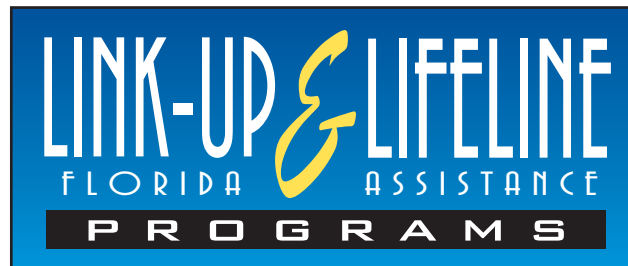


A REPORT TO THE

Governor

President of the Senate

Speaker of the House of Representatives



Number of Customers Subscribing to Lifeline Service

AND THE

Effectiveness of Procedures to Promote Participation

PREPARED BY

The Florida Public Service Commission

DECEMBER 2006

PREPARED BY

The Florida Public Service Commission
Division of Competitive Markets and Enforcement
Division of Regulatory Compliance and Consumer Assistance

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List of Acronyms

C.F.R.	Code of Federal Regulations
CLEC	Competitive Local Exchange Carrier
CMRS	Commercial Mobile Radio Service
CPS	Current Population Survey
DCF	Department of Children and Families
ETC	Eligible Telecommunications Carrier
FCC	Federal Communications Commission
FNPRM	Further Notice of Proposed Rulemaking
FPG	Federal Poverty Guidelines
FPSC	Florida Public Service Commission
ILEC	Incumbent Local Exchange Carrier
LIHEAP	Low-Income Home Energy Assistance Plan
NSL	National School Lunch Program's Free Lunch Program
OPC	Office of Public Counsel

Executive Summary

The Tele-Competition Innovation and Infrastructure Enhancement Act of 2003 (the 2003 Act) requires that a statewide cooperative effort be made to support the Lifeline Assistance Program (Lifeline) in Florida. Included in the statewide effort is a continued focus to promote participation in the Lifeline program by low-income citizens in Florida. This report presents participation data for the 2005-2006 program year. The report also evaluates procedures put in place to strengthen the program and increase the number of participants.

The number of eligible customers participating in the Lifeline program in Florida grew five percent during the 2005-2006 review period. Florida's three largest eligible telecommunications carriers (ETCs)¹ enrolled 44,810 new Lifeline customers during the program year. As of September 2006, 145,734 eligible customers participated in the Lifeline program. Several new initiatives were introduced to improve participation. Key initiatives include the following:

Simplified Lifeline Certification Process: On February 8, 2005, the Florida Public Service Commission (FPSC or Commission) implemented a simplified Link-Up and Lifeline certification process for BellSouth, Embarq-Florida, Inc. f/k/a Sprint-Florida, Inc. (Embarq), and Verizon. This process allows Lifeline eligible customers to simply check a box on the application form indicating which eligible program they participate in, and submit the form via mail or fax to the appropriate ETC to be enrolled in Lifeline.² On August 7, 2006, the Commission expanded the simplified certification enrollment process to include all ETCs³ in Florida.⁴

Lifeline Automated Online Application Process: Fostering the Commission's goal of providing easier and faster Lifeline enrollment for consumers, the Commission, on October 13, 2006, launched an electronic enrollment one-step process on the Commission's Web site which eliminates the need for an applicant to print, fill out, and mail or fax a request for the benefit. Electronic enrollment makes the application process easier and faster for both eligible consumers and organizations assisting in the enrollment effort. The consumer simply completes the application and hits the submit button. Once the applicant clicks on submit, an automatic e-mail is sent to the appropriate ETC notifying it that a Link-Up and Lifeline application is ready to be retrieved from the secure Commission Web site. The ETC then simply retrieves the application and enrolls the applicant in Lifeline. All 19 designated ETCs, including three wireless ETCs, participate in this process. At the two month anniversary date, December 13, 2006, 340 customers were enrolled in Lifeline through the Automated Online Application Process.

¹ An eligible telecommunications carrier is a carrier that has been designated by the Florida Public Service Commission (or in the case of wireless carriers, the FCC) to receive universal service support.

² Order No. PSC-05-0153-AS-TL, issued, February 8, 2005.

³ The following service providers have received ETC designation in the State of Florida: ALLTEL Wireless; American Dial Tone; BellSouth; Budget Phone; Embarq; Frontier Communications; GT Com; ITS Communications; Knology, Inc; Midwestern Communications; NEFCOM; Nextel; Nexus Communications; Smart City Telecom; Sprint PCS; TDS Telecom; Verizon; Vilaire Communications; and Windstream.

⁴ Order No. PSC-06-0680-PAA-TL, issued August 7, 2006.

Lifeline Automatic Enrollment Process: The Commission has been working with the Florida Department of Children and Families (DCF) since May 2005, in an effort to develop a process whereby potential Lifeline customers certified through a DCF program are placed on a list which is then forwarded to the Commission. Once the Commission receives the list, the list would be sorted by the applicant's telephone company, and then the sorted lists would be sent to the appropriate telephone company for enrollment in the Lifeline program. We expect the new process to be in place by early 2007.

The Commission also developed an Action Plan to serve as a planning document in our efforts to improve the success of the Link-Up and Lifeline programs. Key components of the Action Plan include Lifeline consumer outreach initiatives, Lifeline training, Commission rulemaking, interagency coordination, and Lifeline automated enrollment.

In addition to these efforts, enrollment of new Lifeline customers by competitive local exchange carrier (CLEC) ETCs is having a positive impact. American Dial Tone, which began offering Lifeline in April 2006, has enrolled 1,166 Lifeline customers as of September 30, 2006. In addition, Vilaire, which began offering Lifeline in May 2006, has enrolled 520 Lifeline customers as of September 30, 2006. In total, CLEC Lifeline enrollment was 1,884, representing 29 percent of net new Lifeline customer growth for the period between October 30, 2005, and September 30, 2006. CLEC and wireless ETCs are designing specific product offerings for Lifeline customers, and several companies are making Lifeline customers a major focus in their marketing strategy. We applaud their efforts and encourage continued focus on the Lifeline eligible customer base.

The report provides greater detail on these and other initiatives, along with historical insight on the development of the program. The Commission remains committed to improving the success of the Link-Up and Lifeline programs. The Commission will continue to identify and find solutions to the barriers that prevent these programs from achieving greater success. In addition, Commissioners will continue to actively participate in consumer outreach initiatives. The Commission is committed to be directly involved in getting the word out through Public Service Announcements (PSAs), participation at community events, and other consumer outreach efforts.

The Commission looks forward to continuing to enhance our working relationship with consumers, agencies, industry, and all interested parties to increase consumer participation in these vital programs.

I. Background

The 2003 Florida Legislature passed a comprehensive rewrite of the Florida Statutes governing the regulation of telecommunications companies in Florida. The legislation entitled “The Tele-Competition Innovation and Infrastructure Enhancement Act of 2003” (the 2003 Act) became law on May 23, 2003, by the signature of the Governor. The 2003 Act requires that each state agency providing benefits to persons eligible for the Lifeline Assistance Program (Lifeline) shall, in cooperation with the Department of Children and Families (DCF), the Florida Public Service Commission (FPSC or Commission), and telecommunications companies providing Lifeline service, develop procedures to promote participation in Lifeline. The 2003 Act further requires the FPSC to report to the Governor, the President of the Senate, and the Speaker of the House of Representatives by December 31 each year on the number of customers subscribing to Lifeline service and the effectiveness of procedures to promote participation in the program.⁵ This report is prepared pursuant to the requirements of the 2003 Act.

II. Program Support

The Florida Link-Up and Lifeline programs are part of the federal Universal Service Program designed to enable low-income households to obtain and maintain basic local telephone service. Under the Federal Communications Commission’s (FCC) rules, there are four tiers of monthly federal Lifeline support.

- The first tier of federal support is a \$6.50 monthly credit for the federal subscriber line charge which is available to all eligible subscribers. All fifty states have approved this tier of support.
- The second tier of federal support is a \$1.75 monthly credit that is available to subscribers in those states that have approved the credit. All fifty states have also approved this tier of support.
- The third tier of federal support is one-half the amount of additional state support up to a maximum of \$1.75 in federal support. Because Florida carriers provide an additional \$3.50 credit to Lifeline customers’ bills,⁶ Florida Lifeline subscribers currently receive a total monthly credit of at least \$13.50, consisting of \$10.00 (\$6.50 + \$1.75 + \$1.75) in federal support and \$3.50 in state support.⁷ The telephone subscriber may receive a credit less than \$13.50 if the subscriber’s bill for basic local telephone service is less than the maximum available credit.

⁵ Chapter 364.10, Florida Statutes.

⁶ Since Florida does not have a state Universal Service Fund, the \$3.50 credit is absorbed by the ETC providing service.

⁷ Verizon and Embarq include additional credit to offset rate increases authorized by Section 364.164, Florida Statutes (Rate Rebalancing).

- The fourth tier of support, available only to eligible subscribers living on tribal lands, provides an additional credit up to \$25.00 per month. This amount is limited to the extent that the credit does not bring the basic local residential rate below \$1.00 per month.

Link-Up, a companion program, provides a 50 percent reduction in the telephone service installation charge, up to a maximum of \$30. Eligible residents of tribal lands may receive up to \$100 in discounts on initial connection charges. The \$100 maximum is based on the sum of the federally financed 50 percent discount (up to the \$30 maximum) available to all qualified low-income individuals, plus a dollar-for-dollar match (up to \$70) for connection charges above \$60.

In 1998, the Florida Legislature created an additional program to benefit low-income subscribers through enactment of Section 364.105, Florida Statutes. This section established Transitional Lifeline Assistance, which requires that each local exchange telecommunications carrier (LEC) provide subscribers no longer receiving Lifeline assistance a thirty percent discount off the residential basic local service rate. The subscriber may receive the subsidy for one year from the date the subscriber ceases to be qualified for Lifeline.

