpose of the Act as enacted by Congress, should the FCC carry through on its proposed changes within the Lifeline NPRM.

Understood in this context, any FCC action reducing the accessibility of the Lifeline program, imposing new barriers to enrollment, or materially limiting participation must be measured against Congress's express directive in Section 151 to ensure widespread availability of communications services at reasonable charges. The Act's structure confirms that universal service mechanisms, including Lifeline, are intended to expand, not restrict, access to affordable communications for all Americans, particularly low-income consumers.[37]

And, where an agency interpretation would materially reshape a federal benefit program and significantly affects nationwide access and participation, courts apply heightened scrutiny and require clear congressional authorization for such regulatory transformation.[38] The Commission may not infer authority to adopt restrictive eligibility or increased administrative requirements that are contrary with the Act's express goal of universal, affordable access to communications services.

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[35] *Loper Bright Enters. v. Raimondo*, 603 U.S. ___ (2024).
[36] *See Id.*
[37] Communications Act of 1934, Pub. L. No. 73-416, 48 Stat. 1064 (1934) (codified as amended at 47 U.S.C. §§ 151 et seq.); 47 U.S.C. § 254(b) (principles of universal service, including affordability and access).
[38] *West Virginia v. EPA*, 597 U.S. 697, 723–24 (2022); *FDA v. Brown & Williamson Tobacco Corp.*, 529 U.S. 120, 160–61 (2000).

Here, Congress has already supplied an intelligible principle that governs the agency's discretion. This is not a case governed by the "major questions doctrine," where the inquiry focuses on the absence of clear congressional authorization, the proposals in this Lifeline NPRM present a distinct and antecedent issue: Accordingly, the relevant question is not whether the agency possesses some generalized regulatory authority, but whether the proposed actions are consistent with the statutory constraint itself. An agency action that contradicts or effectively eviscerates that intelligible principle exceeds statutory authority. Any effort to restrict Lifeline eligibility or access in the manner proposed in the Lifeline NPRM must originate with Congress through updated statutory enactments. Before any such restrictions can be adopted, it may be that Congress, not the Commission, must revise the governing statutory framework, including any applicable intelligible principles, to clearly authorize such a departure.

III. Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) is not applicable to Lifeline.

The Commission seeks comments on whether it should apply the provisions of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA) to restrict access to the program for certain households.[39] The Commission claims this is to ensure that federal Lifeline benefits are only provided to the eligible recipients permitted by federal law. Section 254 of the United States Code states that "Consumers 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. . .".[40] Similarly, nowhere in the Code of Federal Regulations definitions of Universal Service Support for Low-Income Consumers does

[39] NPRM at para. 13.
[40] 47 U.S.C. § 254(b)(3) (2024).

the word "citizen" appear outside of the context of citizens of Tribal Nations.[41] However, the PRWORA was never intended to apply to programs such as Lifeline. If the Commission applies it now, that could have several unintended consequences of restricting access to a subset of eligible households that would otherwise qualify for the benefit.

First, the Lifeline program does not meet the definition of a "federal public benefit." PRWORA defines a federal public benefit as "any grant, contract, loan, professional license, or commercial license provided by an agency of the United States or by appropriated funds of the United States.[42] It also includes "any retirement welfare, health, disability, public or assisted housing, postsecondary education, food assistance, unemployment benefit, or any similar benefit for which payments or assistance are provided to an individual, household, or family eligibility unit by an agency of the United States or by appropriated funds of the United States.[43]

Second, PRWORA explicitly states that it covers health, housing, and food related programs. Nowhere listed does it purport to claim that technology or communications programs fall within its scope. In response, the Commission could argue that the Lifeline program falls under section 1611(c)(1)(b) as a "similar" benefit. But this falls short for the reasons already stated. A communications affordability program has no relation to the other enumerated types of programs PRWORA covers. The Congressional Research Service (CRA) notes examples of cases where a benefit was found to be similar for the purposes of PRWORA. The examples included Federal Emergency Management Agency (FEMA) payments to people affected by disasters, victim compensation funds, and life insurance benefits for the survivors of federal

[41] *See generally,* 47 C.F.R. §§ 54.400-54.424 (2024).
[42] 8 U.S.C. § 1611(c)(1)(A) (2024).
[43] *Id* at § 1611(c)(1)(b).