III. Customer Eligibility

Program-Based

Eligibility for both Link-Up and Lifeline in Florida is determined by customer enrollment in any one of the following programs:

- Temporary Assistance to Needy Families (TANF)
- Supplemental Security Income (SSI)
- Food Stamps
- Medicaid
- Federal Public Housing Assistance (Section 8)
- Low-Income Home Energy Assistance Plan (LIHEAP)
- National School Lunch (NSL) Program's Free Lunch Program⁸
- Bureau of Indian Affairs Programs⁹

Income-Based

In addition to the program-based criterion, BellSouth, Embarq, and Verizon customers with annual incomes up to 135 percent of the Federal Poverty Guidelines (FPG) may be eligible to participate in the Florida Link-Up and Lifeline programs. The 2003 Act specified that any LEC authorized by the FPSC to reduce its switched network access rates pursuant to Section 364.164, Florida Statutes, shall provide Lifeline service to customers who meet an income

⁸ By Order No. PSC-06-0680-PAA-TL, issued August 7, 2006, in Docket No. 040604-TL, the FPSC required all ETCs to adopt the NSL for determining eligibility in the Link-Up and Lifeline programs in Florida.

⁹ Eligible consumers living on tribal lands qualify for Lifeline if they participate in one of the following federal assistance programs: (1) Tribal TANF; (2) National School Lunch Free Lunch Program; or (3) Head Start Subsidy.

eligibility test at 125 percent or less of the FPG. On December 24, 2003,¹⁰ the Commission authorized BellSouth, Embarq, and Verizon to reduce their switched network access rates and to use the 125 percent income-based criterion.¹¹

Commission Order No. PSC-03-1469-FOF-TL was appealed to the Florida Supreme Court by the Attorney General, the Office of Public Counsel, and AARP. BellSouth, Embarq, and Verizon agreed to implement a 135 percent income-based criterion if the order was upheld by the Supreme Court. On July 7, 2005, the Court affirmed the order of the Commission granting the petitions filed under Section 364.164. Subsequently, BellSouth, Embarq, and Verizon filed tariffs adopting the 135 percent income-based standard.

Furthermore, by Senate Bill 1322, the 2005 Florida Legislature increased the Link-Up and Lifeline income-based eligibility criterion to 135 percent of the FPGs.¹² The bill was signed into law by the Governor on June 2, 2005.

IV. Carrier Eligibility

Section 54.201(b) of the Code of Federal Regulations (C.F.R.) provides that a state commission shall, upon its own motion or upon request, designate a common carrier that meets certain requirements as an Eligible Telecommunications Carrier (ETC) in a non-rural service area. Section 54.201(c) of the C.F.R. provides that a state commission may, as long as the request is consistent with the public interest, convenience, and necessity, designate one or more common carrier(s) as ETC(s) in a rural service area.¹³

An ETC can be an incumbent local exchange carrier (ILEC), a competitive local exchange carrier (CLEC), or wireless carrier. A carrier that is granted ETC status is eligible to receive universal service support¹⁴ pursuant to FCC rules.¹⁵ To qualify as an ETC, a common carrier must offer services that are supported by federal Universal Service support mechanisms either using its own facilities or a combination of its own facilities and another carrier's resold service.¹⁶ Additionally, the carrier must advertise the availability of such services and charges using mass media.

¹⁰ Order No. PSC-03-1469-FOF-TL, issued December 24, 2003, in Docket Nos. 030867-TL, 030868-TL, and 030869-TL.

¹¹ By Order PSC-01-1643-AS-TL, issued August 13, 2001, the Commission approved a Stipulation and Settlement Agreement between BellSouth and the Office of Public Counsel (OPC) which included a BellSouth commitment to initiate an income eligibility test at 125 percent of the Federal Poverty Guidelines for Lifeline.

¹² This criterion currently applies to local exchange companies who have received FPSC approval to reduce their switched access rate pursuant to Chapter 364.164, Florida Statutes.

¹³ A state commission also has the authority to rescind the ETC status of any ETC designated by it that does not follow the requirements of the Lifeline Assistance program.

¹⁴ Universal Service support is provided to ETCs for providing Lifeline service; rendering service to schools and libraries; and provisioning, maintaining, and upgrading facilities and services for rural, insular (Islands that are Territories or Commonwealths of the United States), and high cost areas.

¹⁵ 47 C.F.R. pt. 54 – Universal Service.

¹⁶ Those services supported by universal service include the following: 1) voice grade access to the public switched network, 2) an amount of local minutes of use of local exchange service provided free of charge to end users, 3) dual tone multi-frequency signaling or its functional equivalent, 4) single-party service, 5) access to emergency services, 6) access to operator services, 7) access to interexchange services, 8) access to directory assistance, and 9) toll limitation for qualifying low-income consumers.

All ILECs in Florida have been designated as ETCs by the FPSC.¹⁷ The following CLECs have been granted ETC status in Florida to date:

- Knology of Florida, Inc. (Docket No. 041302-TX)
- Budget Phone, Inc. (Docket No. 050483-TX)
- Nexus Communications, Inc. (Docket No. 050889-TX).
- Ganoco, Inc. d/b/a American Dial Tone (Docket No. 050542-TX)
- Vilaire Communications, Inc. (Docket No. 060144-TX)
- Midwestern Telecommunications, Inc. (Docket No. 060399-TX)

In April 2003, NPCR, Inc., d/b/a Nextel Partners (Nextel) and ALLTEL Wireless Holdings, L.L.C. (ALLTEL) requested a declaratory statement as to whether the Commission had jurisdiction to designate commercial mobile radio service (CMRS) carriers as ETCs for the purpose of receiving federal universal service support in the State of Florida.¹⁸

On September 23, 2003, the Commission issued an order acknowledging that Nextel and ALLTEL, as Florida CMRS operators, were not subject to the jurisdiction of the Commission for the purpose of designation as ETCs. Accordingly, the Commission determined that CMRS ETCs in Florida are subject to the rules and jurisdiction of the FCC.¹⁹ ALLTEL, Nextel, and Sprint PCS subsequently have been granted wireless ETC designation by the FCC. In approving the designation of CMRS carriers as ETCs, the FCC noted that the ETC must comply with state requirements in states that have Lifeline programs.²⁰ The FPSC provides a letter identifying the following Florida Lifeline requirements to each wireless carrier granted ETC status in Florida by the FCC:

- ETCs may not disconnect local telephone service to Lifeline customers who fail to pay toll charges.
- ETCs must work with local welfare agencies, where possible, to reach eligible Lifeline subscribers.
- ETCs shall provide Lifeline customers with toll limitation services at no charge.
- ETCs must reduce the bills of customers participating in the Lifeline program by \$3.50 per month (\$1.75 reduction for Tier II support and \$1.75 reduction for Tier III support).

¹⁷ The incumbent local exchange companies were designated as ETCs for purposes of the federal universal service program by FPSC Order No. PSC-97-1262-FOF-TP, issued October 14, 1997.

¹⁸ A merger between Sprint Corporation and Nextel Communications, Inc. occurred in June 2006. As part of the merger, Sprint Nextel acquired the assets of NPCR. NPCR, Inc., formally d/b/a Nextel Partners, discontinued the d/b/a and currently does business as NPCR, Inc. However, NPCR, Inc. and Sprint Nextel developed separate Link-Up and Lifeline programs prior to the merger and continue to operate independent Link-Up and Lifeline programs at this time.

¹⁹ Order No. PSC-03-1063-DS-TP, issued September 23, 2003.

²⁰ FCC Nextel Order, DA 04-2667, adopted August 25, 2004, footnote 30; FCC ALLTEL Order, DA 04-3046, adopted September 24, 2004, footnote 29; FCC Sprint Order, DA 04-3617, adopted November 18, 2004, footnote 27.

- ETCs shall provide Link-Up and Lifeline information in their telephone directories and through bill stuffers.
- ETCs must provide Lifeline service to eligible customers who have been previously disconnected for nonpayment of their telephone bills, provided those customers also subscribe to toll blocking service.
- The eligibility standards for Link-Up and Lifeline in Florida include: programs funded under Temporary Assistance for Needy Families (TANF), Medicaid, Supplemental Security Income (SSI), Food Stamps, Federal Public Housing Assistance (Section 8), National School Lunch (NSL) Program's Free Lunch Program, and Low-Income Home Energy Assistance Program (LIHEAP).

A sample letter is provided as Appendix A in this report.

On August 8, 2006, ALLTEL filed petitions with the Commission requesting the FPSC designate it as an ETC in *rural* areas of Embarq, Windstream Florida, Inc. f/k/a Alltel Florida, Inc. (Windstream), Frontier Communications, GTC Inc, and TDS Telecom service areas. ALLTEL believes that enactment of Section 364.011, Florida Statutes, which occurred after the FPSC's 2003 declaratory statement, changed the Commission's jurisdiction regarding granting ETC status to wireless carriers. ALLTEL asserts that the FPSC now has jurisdiction to grant ETC status to wireless carriers in Florida. These petitions are pending.²¹ On October 13, 2005, ALLTEL filed an identical petition with the FCC requesting ETC status in rural areas of Florida. ALLTEL has stated that it will withdraw its FCC petition upon a finding by the FPSC of jurisdiction to grant wireless carriers ETC status. A more detailed discussion on wireless ETCs is presented in Section VII of this report.

²¹ Docket No. 060581-TP, Petition of ALLTEL Communications, Inc. for designation as eligible telecommunications carrier (ETC) in certain rural telephone company study areas located partially in ALLTEL's licensed area and for redefinition of those study areas. Docket No. 060582-TP, Petition of ALLTEL Communications, Inc. for designation as eligible telecommunications carrier (ETC) in certain rural telephone company study areas located entirely in ALLTEL's licensed area.

V. Lifeline Subscribership and Participation Rates

Table 1 shows the number of Lifeline subscribers from December 1998 through September 2006. The subscribership decrease in 2005 is largely the result of Lifeline customers determined to be ineligible by BellSouth as a result of BellSouth’s implementation of federally mandated annual verification procedures. In compliance with FCC Order No. 04-87,²² all of Florida’s ETCs have established Lifeline verification procedures.

Table 1 Florida Lifeline Subscribership

	Dec. 1998	Dec. 1999	Dec. 2000	Dec. 2001	Dec. 2002	Dec. 2003	Sept. 2004	Sept. 2005	Sept. 2006
Lifeline Subscribers	130,139	130,281	134,227	144,610	142,548	148,905	154,017	139,261	145,734

Source: FCC: State-by-State Telephone Revenues and Universal Service Data [April 2001 and September 2003]; Universal Service Administrative Company responses to FPSC data requests [2004]; and Industry responses to FPSC data requests [2000-2006].

²²Report and Order and Further Notice of Proposed Rulemaking, WC Docket 03-109, In the Matter of Lifeline and Link-Up, Order No. FCC 04-87, paragraphs 33-34 (Released April 29, 2004). “We adopt the Joint Board’s recommendation that all states, including federal default states, be required to establish procedures to verify consumers’ continued eligibility for the Lifeline/Link-Up program under both program and income-based eligibility criteria. Verification procedures could include random beneficiary audits, periodic submission of documents, or annual self-certification. We agree with those commenters that assert that verification of continued eligibility should ensure that the low-income support mechanism is updated, accurate, and carefully targeted to provide support only to eligible consumers. We also adopt the Joint Board’s recommendation to allow states that administer their own Lifeline/Link-Up programs the flexibility to design and implement their own verification procedures to validate consumers’ continued eligibility.”

Table 2 shows Lifeline participation rates for years 1998 through September 2006.²³

Table 2 Lifeline Participation Rate in Florida

Year	Lifeline Enrollment	Eligible Households ²⁴	Participation Rate
December 1998	130,139	816,278	15.9 %
December 1999	130,281	816,278	15.9 %
December 2000	134,227	816,278	16.4 %
December 2001	144,610	850,000	17.0 %
December 2002	142,548	819,112	17.4 %
December 2003	148,905	819,112	18.0 %
September 2004	154,017	1,100,000	14.0 %
September 2005	139,261	1,122,593	12.4 %
September 2006	145,734	1,150,483	12.7%

Source: FCC: State-by-State Telephone Revenues and Universal Service Data [April 2001 and September 2003]; Department of Children and Families (DCF); Report and Order and Further Notice of Proposed Rulemaking, WC Docket 03-109, In the Matter of Lifeline and Link-Up, Order No. FCC 04-87, (Released April 29, 2004.); Universal Service Administrative Company responses to FPSC data requests [2004]; and Industry responses to FPSC data requests [2000-2006].

Table 2 reflects that Florida's Lifeline participation rate remained relatively flat during 2006. As of September 30, 2006, the estimated participation rate was 12.7 percent. Table 2 also shows that Florida's Lifeline participation rate increased from 1998 to December 2003, and decreased during 2004 and 2005. The participation rate decrease during 2004 results from the addition of the 125 percent income-based criterion by BellSouth in 2002, and Embarq and Verizon in 2003, which increased the number of eligible households. While enrollment increased, the addition of nearly 200,000 eligible households in 2004 caused the overall participation rate to decrease. The participation decrease in 2005 is largely the result of an increase in the number of Lifeline customers determined to be ineligible by ETCs as a result of implementation of a federally mandated annual verification procedure.

²³ The participation rate is the ratio of enrolled subscribers to the eligible population.

²⁴ Eligible households for Years 1998 through 2003 do not include households eligible under the 125 percent income-based criterion, as reported by DCF. Data for 2004 includes the 125 percent criterion and was taken from FCC Order 04-87, released on April 29, 2004. The number of total Florida households was obtained from the October 18, 2006 Florida Demographic Estimating Conference of the Florida Legislature Office of Economic and Demographic Research. The number of eligible households was calculated using the Florida percentage of eligible households provided by the FCC in Order FCC 04-87.

Table 3 shows telephone penetration rates for two selected income categories that represent Florida households falling below United States poverty threshold levels, thereby satisfying Lifeline eligibility conditions.

Table 3 Percentage of Florida Households with Telephone Service²⁵

Household Income	1985	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
≤ \$9,999	77.0	84.2	86.7	86.6	84.4	85.4	87.8	85.6	84.2	89.7	89.8	88.25	85.42
\$10,000-\$19,999	87.6	91.1	93.7	94.0	92.0	93.6	91.5	90.2	91.1	94.3	94.4	92.37	90.05
All Households	88.9	92.4	93.9	93.4	92.1	93.3	92.6	92.4	92.3	94.7	95.1	93.25	91.32

Source: FCC: Telephone Penetration Report By Income By State [May 2006]

The years selected for Table 3 coincide with the introduction of Lifeline in 1984, BellSouth's adoption of Lifeline in 1994, and passage of the Telecom Act of 1996. The data in Table 3 show that from 1985 to 1995, telephone penetration rates increased for Florida's poorest consumers. While the penetration rates for these subscriber groups have fluctuated since 1995, these groups have experienced an increase in access to telecommunications service since 1985. However, telephone penetration has been decreasing in Florida for the past three years, which mirrors the national trend.

The FCC uses the current population survey (CPS) conducted by the United States Commerce Department's Bureau of the Census for the data presented in Table 3. This staggered panel survey includes the people residing at particular addresses for four consecutive months in one year and the same four corresponding months in the following year. The CPS is conducted by an independent and expert agency; the sample is large, and the questions are consistent. In order to capture data from all providers of telephone service, the specific question asked in the CPS is currently: "Does this house, apartment, or mobile home have telephone service from which you can both make and receive calls? Please include cell phones, regular phones, and any other type of telephone." If the answer to this question is "yes," the household is counted as having telephone service in the housing unit.

²⁵ The data presented in Table 3 represents wireless, wireline, and any other type of telephone. While the FCC survey data reflects a decline in penetration during 2004 and 2005, it is unclear at this time whether this represents a true decline in the availability of telephone service or is a reflection that adjustments are needed to the survey instrument in light of recent methodology changes. In December 2004, the FCC changed the way it asks survey questions in an attempt to recognize the increasing possibility that survey respondents may be substituting wireless and Voice over Internet Protocol (VoIP) services for wireline service. In addition, other recent developments may be impacting survey results including an increase in the seasonal population.

Table 4 depicts the distribution of Lifeline enrollment from December 2002 to September 2006. The data show that, with the exception of GTC, Inc., NEFCOM, Frontier, and Smart City, every ETC serving in Florida experienced an increase in Lifeline enrollment between 2005 and 2006. The participation decrease in 2005 was primarily the result of BellSouth's implementation of verification procedures, which eliminated Lifeline subscribers who could not present proof of eligibility.

Table 4 Lifeline Participation in Florida

Florida ETCs	Dec 2002	Dec 2003	Net Growth Rate	Sept 2004	Net Growth Rate	Sept 2005	Net Growth Rate	Sept 2006	Net Growth Rate
BellSouth	104,503	103,681	(1 %)	104,467	1 %	86,408	(17 %)	87,291	1 %
Verizon	22,850	22,295	(2 %)	23,642	6 %	24,433	3 %	26,428	8 %
Embarq	10,706	16,736	56 %	19,274	15 %	21,537	12 %	23,104	7 %
GTC, Inc.	1,952	2,385	22 %	2,304	(3 %)	2,096	(9 %)	2,002	(4 %)
Windstream	1,737	2,670	54 %	3,067	15 %	3,322	8 %	3,533	6 %
TDS Telecom	364	496	36 %	571	15 %	657	15 %	697	6 %
NEFCOM	340	510	50 %	561	10 %	630	12 %	588	(7 %)
Frontier	69	104	51 %	104	0 %	120	15 %	118	(2 %)
ITS Telecom	27	27	0 %	27	0 %	26	(4 %)	27	4 %
Smart City	0	1	100 %	2	100 %	5	150 %	3	(40 %)
NPCR, Inc.	Received Federal Wireless ETC Status on August 25, 2004					1	N/A	2	100 %
ALLTEL Wireless	Received Federal Wireless ETC Status on September 24, 2004					13	N/A	31	138 %
Sprint Nextel	Received Federal Wireless ETC Status on November 18, 2004					13	N/A	26	100 %
Knology	Received CLEC ETC Status on March 21, 2005					0	N/A	64	N/A
Budget Phone	Received CLEC ETC Status on December 29, 2005					N/A	N/A	134	N/A
American Dial Tone	Received CLEC ETC Status on April 14, 2006					N/A	N/A	1,166	N/A
Nexus	Received CLEC ETC Status on April 25, 2006					N/A	N/A	0	N/A
Vilaire	Received CLEC ETC Status on May 22, 2006					N/A	N/A	520	N/A
Midwestern	Received CLEC ETC Status on September 5, 2006					N/A	N/A	0	N/A
Total	142,548	148,904	4 %	154,017	3 %	139,261	(10 %)	145,734	5 %

Sources: Industry responses to FPSC data requests [2002 - 2006]; Universal Service Administrative Company responses to FPSC data request [2004 and 2005].

As presented in Table 5, Florida’s three largest ETCs enrolled a combined 44,810 new Lifeline customers. However, these ETCs disconnected a combined 40,365 customers from Lifeline service during the program year, resulting in a net gain of 4,445 Lifeline subscribers. Customers were disconnected from Lifeline for various reasons including: no longer meeting the eligibility requirements; switched telephone company; and non-payment of local service.