employees.[44] However, the Lifeline program operates unlike any of the programs mentioned above. PRWORA generally covers programs that offer cash or a cash-like benefit. Lifeline offers no cash or cash-like benefit directly to individuals or households. Instead, Lifeline provides Lifeline providers with a direct subsidy to the providers of Lifeline services. This distinction is important because—as pointed out by the CRA—Congress intended PRWORA to cover only publicly available "welfare" programs like SSI and food stamps, not more narrowly targeted programs.[45]

The FCC argues that programs such as Section 8 housing assistance and federal student assistance are both programs where the benefit flows directly to the provider and therefore PRWORA should apply to the Lifeline program as well.[46] Again, these programs provide a cash or cash equivalent insofar as a participating household receives a voucher for Section 8 and a potential refund if student assistance is not completely used by the institution. However, for Lifeline, a subscriber can only pick their provider and receive the subsidy. At no point are they able to turn their benefit into cash in hand. Further, many of the categories of programs described by the PRWORA are income support or subsistence assistance programs. The Lifeline program is not. While communications are becoming increasingly necessary in the modern world, outside of any potential edge cases, not having access to broadband or mobile communications will not have the same impact as failing to obtain housing, food, or medical care.

Finally, application of PRWORA would be duplicative and create a larger regulatory burden for little to no benefit. According to USAC only 1.55% of households qualified for

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[44] Congressional Research Service, *PRWORA's Restrictions on Noncitizen Eligibility for Federal Public Benefits: Legal Issues* at 13-15 (Sept. 3, 2020), PRWORA's Restrictions on Noncitizen Eligibility for Federal Public Benefits: Legal Issues | Congress.gov | Library of Congress.

[45] *Id*.

[46] NPRM at para. 18.

Lifeline through income only.[47] Considering that PRWORA already applies to all the programs that prove Lifeline eligibility for a household, adding another PRWORA check would be duplicative in almost every case. The FCC should not expend Commission resources performing checks against a small minority of eligible Lifeline applicants when it already applies to over 90% of the eligibility criteria.[48]

NASUCA and States urge the Commission not to apply PRWORA to the Lifeline program, but if it does the Commission should carve out a safe harbor to ensure that Lifeline can continue its essential role in ensuring access to emergency services and 911 for all eligible individuals.

Given that PRWORA has not been used to regulate any telecommunications programs up to this point, it would be largely redundant and would only add another regulatory burden to the Lifeline program, the Commission should pursue alternative ways to ensure reliability of applications while not potentially restricting eligibility for those who may need it most.

IV. Concerns About the Proposed Changes to Enrollment and Verification Processes

a. NASUCA and States Oppose a Full Social Security Number Requirement for Lifeline Enrollment in Light of Fraud Prevention Goals and Privacy and Access Concerns.

NASUCA and States strongly oppose any requirement that applicants provide a full Social Security number as a condition of Lifeline enrollment as is proposed in section 26 on page 10 of the NPRM. A consumer's Social Security Number is their most sensitive personal identifiable data. A requirement to provide the Social Security Number in its entirety asks that the consumer to trust a carrier with this critical information and to risk identity theft in the event

[47] USAC, Program Data, https://www.usac.org/lifeline/resources/program-data/#Eligibility (last accessed Apr. 24, 2026) (Accessed via the Lifeline's Data and Statistics hyperlink under the Additional Metrics heading).
[48] *Id*.

that the information is intercepted by a bad actor, an unfortunate reality that more and more consumers are faced with every day as data breaches become increasingly common.[49] Requiring the full nine digits is a significant deterrent for a consumer, particularly a financially vulnerable consumer, to feel safe in applying for the Lifeline program at all. This would directly undermine the statutory goal of universal service established in the Communications Act of 1934.