BellSouth, Verizon, Embarq Lifeline Customer Subscribership
October 2005 – September 2006

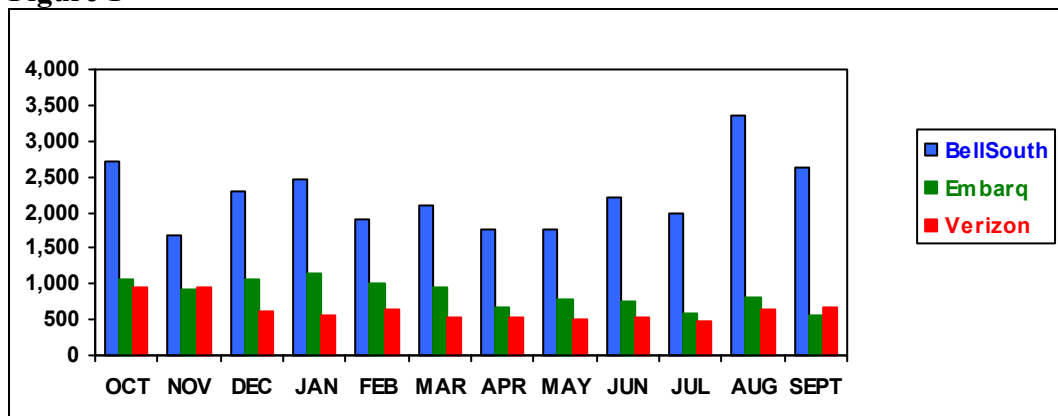
Table 5

	New Lifeline Customers	Disconnected Lifeline Customers	Net Lifeline Customer Gain
Month			
BellSouth	26,845	(25,962)	883
Verizon	7,638	(5,643)	1,995
Embarq	10,327	(8,760)	1,567
Total	44,810	(40,365)	4,445

As presented in Figure 1, there was no notable trend in new Lifeline customer enrollment during the October 2005 – September 2006 time period for Florida’s three largest ETCs.

New Lifeline Customers Added Each Month
October 2005 - September 2006

Figure 1



Enrollment of net new Lifeline customers by CLEC ETCs was significant during the October 2005 – September 2006 time period. American Dial Tone, which began offering Lifeline in April 2006, enrolled 1,166 Lifeline customers as of September 2006. In addition, Vilaire, which began offering Lifeline in May 2006, enrolled 520 Lifeline customers as of September 2006. In total, CLEC Lifeline enrollment was 1,884 for October 2005 – September 2006, representing 29 percent of net new Lifeline customer growth.

Customers who no longer meet eligibility criteria and are removed from Lifeline service receive a 30% discount on their telephone service for a period of twelve months after Lifeline service is discontinued. Progressing from Lifeline service means the consumer’s socio-economic status has improved and the customer has advanced beyond the qualifying eligibility criteria.

Consumers use the program when needed and discontinue the program when it so no longer needed.

In an effort to investigate reasons for Florida's low participation rate, BellSouth and Embarq funded a study conducted by the University of Florida Public Utility Research Center (PURC). PURC released a Report²⁶ on February 1, 2006, addressing the Link-Up and Lifeline programs in Florida. The report included surveys that attempted to determine why eligible households do or do not participate in the Lifeline program. The PURC surveys found the following regarding program participation:

- Lack of awareness and distrust of support programs for low-income households are the most significant barriers to enrollment.
- Lifeline participants learn about Lifeline mostly through social workers or a social service agency, the telephone company, or a friend or family member. Learning about the program through a source trusted by the potential enrollee is important to a household's decision to enroll in the program.
- Community-based outreach efforts conducted by people who are trusted by the potential enrollee appear to increase Lifeline participation in Florida.
- The outreach events studied were more effective in informing seniors than younger Floridians about Lifeline; these events were also more effective in enrolling seniors than younger residents in the program.
- New Lifeline enrollees at the outreach events studied already had phones and were previously unaware of Lifeline.
- Almost all low-income households in Florida (88 percent) had wireline phones in their homes even though only a small percentage takes advantage of the Lifeline program. About 50 percent of low-income households had a cellular phone, about 50 percent had Internet access, and about 50 percent had either cable television or Direct Broadcast Satellite (DBS) service in their homes.

The PURC Report also included an Econometrics Study of Lifeline penetration rates. The study found that Lifeline participation rates in Florida would increase with:

- Higher local telephone prices
- Greater Lifeline discounts
- Higher education levels with the head of household
- Higher concentrations of households on public assistance

²⁶ Making Telephone Service Affordable for Low-Income Households: An Analysis of Lifeline and Link-Up Telephone Programs in Florida, February 1, 2006 [Corrected March 4, 2006]. http://bear.cba.ufl.edu/centers/purc/documents/LifelineFinalReportcorrected3_04_05.pdf

The Commission has found the analysis and findings of the PURC Report useful and will continue to rely on this document as a resource. Specifically, analysis and findings relating to penetration rates and consumer behavior are useful in the development of our consumer outreach strategies as outlined in our Action Plan.

In addition, the grass roots Lifeline promotional events have allowed staff to have one-on-one conversations with eligible individuals which detailed additional concerns as to why eligible households do or do not participate in the Lifeline program:

- Individuals are concerned about identity theft and financial scams. Some have been trained so well that they refuse to fill out an application for Link-Up and Lifeline benefits even though they clearly qualify and could benefit from the programs.
- The term “Lifeline” is quite often associated with the Lifeline product that is designed to be worn around a person’s neck and used to call for help in an emergency. During Lifeline promotional events, it is not uncommon to be told by attendees that they do not need what we are offering because they already have the little device around their necks.
- Eligible individuals often believe the benefits they are receiving through public assistance programs will be reduced if they enroll in the Link-Up and Lifeline programs.
- In many cases, eligible individuals have come to rely on a family member, such as an adult child, to assist them with financial decisions. Although eligible individuals may understand the advantages of the Link-Up and Lifeline programs, they will not agree to complete an application without first asking their family member to review it.
- Some Lifeline eligible customers have cellular phone service rather than wireline phone service. Although they could benefit from the Lifeline program, they prefer the convenience of a cellular phone.

Florida customers who have chosen wireless telecommunications service exclusively have fewer choices at this time in selecting ETCs participating in the Link-Up and Lifeline programs. As of this writing, three wireless carriers have applied for and received federal ETC status in parts of Florida: Sprint PCS, Nextel Partners, and ALLTEL.²⁷ Among the state’s three wireless ETCs, Lifeline participation falls substantially below the 12.7 percent rate for telecommunications customers in Florida in general. According to responses filed by Sprint PCS, Nextel Partners, and ALLTEL, these three companies reported a total of 59 Lifeline subscribers, yet these three wireless ETCs have received over \$8.6 million²⁸ in high-cost Universal Service Funds so far in 2006 as a result of being granted ETC status in Florida by the FCC. The wireless ETCs have committed to the FCC that they will make available and advertise

²⁷ AT&T, TracFone, Southern LINC and ALLTEL Communications all have petitions pending at the FCC.

²⁸ Universal Service Administrative Company 2006 Disbursement Database (Through November 2006). Includes high-cost loop support, interstate access support, interstate common line support, and local switching support.

Lifeline service to low-income consumers; however, with over 2.2 million subscribers in Florida, one would expect these three carriers to have more than 59 Lifeline customers.²⁹

There is a certain percent of the Lifeline eligible population that we hypothesize is better served by wireless service providers. Efforts to expand outreach and information to this consumer base would be a positive step to increasing Lifeline participation. There are signs that targeted outreach efforts by some CLECs are having positive results. Expansion of outreach efforts by wireless providers, along with participation in agency and industry coordinated efforts, should prove beneficial. In granting ETC status to these three wireless carriers, the FCC made it clear that each is obligated to “comply with state requirements in states that have Lifeline programs.”³⁰

VI. Statutory Developments Impacting Florida’s Lifeline Program

Originally, the 2003 Act imposed a 125 percent income-based eligibility criterion, but in 2005, Senate Bill 1322 increased the income-based criterion to 135 percent of the FPGs.³¹ In addition, the bill amended Chapter 364.10 to provide the FPSC with statutory authority to improve the Link-Up and Lifeline enrollment process. The bill was signed into law by the Governor on June 2, 2005.

VII. Regulatory Actions Impacting Florida’s Lifeline Program

A number of regulatory initiatives have been undertaken at the state and federal level to promote the Link-Up and Lifeline programs. Many of the dockets and issues that were initiated during 2006 are still pending at various stages. A discussion on these issues and dockets, including relevant background information, is presented below.

²⁹ If the FPSC believes that any wireless ETC in Florida is not fulfilling its obligation to comply with the state’s Lifeline program requirements, the FPSC can report it to the FCC, which has the authority to rescind the ETC status.

³⁰ Sprint PCS, Footnote 27, page 5, of Order DA 04-3617, released November 18, 2004:

“We note that ETCs must comply with state requirements in states that have Lifeline programs. See Lifeline and Link-Up, Report and Order and Further Notice of Proposed Rulemaking, WC Docket No. 03-109, 19 FCC Rcd 8302, 8320 at para. 29 (2003).”

ALLTEL Wireless, Footnote 29, page 5, of Order DA 04-3046, released September 24, 2004:

“We note that ETCs must comply with state requirements in states that have Lifeline programs. See Lifeline and Link-Up, Report and Order and Further Notice of Proposed Rulemaking, WC Docket No. 03-109, 19 FCC Rcd 8302, 8320 at para. 29 (2003).”

Nextel Partners, Footnote 30, page 6, of Order DA 04-2667, released August 25, 2004:

“We note that ETCs must comply with state requirements in states that have Lifeline programs. See Lifeline and Link-Up, Report and Order and Further Notice of Proposed Rulemaking, WC Docket No. 03-109, 19 FCC Rcd 8302, 8320 at para. 29 (2003).”

³¹ This criterion currently applies to local exchange companies who have received Florida PSC approval to reduce their switched access rate pursuant to Chapter 364.164, Florida Statutes.

A. Federal Communications Commission

1. WC Docket 03-109 – In the Matter of Lifeline and Link-Up

In 2004, the FCC released its Report and Order (Order) and Further Notice of Proposed Rulemaking (FNPRM) regarding Link-Up and Lifeline.³² To improve the Link-Up and Lifeline programs and to increase subscribership, the FCC’s Order, in part, added the National School Lunch (NSL) Program’s Free Lunch Program to the program-based eligibility criteria. The order also added an income-based eligibility criterion of 135 percent of the FPG.

To be eligible for the NSL program, a consumer’s household income must be at or below 130 percent of the FPG, which is presently \$26,000 for a family of four.³³ Also, children are automatically eligible to participate in the NSL program if their household receives Food Stamps, benefits under the Food Distribution Program on Indian Reservations, or, in most cases, benefits under the Temporary Assistance to Needy Families (TANF) program.³⁴

In addition, the FCC’s Order supports participation in Link-Up and Lifeline when a consumer’s income is at or below 135 percent of the FPG, which is presently \$27,000³⁵ for a family of four. The FCC explained that adding an income-based criterion to the federal default eligibility criteria may increase participation in the programs and is a reasonable and cautious approach.

A comparison of the federal and state eligibility criteria is presented in Table 6.

Table 6 Link-Up and Lifeline Program Eligibility Criteria

Federal Default Eligibility Criteria	Florida PSC Adopted Eligibility Criteria
Temporary Assistance to Needy Families (TANF)	Temporary Assistance to Needy Families (TANF)
Medicaid	Medicaid
Food Stamps	Food Stamps
Supplemental Security Income (SSI)	Supplemental Security Income (SSI)
Federal Public Housing Assistance (Section 8)	Federal Public Housing Assistance (Section 8)
Low-Income Home Energy Assistance Program (LIHEAP)	Low-Income Home Energy Assistance Program (LIHEAP)
Bureau of Indian Affairs Programs	Bureau of Indian Affairs Programs
National School Lunch (NSL) Program’s Free Lunch Program	National School Lunch (NSL) Program’s Free Lunch Program
Income-based Criterion at 135 percent of the FPG	Income-based Criterion at 135 percent of the FPG ³⁶

³² Report and Order and Further Notice of Proposed Rulemaking, WC Docket 03-109, In the Matter of Lifeline and Link-Up, Order No. FCC 04-87, (Released April 29, 2004).

³³ <http://aspe.hhs.gov/poverty>

³⁴ <http://www.fns.usda.gov/cnd/About/faqs.htm>

³⁵ <http://aspe.hhs.gov/poverty>

³⁶ Applies to BellSouth, Embarq, and Verizon only.

The FCC's Order further states that effective outreach programs have been shown to improve Link-Up and Lifeline participation and agrees with the Federal-State Joint Board (Joint Board) that more vigorous outreach efforts could improve participation. The FCC further states in its order that it did not require specific outreach procedures but did provide outreach guidelines for states and carriers to follow.

2. Florida Wireless ETC Lifeline Programs

In late 2004, ALLTEL, Nextel, and Sprint PCS were granted wireless ETC designation in Florida by the FCC.³⁷ For the purpose of providing comprehensive data on Lifeline in Florida, FPSC staff sent data requests to Florida's wireless ETCs regarding their Lifeline programs.

Table 7 presents an overview of the Florida Lifeline programs of ALLTEL, Nextel, and Sprint PCS.

³⁷ A merger between Sprint Corporation and Nextel Communications, Inc. occurred in June 2006. As part of the merger, Sprint Nextel acquired the assets of NPCR. NPCR, Inc., formerly d/b/a Nextel Partners, discontinued the d/b/a and currently does business as NPCR, Inc. However, NPCR, Inc. and Sprint Nextel developed separate Link-Up and Lifeline programs prior to the merger and continue to operate independent Link-Up and Lifeline programs at this time.

Table 7 Florida Wireless ETC Link-Up and Lifeline Programs

Carrier	Service Offering	Eligibility Criteria	Certification/Verification Procedures
ALLTEL	<p>Lifeline: Includes 300 minutes of use per month and has a monthly access fee of \$16.70. Airtime rates of \$0.45 per minute, roaming airtime rates of \$0.59 per minute, and roaming toll rates of \$0.40 per minute apply.</p> <p>Link-Up: Waives the \$35.00 Activation Charge.</p>	<p>Program-based: TANF, Food Stamps, Medicaid, LIHEAP, SSI, Section 8</p> <p>Income-based: 135 percent of the FPG</p>	<p>Initial Certification: Customer must provide proof that he/she qualifies for Lifeline service. The customer receives the discounted service at the start of the next billing cycle.</p> <p>Verification: Annual verification process is used. Sends verification letters to a statistically valid sample of qualified Lifeline subscribers (uses federal rules for determining statistically valid sample). Subscribers must return certification forms along with documentation.</p>
NPCR, Inc.	<p>Lifeline: \$13.50-Monthly Discount off \$35.99 Monthly Service Plan. 300 Minutes per month and 100 Walkie-Talkie Minutes. \$.20 per minute Nationwide Long Distance Calling.</p> <p>Link-Up: 50 percent off the First \$60.00 for Activation.</p>	<p>Program-based: TANF, Food Stamps, Medicaid, LIHEAP, SSI, Section 8</p> <p>Income-based: 135 percent of the FPG</p>	<p>Initial Certification: If the subscriber certifies that he/she qualifies for Lifeline, the sales personnel signs the applicant up for Lifeline service and the subscriber receives the discounted service at the start of the next billing cycle.</p> <p>Verification: Annual verification process is used. Sends verification letters to a statistically valid sample of qualified Lifeline subscribers (uses federal rules for determining statistically valid sample). Subscribers must return certification forms along with documentation.</p>
Sprint Nextel	<p>Lifeline: \$13.50-Monthly Discount off \$35.00 Service Plan. 300 Anytime Minutes and 1,000 Night and Weekend Minutes for Local or Long-Distance. \$0.45 Per Minute for Additional Usage.</p> <p>Link-Up \$18.00 Link-Up Discount off \$36.00 One-time Activation Charge.</p>	<p>Program-based: TANF, Food Stamps, Medicaid, LIHEAP, SSI, Section 8</p> <p>Income-based: 135 percent of the FPG</p>	<p>Initial Certification: Required to complete an application and submit supporting documentation providing proof of eligibility. The customer receives the discounted service at the start of the next billing cycle.</p> <p>Verification: Annual verification process is used. Sends verification letters to a statistically valid sample of qualified Lifeline subscribers (uses federal rules for determining statistically valid sample). Subscribers must return certification forms along with documentation.</p>

B. Florida Public Service Commission

1. Docket No. 040604-TL - Adoption of the National School Lunch program and an income-based criterion at or below 135 percent of the Federal Poverty Guidelines (FPG) as eligibility criteria for the Link-Up and Lifeline programs.

In light of the FCC’s order adopting the additional program criteria and the 135 percent FPG eligibility criterion, the FPSC found that it was beneficial for Florida to also adopt the new criteria. The FPSC also determined that a

streamlined certification process would ease the burden on consumers, get needed assistance to consumers quicker, and result in increased subscribership for the State of Florida.³⁸

On February 8, 2005, the Commission approved proposals filed by BellSouth, Embarq, and Verizon implementing a simplified Link-Up and Lifeline certification process.³⁹ The new process allows Lifeline eligible customers to simply check a box on the enrollment form indicating which eligible program they participate in, and submit the form via mail or fax to the appropriate ETC to be enrolled in Lifeline. This docket also addressed the NSL as a new eligibility criterion, which BellSouth, Embarq, and Verizon subsequently added.

On August 7, 2006, the Commission ordered all ETCs to adopt the simplified certification enrollment process and the NSL criterion.⁴⁰

2. Docket No. 060607-TP – Proposed adoption of Rule 25-4.0665, F.A.C., Lifeline Service. This docket was opened to implement Section 364.10(1)(e), Florida Statutes, which requires ETCs to notify a Lifeline subscriber of the impending termination of Lifeline service by letter separate from the subscriber's bill. The section states that the subscriber must be given 60 days to demonstrate continued eligibility.

On June 21, 2006, staff held a rule development workshop to receive comments on the proposed rule. ETCs, as well as the Office of Public Counsel (OPC) and AARP, attended the rule development workshop. On October 6, 2006, the Commission approved the adoption of Rule 25-4.0665, F.A.C., Lifeline Service, which implemented the legislative requirement.⁴¹

In 2006, the Commission also initiated rulemaking to develop comprehensive rules regarding the Link-Up and Lifeline programs. A rulemaking workshop is scheduled for February 6, 2007.

3. Lifeline Service Community Service Funds - The Commission, the OPC, and the ILECs have worked together to create Community Service Funds to be used to educate customers about and promote Link-Up and Lifeline.

BellSouth – Through a stipulated agreement between BellSouth and the OPC regarding BellSouth's service standards, the Commission, on August 13, 2001, ordered⁴² BellSouth to:

³⁸ Order No. PSC-04-0781-PAA-TL, issued August 10, 2004, In Re: Adoption of the National School Lunch Program and an income-based criterion at or below 135 percent of the Federal Poverty Guidelines as eligibility criteria for the Link-Up and Lifeline programs, Docket No. 040604-TL.

³⁹ Order No. PSC-05-0153-AS-TL, issued February 8, 2005.

⁴⁰ Order No. PSC-06-0680-PAA-TL, issued August 7, 2006.

⁴¹ Order No. PSC-06-0827-NOR-TP, issued October 6, 2006.

⁴² Order PSC-01-1643-AS-TL, issued August 13, 2001, in Docket No. 991378-TL.

- Establish a Community Service Fund in the form of a corporate undertaking to be used to educate customers about and promote BellSouth's Link-Up and Lifeline programs.
- Contribute \$250,000 to the Community Service Fund in the first year of the settlement (calendar year 2002).
- Contribute \$150,000 to the Community Service Fund in the second year of the settlement (calendar year 2003).