The Commission has not shown that expanding collection from the last four digits to the full nine-digit number would result fraud-prevention benefits sufficient to justify the additional privacy and access harms, particularly in a program designed to serve low-income households. The Commission already has invested years building an anti-fraud structure that relies on national eligibility criteria, enhanced certification and recertification requirements, the National Lifeline Accountability Database ("NLAD"), and later the National Verifier rather than on ever-expanding collection of highly sensitive personal data. The FCC confirmed in the 2016 Lifeline Reform that experience has shown that, "…subscriber data, (e.g. address at time of application, last four digits of social security number and date of birth) collected by USAC has been sufficient to verify subscriber's identity and check for duplicative support".[50]

The Commission has also previously accounted for the fact that Lifeline administration involves the transmission of sensitive personal information, deliberately enabling data sharing between other federal assistance eligibility databases and the National Verifier to "…reduce the burden for low-income consumers in having to provide additional documentation and will reduce the potential risk to consumers' personal identifying information." The FCC then states, "[t]he incorporation of existing database solutions will also reduce waste, fraud, and abuse of the

[49] Cybersecurity | U.S. GAO.
[50] *Lifeline and Link Up Reform and Modernization*, Report and Order, 81 Fed. Reg. 33,026, 33,082 ¶ 378 (May 24, 2016), available at: https://www.govinfo.gov/content/pkg/FR-2016-05-24/pdf/2016-11284.pdf.

program."[51] Accordingly, before imposing a full-SSN requirement, the Commission should be required to demonstrate with record evidence why existing verification tools, database matching, recertification rules, and enrollment-integrity measures are insufficient. Imposing this requirement absent clear evidence or a congressional directive is likely to be a policy overreach on the part of the FCC and would also raise concerns of inconsistency with federal privacy rules.

b. The Use of Full Social Security Numbers Would Raise Significant Privacy Concerns.

The use of SSNs by private entities is one of the leading causes of identity theft. SSNs, along with a person's date of birth and name, are the three most sought-after pieces of personal information sought by identity thieves. According to the 2007 report of the Presidential Task Force on Identity Theft, a person's SSN is the ***single*** most important piece of personally identifiable information available to identity thieves.

SSNs are viewed as a "breeder document" by identity thieves. With a Social Security Number, an identity thief can create other false documents supporting a false identity, including a driver's license, retail credit account, credit card account, bank account, and similar papers. Unlike names and addresses, which can change over a person's lifetime, it is "virtually impossible" for a person to change his/her SSN. The social security number cannot be changed merely because it has been lost or stolen.[52] There must be evidence that (1) someone is in fact wrongfully using the number, and (2) that the individual to whom the number belongs is being disadvantaged by the wrongful use.

[51] *Lifeline and Link Up Reform and Modernization*, Report and Order, 81 Fed. Reg. 33,026, 33,082 ¶ 155 (May 24, 2016), available at: https://www.govinfo.gov/content/pkg/FR-2016-05-24/pdf/2016-11284.pdf. .

[52] "Identity Theft and Your Social Security Number," Social Security Administration, Pub. No. 05-10064, Oct. 2007, at 6, available at http://www.ssa.gov/pubs/10064.pdf.

The clear direction in recent years is to reduce, and eliminate where possible, the unnecessary collection and use of SSNs. In 2007, the federal Office of Management and Budget (OMB) issued a memo requiring federal agencies to examine their use of SSNs in systems and programs to identify and eliminate instances where the collection of SSNs is unnecessary. OMB required agencies to explore alternatives to their use of SSNs. Like OMB's guidance to federal agencies, the Federal Trade Commission (FTC) has urged a reduction in the use of SSNs in the private sector. FTC testified to Congress that there was a need to eliminate the unnecessary use of SSNs. The FTC cited the observation of the Presidential Task Force on Identity Theft that it is not clear whether the use of SSNs by the private sector was a necessity, or a result of "convenience and habit."[53]

As noted by Peter Swire-- the Chief Counselor for Privacy in the Office of Management and Budget for President Bill Clinton's Administration--"Social Security Numbers are an aging technology, and we have to do serious planning for what will come next."[54] Swire's comment responded to a study published in the proceedings of the National Academy of Science by Acquisti and Gross, researchers at Carnegie Mellon University. The Acquisti and Gross study identified--through a computer statistical analysis--the first five digits of a person's SSN for 44% of persons borne after 1988, and for 7% of those born from 1973 to 1988. Knowing the first five digits of an SSN leads to the discovery of the entire SSN. Due to different truncation protocols, while some entities truncate the first four digits of an SSN, other entities truncate the last four digits, thus allowing partial SSNs to be easily matched. The accuracy of the prediction system increased for smaller states and for people born after 1988. While the researchers were able to