By Order No. PSC-04-1124-FOF-TP, issued November 15, 2004, the Commission ordered BellSouth to place \$1,589,368 in unclaimed refunds from late payment charges into the Community Service Fund and file the following information on a quarterly basis:

- The dollar amounts disbursed from the Community Service Fund including payee, date, amount, purpose, and description of the services rendered as of the last day of each quarter.
- The Community Service Fund account balance on the last day of each quarter.

Based on BellSouth's most recent quarterly report (3rd Quarter 2006) \$1,222,972 has been disbursed from the Community Service Fund since May 2003 to promote the Link-Up and Lifeline programs. Table 8 presents details of Community Service Fund disbursements through September 2006. Community Service Fund disbursements are decided by BellSouth and the Office of Public Counsel. A detailed discussion on BellSouth's outreach and promotional efforts, including efforts in partnership with Community Service Fund payees, is discussed in Appendix B.

Table 8 Community Service Fund Disbursements – May 2003 through September 2006

Payee	Amount
Linking Solutions	\$ 573,352
IAC Group	\$ 186,219
KMR Consultants	\$ 71,140
New Birth Broadcasting Corporation	\$ 6,000
University of Florida - PURC	\$ 153,525
Carson Services – Delivery Service	\$ 425
Florida Trend – Back to School Issue	\$ 7,410
Printing Services - Lifeline Brochures	\$ 224,901
Total	\$1,222,972

Embarq - Through a stipulated agreement between Embarq and the OPC regarding Embarq's service standards, the Commission, on December 20, 2000,

ordered⁴³ Embarq to “Establish a Community Service Fund wherein Embarq would provide credits to the fund when it fails to meet proposed answer time and accessibility standards when customers call the business or repair offices.”

It was agreed that the Community Service Fund would be used to educate customers about and promote Embarq’s Lifeline service. As of October 9, 2006, the Embarq Community Service Fund balance was \$41,800.

Windstream – On May 19, 2006, the Commission ordered Windstream to establish a Community Service Fund pursuant to its Service Guarantee Program.⁴⁴ Windstream was ordered to make credits to the Community Service Fund in the event that it does not meet service standards. The funds are to be disposed of in coordination with the Commission staff to promote Lifeline service.

4. Lifeline Automated Online Application Process – In October 2006, the Commission created a direct link to the automated Lifeline application located on the Commission’s Web site. The electronic application process allows consumers the opportunity to complete a Lifeline application online and submit it by hitting one button. Once submitted, the system forwards an automatic e-mail informing the appropriate ETC that a Lifeline application is available for retrieval through the Commission’s secure database. The ETC retrieves the application and enrolls the consumer in Lifeline. All ten ILECs, six CLECs and three wireless carriers who have been granted ETC status in Florida are participating in the automated enrollment process.⁴⁵ At the two month anniversary date, December 13, 2006, 340 customers were enrolled in Lifeline through the Automated Online Application Process.

5. Lifeline Automatic Enrollment Process – The FPSC has been working with the DCF in an effort to develop a process whereby potential Lifeline customers, once certified through a DCF program, are placed on a list which is then forwarded to the FPSC. The FPSC would sort the list by the applicant’s telephone company, and then the individual lists would be sent to the appropriate telephone company for enrollment in the Lifeline program. The FPSC is still developing this process with DCF to refine this method of enrollment. The new process is expected to be operational in early 2007.

6. Link-Up and Lifeline Workshops – On April 11, 2006, the Commission conducted a Link-Up and Lifeline Workshop to gather information on current efforts and explore new initiatives to increase the success of the Link-Up and Lifeline programs. Presentations were made by the University of Florida Public Utility Research Center, AARP, the Florida Cable Telecommunications

⁴³ Order No. PSC-00-2462-PAA-TL, issued December 20, 2000, in Docket No. 991377-TL.

⁴⁴ Order No. PSC-06-0425-PAA-TP, issued May 19, 2006, in Docket No. 050938-TP.

⁴⁵ BellSouth, Verizon, Embarq, GTC, Windstream, TDS Telecom, NEFCOM, Frontier, ITS Telecom, Smart City, Nextel Partners, ALLTEL Wireless, Sprint PCS, Knology, Budget Phone, American Dial Tone, Nexus, Vilaire, Midwestern.

Association, the Florida Public Telecommunications Association (FPTA), KMR Consultants, BellSouth, Embarq, Verizon, TDS Telecom, and Northeast Florida Telephone Company.

The input provided by participants showed current efforts to increase enrollment in Link-Up and Lifeline along with ideas to further increase participation in these programs. The FPTA proposed using Lifeline credits for pay telephone lines as a means to assist low-income Florida residents with their communication needs. Since current federal law only permits Lifeline credits on residential lines, federal law would have to be changed to allow the credit on pay phone lines. The FPTA is considering bringing this issue before the FCC for review.

Some of the information presented during the Workshop was eventually incorporated into the Commission's Link-Up and Lifeline Action Plan.

7. Link-Up and Lifeline Action Plan – The Action Plan was adopted by the Commission at the August 15, 2006, Internal Affairs meeting. It is an ongoing planning document used by the Commission to improve the success of the Link-Up and Lifeline programs. Some of the key proposals discussed during the Workshop that were incorporated into the Action Plan for implementation include Lifeline consumer outreach initiatives, Lifeline training, Commission rulemaking, interagency coordination, and Lifeline automated enrollment.⁴⁶

C. Office of Public Counsel

1. Docket No. 060677-TL - On October 11, 2006, the OPC and AARP filed a joint petition with the Commission requesting that the Commission order local exchange telecommunications companies in Florida to implement practices and procedures with the Department of Children and Families to automatically enroll eligible customers in the Lifeline program.

OPC proposes that all persons applying for assistance with DCF, once approved, would be automatically enrolled in the Lifeline Assistance program and would be given a period of time to opt-out of the Lifeline program if they choose. This process would have to be set up between DCF and the 19 ETCs in Florida.

Staff has been working with DCF on a similar process with one difference. The applicants would make a positive affirmation by checking a box on their DCF application stating they are interested in receiving discounted telephone service. When DCF approves the applicants, their information would be forwarded to the PSC, which would send the information to the appropriate ETC for enrollment in the Lifeline program.

⁴⁶ The Action Plan is available for review on the FPSC's Web page at: <http://www.psc.state.fl.us/>

On October 20, 2006, the Florida Attorney General filed a petition requesting permission to intervene in this proceeding. On October 26, 2006, the Commission granted the Florida Attorney General leave to intervene in this docket.⁴⁷

On October 31, 2006, BellSouth filed a Motion for Extension of Time to file a response to the petition by November 17, 2006. BellSouth's motion was granted. On November 17, 2006, BellSouth filed a Second Motion for Extension of Time to file a response to the petition by November 28, 2006. BellSouth's motion for a second extension was also granted.⁴⁸ BellSouth filed a Motion for Abeyance and Third Motion for Extension of Time to respond to the petition on November 28, 2006.

On November 7, 2006, the Commission granted Windstream Florida, Inc.'s petition to intervene in this docket.⁴⁹ Also, on November 17, 2006, the Commission granted TracFone Wireless, Inc.'s petition to intervene in this docket.⁵⁰

The Florida Telecommunications Industry Association (FTIA) filed a Motion To Intervene And For Abeyance on November 17, 2006. However, FTIA withdrew its request on December 1, 2006. On December 12, 2006, Embarq filed a petition requesting that the docket be held in abeyance for a minimum of six months, pending the results of the Commission's newly initiated Online Automated Application Process and industry workshops scheduled for February 2007.

FPSC staff is reviewing the filings and will prepare a recommendation to bring to the Commissioners in early 2007.

D. Florida Eligible Telecommunications Carrier (ETC) Applications

1. Wireless applications filed with the FCC for ETC status in Florida

Three wireless carriers have received ETC designation in non-rural areas of Florida: Nextel Partners,⁵¹ Sprint PCS,⁵² and ALLTEL Communications.⁵³

⁴⁷ Order No. PSC-06-0897-PCO-TL, issued October 26, 2006.

⁴⁸ Order No. PSC-06-0977-PCO-TL, issued November 27, 2006.

⁴⁹ Order No. PSC-06-0940-PCO-TL, issued November 7, 2006.

⁵⁰ Order No. PSC-06-0959-PCO-TL, issued November 17, 2006.

⁵¹ NPCR, Inc. d/b/a Nextel Partners, Petition for Designation as an Eligible Telecommunications Carrier in the State of Florida, Docket No. 96-45.

⁵² Sprint Corporation, Petition for Designation as an Eligible Telecommunications Carrier in the State of Florida, CC Docket No. 96-45.

⁵³ ALLTEL Communications, Inc., Petition for Designation as an Eligible Telecommunications Carrier Pursuant to Section 214(e)(6) of the Communications Act of 1934, CC Docket No. 96-45.

Presently four wireless carrier ETC designation petitions are pending before the FCC:

AT&T Wireless Services, Inc. - On May 3, 2004, AT&T Wireless Services, Inc. (AT&T) filed a petition with the FCC for ETC status in the State of Florida.⁵⁴

TracFone Wireless, Inc. - On September 7, 2004, TracFone Wireless, Inc. (TracFone) filed a petition with the FCC for ETC status in the State of Florida.⁵⁵ TracFone, as a pure reseller of communications, was not eligible to become an ETC under current FCC rules requiring ETCs to offer service using its own facilities or a combination of its own facilities and resale of another carrier's services. On June 4, 2004, TracFone filed a petition with the FCC requesting a waiver of this requirement.

By Order FCC 05-165, released September 8, 2005, the FCC granted forbearance from the facilities requirement for ETC designation for Lifeline support only.

Southern Communications Services, Inc., d/b/a Southern LINC - On September 15, 2004, Southern LINC filed a petition with the FCC for ETC status in the State of Florida.⁵⁶

ALLTEL Communications, Inc. - On October 13, 2005, ALLTEL Communications, Inc. filed a petition for ETC status for rural areas of Florida.⁵⁷ An identical petition was filed by ALLTEL with the FPSC on August 8, 2006.