[53] President's Identity Theft Task Force (2007). Combating Identity Theft: A Strategic Plan, at 24. The President's Task Force stated quite simply in 2007 that "more must be done to eliminate unnecessary use of SSNs." *Id*.
[54] New York Times, "Weakness in Social Security Numbers is Found," July 6, 2009.

predict the full SSN for 8.5% of those born after 1988 in fewer than 1,000 attempts (testing the data on a half million persons), they needed 10 or fewer tries to predict all nine digits for 1 out of 20 Social Security numbers assigned in Delaware.[55] Unless mitigating strategies are implemented," the Acquisti and Gross study found, "the predictability of SSNs exposes people to risks of identity theft on mass scales."[56]

The concerns raised by Acquisti and Gross were somewhat mitigated when, in 2011, the Social Security Administration began to randomly assign SSNs. Prior to that change in June 2011, however: (1) the first three digits of the SSN were called the "area number" and represented the state where a person lived when the SSN was issued; (2) the next two digits were the "group number" and grouped Social Security numbers within a state into blocks of numbers; and (3) the final four numbers were the "serial number" and identified each individual within a block. Regardless, the Acquisti and Gross research still presents cause for concern. The Commission should not require the full SSN for a person to receive Lifeline service.

c. The Excessive Administrative Burden on USAC and Increased Costs Demonstrate That the Proposed NPRM Changes Are Less Efficient Than Maintaining the Current Lifeline Framework.

The Commission's proposal to require collection and verification of full nine-digit Social Security numbers would impose substantial new administrative burdens on USAC that undermine program efficiency relative to the current framework. Under existing rules, Lifeline eligibility is verified through the National Verifier using streamlined identity checks, including the last four digits of an applicant's SSN. Transitioning to full SSN collection would necessitate significant modifications to USAC's systems, including database restructuring, enhanced

[55] Acquisti and Gross (2009). "Predicting Social Security Numbers from Public Data," Proc. Natl Acad. Sci. USA 106:10975-10980.
[56] Predicting Social Security Numbers, supra.

encryption protocols, expanded vendor integrations, and heightened cybersecurity safeguards to comply with federal data protection standards. These changes are substantial; they would require new contracts, system testing, and ongoing compliance monitoring, all of which increase administrative costs borne by the Universal Service Fund and ultimately by customers that pay for the fund.

Congress directed that universal service support mechanisms be "specific, predictable, and sufficient,"[57] but also implicitly efficient; imposing costly system overhauls where existing verification tools are already effective is counter to that mandate. Moreover, the proposed changes would likely slow application processing, increase error rates, and create additional friction in enrollment and transfers, further reducing program efficiency.

The FCC has previously emphasized that the National Verifier was designed to "reduce waste, fraud, and abuse" while also "improv[ing] the consumer experience and the efficiency of the program."[58] Requiring full SSNs would complicate this system by introducing more frequent mismatches, increased manual review processes, and longer resolution times—particularly for low-income consumers with limited documentation or inconsistent credit records. It would also create delays for USAC's customer service centers, increasing call times and email responses as eligible consumers inquire why their full Social Security Number is being asked for and ask how they can avoid providing it to protect themselves from identity theft.

These additional inefficiencies would also burden providers by delaying enrollments and transfers, thereby distorting competition among eligible telecommunications carriers. Considering these complications, the Commission has not demonstrated that the marginal

[57] 47 U.S.C. § 254(b)(5),
[58] *Lifeline and Link Up Reform and Modernization*, WC Docket No. 11-42, Report and Order and Further Notice of Proposed Rulemaking, ¶ 179 (2012).

benefits of enhanced fraud detection outweigh the concrete administrative burdens, rendering the proposal less efficient than maintaining the current Lifeline framework.

d. Balancing Secondary Verification Requirements with Accessibility: Ensuring Fraud Prevention Measures Do Not Unduly Burden or Exclude Eligible Low-Income and Vulnerable Consumers.

The NPRM proposes requiring a secondary verification of consent for enrollment or transfer, separate from the application or transfer request itself, and seeks comment on whether that confirmation should occur through a text, email, physical address, or another method.[59] The goal of preventing unauthorized enrollments and transfers should not unduly burden eligible consumers, delay valid transfer requests, or negatively impact consumer choice between competing providers.

The NPRM proposal must be evaluated against the reality that the Lifeline program is intended to provide consumers *with access* to the communications network. Noting this issue, the FCC asks how would a secondary verification requirement impact subscribers who do not yet have a device or stable connection to respond to verification texts or emails? This is an important question because a secondary verification requirement assumes that a consumer has both a device and a stable connection. Many consumers enrolling in Lifeline do not yet have a device and need to purchase one from their Lifeline provider to use the benefit. The proposal also assumes the consumer has a certain level of digital literacy. If a consumer is seeking to change carriers to get better reception, or stable internet service, it is unrealistic to expect they have adequate cell reception, or immediate internet access where they can receive a secondary verification or authorization text message or email to confirm their information right then.

[59] *Bridging the Digital Divide for Low-Income Consumers*, FCC 26-8, ¶ 32-35. FCC-26-8A1.docx

Adding this requirement would not only burden the consumer and delay enrollment, but also in the event of a benefits transfer, would introduce a competition issue between eligible telecommunications carriers. A consumer unable to respond in time to a secondary verification request may find their benefits transfer unable to be completed, which benefits their current provider at the expense of both the consumer and the gaining carrier as well.

For these reasons NASUCA and States urge the Commission to proceed cautiously and not erect a de facto barrier to switching carriers for consumers who have intermittent connectivity, limited digital literacy, or urgent need to switch providers.

a. The Proposed Changes to the "One-Per-Residence" Rule Are Unnecessary and Would Likely Exclude Eligible Households.

The proposed strict "one-per-residence" Lifeline rule would likely exclude otherwise eligible participants in the absence of robust exceptions and flexible verification mechanisms.[60] The proposed rule would directly affect residents of public housing, Section 8 and Housing Choice Voucher–assisted housing, shelters, transitional housing, group homes, rooming houses, and multigenerational households, populations that substantially overlap with the program's core eligible base.[61] This restriction makes a significant structural change to the program's eligibility framework, with potentially adverse consequences for vulnerable populations.

[60] See Lifeline NPRM, at 23,

[61] Universal Service Administrative Company**,** *About Lifeline*, Lifeline Support, https://www.lifelinesupport.org/about-lifeline/ (last visited Apr. 29, 2026); See also Kevin Taglang, *How the Trump Administration is Narrowing the Path to Lifeline, Part II: The FCC*, Benton Inst. for Broadband & Soc'y (Mar. 30, 2026), https://www.benton.org/blog/how-trump-administration-narrowing-path-lifeline-part-ii-fcc. (Taglang, *How the Trump Administration is Narrowing the Path to Lifeline, Part II: The FCC*.)

A single residential address does not necessarily correspond to a single economic household.[62] Many low-income individuals reside in apartments, duplexes, rooming houses, and multigenerational homes, or in other mutual living environments where income and expenses are not shared.[63]

Under the current framework, a "household" is defined by shared financial arrangements rather than mere co-residence.[64] Individuals who live together and share income and expenses, such as spouses, a parent and child, or an individual who is financially supported by others in the home, are treated as a single household and are limited to one Lifeline benefit.[65] By contrast, individuals who reside at the same address but maintain separate finances are treated as distinct economic households.[66] For example, roommates who do not share income or expenses are considered separate households, each eligible for an individual benefit.[67] Similarly, residents of group or assisted-living facilities who maintain financial independence are treated as separate households despite their mutual address.[68] These distinctions underscore that Lifeline eligibility is properly grounded in economic independence rather than physical address alone. Household-based rather than residence-based eligibility provides a workable framework that should be preserved and strengthened rather than replaced.

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[62] National Economic Council (NEC), FOIA Marker: Edelman, Ross David - Subject Files, FOIA 22-17899-F, at 8 ("FCC Consumer Guide) (December 22, 2022), https://www.obamalibrary.gov/sites/default/files/2024-12/t82579644-214133-7950-2217899F.pdf

[63] See *Insights into Housing and Community Development Policy: Assessments of Shared Housing in the United States*, U.S. Dep't of Hous. & Urb. Dev., Off. of Pol'y Dev. & Rsch. (2021), https://www.huduser.gov/portal/sites/default/files/pdf/Insights-of-Housing.pdf

[64] See 2012 Lifeline Reform Order, 27 FCC Rcd at 6693-94, paras. 81-82.