2. CLEC providers granted ETC status in Florida by the FPSC during 2006

Ganoco, Inc. d/b/a American Dial Tone - On August 11, 2005, Ganoco, Inc. d/b/a American Dial Tone filed a petition with the FPSC for ETC status in the State of Florida.⁵⁸ On April 14, 2006, the FPSC granted American Dial Tone ETC status.⁵⁹

⁵⁴ AT&T Wireless Services, Inc., Petition for Designation as an Eligible Telecommunications Carrier Pursuant to Section 214(e)(6) of the Communications Act, FCC 97-419, CC Docket No. 96-45.

⁵⁵ TracFone Wireless, Inc., Petition for Designation as an Eligible Telecommunications Carrier in the State of Florida and Commonwealth of Virginia, CC Docket No. 96-45.

⁵⁶ Southern Communications Services, Inc., d/b/a Southern LINC, Petition For Designation as an Eligible Telecommunications Carrier, CC Docket No. 96-45, FCC 97-419.

⁵⁷ ALLTEL Communications, Inc., Petition for Designation as an Eligible Telecommunications Carrier for Rural Areas of Florida, CC Docket No. 96-45.

⁵⁸ Docket No. 050542-TX, Petition for Designation as Eligible Telecommunications Carrier by Ganoco, Inc. d/b/a American Dial Tone.

⁵⁹ Order No. PSC-06-0298-PAA-TX, issued April 14, 2006.

Nexus Communications, Inc., d/b/a Nexus Communications TSI, Inc. – On November 21, 2005, Nexus Communications, Inc. filed a petition for ETC status in the State of Florida.⁶⁰ On April 25, 2006, the FPSC granted Nexus ETC status.⁶¹

Vilaire Communications, Inc. – On February 17, 2006, Vilaire filed a petition with the FPSC for ETC status in the State of Florida.⁶² On May 22, 2006, the FPSC granted Vilaire ETC status.⁶³

Midwestern Telecommunications Inc. - On May 17, 2006, Midwestern filed a petition with the FPSC for ETC status in the State of Florida.⁶⁴ On September 5, 2006, the FPSC granted Midwestern ETC status.⁶⁵

VIII. Development of Procedures to Promote Lifeline, Pursuant to Section 364.10, F.S.

The requirement of the 2003 Act to develop procedures to promote Lifeline participation in cooperation with the Department of Children and Families (DCF), the Commission, other state agencies, and the telecommunications companies providing Lifeline service⁶⁶ has resulted in a comprehensive, collaborative process to develop promotional procedures with a statewide impact. During 2005, Senate Bill 1322 was signed into law expanding the 2003 Act to include the Department of Education and Office of Public Counsel.⁶⁷

Activities to promote Link-Up Florida and Lifeline have been occurring since 1995, but none are as comprehensive as the current effort. Since July 2003, local, state, and federal agencies, organizations, businesses, and telecommunications companies have been working together on a Lifeline Project (Project) to develop and implement promotional procedures. Although several state agencies are involved in the administration of the eligible programs, DCF is the only Florida state agency that determines eligibility and provides program benefits directly to citizens as described in the 2003 Act. Recognizing the importance of Link-Up and Lifeline to

⁶⁰ Docket No. 050889-TX, Petition for Designation as Eligible Telecommunications Carrier by Nexus Communications, Inc., d/b/a Nexus Communications TSI, Inc.

⁶¹ Order No. PSC-06-0350-PAA-TX, issued April 25, 2006.

⁶² Docket No. 060144-TX, Petition for Designation as Eligible Telecommunications Carrier by Vilaire Communications, Inc.

⁶³ Order No. PSC-06-0436-PAA-TX, issued May 22, 2006.

⁶⁴ Docket No. 060399-TX, Petition for Designation as Eligible Telecommunications Carrier by Midwestern Telecommunications, Inc.

⁶⁵ Order No. PSC-06-0750-PAA-TX, issued September 5, 2006.

⁶⁶ As passed in 2003: Chapter 364.10(3)(d), Florida Statutes, “By December 31, 2003, each state agency that provides benefits to persons eligible for Lifeline service shall undertake, in cooperation with the Department of Children and Family Services, the commission, and telecommunications companies providing Lifeline services, the development of procedures to promote Lifeline participation.”

⁶⁷ As expanded in 2005: Chapter 364.10(3)(h), Florida Statutes, “By December 31, 2003, each state agency that provides benefits to persons eligible for Lifeline service shall undertake, in cooperation with the Department of Children and Family Services, the Department of Education, the commission, the Office of Public Counsel, and the telecommunications companies providing Lifeline services, the development of procedures to promote Lifeline participation.”

eligible citizens, other agencies, organizations, and businesses have joined in the outreach effort on a voluntary basis.

A. Project Participants

The following local, state and federal agencies, organizations, businesses, and telecommunications companies are now involved in the collaborative effort to increase awareness and participation in the Link-Up and Lifeline programs. Because the Project participants have engaged additional organizations having contact with eligible individuals to assist in Lifeline awareness, and enlisted the support of sister organizations, the list will likely increase in 2007.

Local, State, and Federal Agencies, Organizations, and Businesses:

- ◆ AARP - Florida Chapter (formerly the American Association of Retired Persons)
- ◆ ACCESS Florida Community Network Members
- ◆ Agency for Health Care Administration (AHCA)
- ◆ Agency for Workforce Innovation (AWI) and Workforce Florida, Inc. (WFI)
- ◆ Area Agency on Aging
- ◆ Big Bend 2-1-1
- ◆ Braille and Talking Book Library
- ◆ Capital Area Community Action Agency, Inc. (CACAA)
- ◆ City and County Consumer Assistance Departments
- ◆ Faith Radio Station and Other Florida Radio Stations
- ◆ Federal Social Security Administration (SSA) - Tallahassee District
- ◆ Florida Alliance for Information and Referral Services (FLAIRS)
- ◆ Florida Association of Community Action (FACA)
- ◆ Florida Association of Community Health Centers
- ◆ Florida Association of Food Banks (FAFB)
- ◆ Florida Council on Aging
- ◆ Florida Department of Children and Families (DCF)
- ◆ Florida Department of Community Affairs (DCA)
- ◆ Florida Department of Education (DOE)
- ◆ Florida Department of Elder Affairs (DEA)
- ◆ Florida Department of Revenue (DOR)
- ◆ Florida Impact
- ◆ Florida Office of Public Counsel (OPC)
- ◆ Florida Public Libraries
- ◆ Florida Public School Districts
- ◆ Florida Public Service Commission (FPSC)
- ◆ Florida Telecommunications Relay, Inc. (FTRI)
- ◆ Florida Voters League
- ◆ Habitat for Humanity
- ◆ KMR Consultants, LLC
- ◆ Leon County School Board

- ◆ Linking Solutions, Inc.
- ◆ National Federation of the Blind (NFB), Big Bend Chapter
- ◆ Tallahassee Memorial Hospital (TMH) and other Florida Hospitals
- ◆ Tallahassee Urban League
- ◆ United Way of Florida

Telecommunications Companies:

- ◆ BellSouth Telecommunications, Inc. (BellSouth)
- ◆ Embarq Florida, Inc. (Embarq f/k/a Sprint-Florida, Inc.)
- ◆ Frontier Communications of the South, Inc. (Frontier)
- ◆ GTCOM
- ◆ ITS Telecommunications Systems, Inc. (ITS)
- ◆ Smart City Telecom (Smart City)
- ◆ TDS Telecom/Quincy (TDS)
- ◆ TTSC/NEFCOM-Northeast (Northeast)
- ◆ Verizon Florida, Inc. (Verizon)
- ◆ Windstream Florida, Inc. (Windstream f/k/a ALLTEL Florida)

B. 2006 Lifeline Promotional Highlights

During 2006, the Project participants built upon prior promotional activities and continued to develop and implement new promotional procedures. As in recent years, the Project participants have continued to take advantage of grass roots efforts designed to put Lifeline educational materials in the hands of local organizations that are involved in the community and have regular one-on-one contact with eligible individuals. During 2006, the Project participants increased emphasis on Public Service Announcements (PSAs), target marketing, and training the professionals who regularly assist eligible clients. Some highlights from the 2006 Lifeline activities are as follows:

Department of Community Affairs: The DCA's Division of Housing and Community Development administers the Low-Income Home Energy Assistance Program (LIHEAP) and provides LIHEAP grants to local governments and non-profit agencies to assist eligible low-income households in meeting the costs of home heating and cooling. The DCA has continued to work with those agencies to incorporate the regular distribution of Lifeline educational materials into their client interview process. In 2005, the DCA modified its procedures in the Community Services Block Grant program to add an indicator to its work plan that allows the Community Action Agencies to report on the number of clients they help to secure Lifeline services. During the first year reporting period of October 1, 2004 through September 30, 2005, the Community Services Block Grant program reported that 3,475 households were signed up for Lifeline benefits as a result of assistance received from the Community Action Agencies. Data for October 2005 to September 2006 is not available at this time.

Link-Up and Lifeline Radio Public Service Announcements in English and Spanish: During 2006, the Commission produced new Lifeline PSAs for radio broadcast, featuring Commissioners Isilio Arriaga and Matthew M. Carter II. The Lifeline PSAs were produced in English and Spanish to reach a larger population of eligible citizens. The 30-second and 60-second PSAs were distributed to 84 radio stations across the state with either English-speaking or Spanish-speaking target audiences. Both PSAs are available on the Commission's Web site under the Consumer Assistance – Public Service Announcement Section, as well as on the Commission's Web page at: <http://www.floridapsc.com/utilities/telecomm/lifeline/>. In addition, the Commission implemented a new system whereby individuals who call the Commission and are placed on hold will hear a short PSA about Lifeline. The Commission is updating the radio PSAs and on-hold message to inform consumers that they may also apply for Lifeline electronically through the Commission's Web site.