[65] National Economic Council (NEC), FOIA Marker: Edelman, Ross David - Subject Files, FOIA 22-17899-F, at 11 ("FCC Consumer Guide) (December 22, 2022), https://www.obamalibrary.gov/sites/default/files/2024-12/t82579644-214133-7950-2217899F.pdf

[66] *Id*. at 8.

[67] *Lifeline Household Worksheet* (FCC Form 5631), Universal Serv. Admin. Co., https://www.usac.org/wp-content/uploads/lifeline/documents/forms/LI_Worksheet_NVstates-1.pdf (last visited Apr. 28, 2026).

[68] *Id.*

If the Commission elects to pursue this policy change, it is essential to recognize that available demographic information indicates the change could have substantial and broad-reaching effects. Approximately half of U.S. renters reside in multi-unit structures, and low-income households are disproportionately represented among renters.[69] A significant portion of Lifeline participants are likely to reside in housing contexts where multiple eligible, economically independent households share a single address.[70]

Prior to adopting any such change, the Commission should develop a clear, data-supported record on the number of current Lifeline subscribers who would be affected by a transition from a household-based to a residence-based eligibility framework. This analysis should include the prevalence of eligible consumers residing in multifamily or mutual-address environments, as well as modeled estimates of enrollment impacts, including the potential disqualification of otherwise eligible individuals and the resulting loss of benefits.

To the extent the Commission seeks to address concerns regarding duplicative or ineligible enrollments, it should do so through targeted, administrable safeguards rather than categorical exclusion. Applications associated with the same address should be flagged for further review and not automatic rejection. Any verification process should allow flexible forms of proof, including affidavits or letters from landlords, caseworkers, or community organizations, while avoiding unduly burdensome requirements that could block eligible applicants. Program integrity can be effectively maintained through periodic audits, data matching, and post-enrollment review mechanisms, rather than front-end barriers that exclude qualified individuals from essential communications services.

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[69] See https://nlihc.org/gap.

[70] Taglang, *How the Trump Administration is Narrowing the Path to Lifeline, Part II: The FCC*. See also https://nationalmortgageprofessional.com/news/multifamily-rentals-overtake-single-family-homes-us-rental-stock

The Commission should preserve and strengthen the "economic household" standard, expressly permitting multiple Lifeline beneficiaries at the same address where individuals can demonstrate financial independence.

V. SUMMARY OF RECOMMENDATIONS

1. The OIG's concern on the very real issue of fraud in federal programs is appropriate. At the same time, there are critical shortcomings in the OIG's Reports that warrant revisiting best strategies to address waste, fraud, and abuse. Punishing consumers and states does not build public trust in this important and often essential program. The Commission should consider holding providers responsible for the lion's share of that fraud (see Q-Link example above).
2. Rather than the rulemaking proposed, the Commission should examine the structural barriers preventing eligible households from enrolling in and retaining Lifeline benefits, rather than adopting measures that risk undermining program participation.
3. NASUCA and States urge the Commission not to apply PRWORA to the Lifeline program, as it would be duplicative and create a larger regulatory burden for little to no benefit. If it does, the Commission should carve out a safe harbor to ensure that Lifeline can continue its essential role in ensuring access to emergency services and 911 for all eligible individuals.
4. Requiring subscribers to provide a full social security number rather than the last four digits will create unnecessary risk to subscriber data privacy and may discourage Lifeline enrollment. Before making this rule change, the Commission should be required to demonstrate with record evidence why existing verification tools, database matching, recertification rules, and enrollment-integrity measures are insufficient.
5. The Commission has not demonstrated that the marginal benefits of enhanced fraud detection outweigh the concrete administrative burdens, or risk a chilling effect on subscriber enrollment, rendering the proposal less efficient than maintaining the current Lifeline framework.

CONCLUSION

NASUCA and States oppose the FCC's proposed rule changes to the federal Lifeline program. NASUCA and States also have an ongoing interest in preventing waste, fraud, and abuse in the program. NASUCA and States recommend that the FCC suspend this rulemaking and revisit its reasoning for those proposed rules in light of the need for further research and data into the causes of fraud in the program as discussed in these comments, data privacy concerns, and the very real risks of discouraging qualified persons from applying for this much-needed support.

Respectfully submitted this 4th day of May, 2026 by,

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