Link-Up and Lifeline Television Educational Segments in English and Spanish: During 2006, the Commission and Florida State University's WFSU Studio filmed Lifeline Educational Segments in English and Spanish for television broadcast. Each Educational Segment runs approximately ten minutes, and offers a more detailed description of the programs than is possible in a traditional PSA. Commissioner Carter is featured in the English Lifeline Segment, and Commissioner Arriaga is featured in the Spanish Lifeline Segment. The Segments will be run by various public and government broadcasting television stations periodically as filler between scheduled programming, at no charge to the Commission.

In 2006, the following television stations agreed to broadcast the PSAs: WFSU Studio, Boca Raton Educational Television, The Education Network – School Board of Palm Beach County, Town of Lake Park, Palm Beach County, City of Riviera Beach, Village of Royal Palm Beach, Village of Wellington, City of West Palm Beach, City of Boynton Beach, and the City of Delray Beach. During 2007, the Project participants will work to locate additional television stations willing to broadcast the Lifeline Segments at no charge. Both Lifeline Segments are available for viewing on the Commission’s Web site under the Consumer Assistance – Public Service Announcement Section, as well as on the Commission’s Lifeline Web page at: <http://www.floridapsc.com/utilities/telecomm/lifeline/>.

Back-to-School Lifeline Project: During 2006, the Project participants repeated the 2005 Back-to-School Lifeline Project for 25 specific counties. At the beginning of each school year, local schools provide informational packets for students to take home to their parents. Through the Back-to-School Lifeline Project, Lifeline information is included in the back-to-school packets to help inform possible eligible families about the availability of the Link-Up and Lifeline programs.

The Project participants focused on the counties demonstrating the highest poverty levels with the goal of reaching those areas of the state with the highest economic need. However, the counties with high poverty levels generally have lower student populations. In order to reach a larger number of eligible families, the Project participants selected a second group of counties demonstrating the highest student populations. Additional counties were selected in order to produce a representative sample of counties in all areas of the state and within each participating LEC’s service territory.

The following counties were selected because they represent the highest poverty level by county: Hamilton, Hardee, Lafayette, Miami-Dade, Putnam, Dixie, Holmes, DeSoto, Madison, Calhoun, and Gadsden. The following counties were selected because they represent the highest student population by county: Miami-Dade, Broward, Orange, Hillsborough, Palm Beach, Duval, Pinellas, Polk, Brevard, Lee, Volusia, and Escambia. The following additional counties were selected to produce a representative statewide sample: Leon, Martin, and Baker. It is interesting to note that one county appeared in the top ten counties for both student population and poverty level. Miami-Dade County has the highest student population in the state with over 400,000 public school students and has the fourth highest poverty level.

Last year, a new combined English and Spanish brochure including a Lifeline application was designed specifically for the 2005 Back-to-School Lifeline Project. However, two different applications were needed because some LECs allowed customers to self-certify that they were eligible for Lifeline while others required documented proof of eligibility. The Project participants received positive responses to the combined brochure and application format, but determined that the two separate applications confused some applicants. Consequently, the ten LECs agreed to use a single Lifeline application that would allow all customers to self-certify their eligibility. A new brochure was designed using the same concept as the 2005 brochure with the new single application. The application was also modified to include the State Seal to increase consumer confidence in the programs. The Commission subsequently ordered that all Florida ETCs allow self-certification by Lifeline applicants. In addition, the Miami-Dade

County School Board requires that all information distributed in the back-to-school packets must be provided in English, Spanish, and Haitian Creole. Accordingly, the Project participants created a similar combined Lifeline brochure and application in Haitian Creole for distribution to the Miami-Dade schools.

The 2006 Back-to-School Lifeline Project participants included the Department of Education, 25 Florida Public School Districts, the Office of Public Counsel, the Commission, and the ten LECs. BellSouth coordinated the printing and distribution of the combined English and Spanish brochures to 1.8 million students in Public Schools Grades K thru 12 in the 25 designated counties, and 400,000 Haitian Creole brochures to students in Miami-Dade County. The Commission issued several press releases to increase awareness of this outreach effort, especially timed to coincide with the school start dates in each of the targeted counties. The press releases were sent to 209 media outlets statewide, including daily newspapers, television stations, news services, weekly newspapers, African-American newspapers and radio stations, Hispanic newspapers and radio stations, and magazines. During 2007, the Project participants will consider whether the Back-to-School Lifeline Project should be repeated for the 2007-2008 School Year.

Program-Based Lifeline Applications: The Project participants have continued to work to make the program-based Lifeline applications more accessible and easier to use. During the 2006 Back-to-School Lifeline Project, the Lifeline application was streamlined so that one application could be used by customers of any of the ten LECs. In an effort to increase consumer confidence in the programs, the state Seal of Florida was added to all Lifeline applications. Also, during 2006, the Lifeline application was translated into Haitian Creole to be used in conjunction with the Commission's existing Haitian Creole brochure and in the Back-to-School Lifeline brochure. Customers may obtain a printed application from the Commission's Web site or by mail. The Commission also continues to distribute printed brochures and applications to the agencies and organizations having contact with eligible individuals. Finally, during 2006, the Commission implemented an online application process that enables eligible individuals to apply for Lifeline electronically through the Commission's Web site. During 2007, the Project participants will continue to explore options to improve the program-based Lifeline applications.

Agency Web Site Links: The Project participants continue to seek better ways to inform consumers about the availability of the Link-Up and Lifeline programs. Many consumers still prefer to receive information in traditional formats, such as printed informational brochures. However, improvements in technology and accessibility to computers is increasing the number of consumers who have access to information through the Internet. Consequently, the Project participants believe it may be beneficial to increase the availability of information about Lifeline through various Internet Web sites. During 2006, the Project participants began working together to implement additional Web site links from the various agency and organization Web sites to the Commission's Link-Up and Lifeline Web page. The Project participants are hopeful that this will make Lifeline information more accessible to eligible consumers who may be seeking assistance through these agency and organization Web sites. Efforts are being made to place the links on the Web pages that would most likely be accessed by individuals seeking information about one of the Lifeline eligible programs, such as Food Stamps or LIHEAP.

The following agencies and organizations are currently involved in this promotional effort: Agency for Health Care Administration (AHCA), Agency for Workforce Innovation (AWI), Florida Department of Community Affairs (DCA), Florida Department of Children and Families (DCF), Florida Department of Education (DOE), Florida Department of Elder Affairs (DEA), Florida Department of Revenue (DOR), Florida Office of Public Counsel (OPC), Federal Social Security Administration (SSA), Workforce Florida, Inc., and the AARP. The Web link implementation falls into three categories: (1) Web links completed prior to 2006, (2) Web links completed during 2006, and (3) Web links currently under consideration for future implementation.

Lifeline links were established by the AWI on its Welfare Transition Program Web page and the DCA on its LIHEAP Web page prior to 2006. During 2006, DCF, OPC, AHCA, and AARP implemented new Lifeline Web links. The DCF added a Lifeline link to its Economic Services/ACCESS Florida Web page that is utilized by individuals seeking information about Food Stamps, Medicaid, and TANF. The OPC currently maintains a Lifeline Web page to assist consumers applying for Lifeline based upon the 135 percent income eligibility criterion. The OPC has modified its Lifeline Web page to include a link to the Commission's Lifeline Web page for consumers who wish to apply for Lifeline based upon participation in an eligible program rather than based upon income. The AHCA designed a Lifeline link for its home page so that Medicaid recipients and other eligible individuals who visit AHCA's Web site for information will have easy access to Lifeline information as well.

The AARP currently provides age-related news and information to its Florida members through two Web sites at www.floridaagingnews.org and www.aarpflorida.org. The AARP has added a Lifeline link to both Web sites. AARP also provides, upon request, a free Florida Aging News e-mail newsletter six days a week. Each newsletter contains a link to the Florida Aging News Web site, which now includes a Lifeline link. In addition to the many citizens who receive the Florida Aging News e-mail newsletter regularly, the AARP has provided Lifeline information electronically to nearly 40,000 AARP members.

The following agencies are either working to complete implementation of a Lifeline link, determine the most suitable placement of a Lifeline link, or obtain approval to implement a Lifeline link: DEA, DOE, DOR, SSA, and Workforce Florida. Although the addition of a Web site link has become a common practice, this still remains a complicated issue in some cases. For example, the SSA in Florida does not have a separate Web page; therefore, any addition to the national SSA Web site must be approved by the SSA's Baltimore Office. The SSA – Tallahassee District Office has requested that the Baltimore Office consider implementation of a Florida Lifeline link. During 2007, the Project participants will continue to work to implement additional Lifeline Web links where possible to make Lifeline information easily accessible to eligible clients using the Internet.

Connect Florida Campaign: The Connect Florida Campaign (Campaign) was established by Linking Solutions, Inc., OPC, and BellSouth to increase Lifeline awareness and participation through the development of public-private partnerships. State Legislators, FPSC Commissioners, local officials, the AARP, and Embarq also joined the effort. The Campaign focuses on establishing sustained partnerships with local non-profit community-based

organizations. Link-Up and Lifeline community events are held to present information about the programs and encourage individuals and non-profit organizations to participate in the Campaign on a year-round basis. Key groups such as senior centers, Section 8 housing units, churches, and urban leagues are notified of the event well in advance to encourage attendance by community representatives and eligible individuals. Event attendance generally ranges from 50 people at the smaller events to several hundred for the larger events. Eligible individuals are given an opportunity to submit an application at that time. Both income-based and program-based Lifeline applications are used at these events depending on which works best for each applicant. Completed income-based applications are subsequently processed by the OPC, and the program-based applications are forwarded to the appropriate company by Linking Solutions. Statistical information on the number of calls received, applications received, and applications approved by the OPC is provided in the Appendix.

During 2006, the Campaign worked with the One Stop Centers managed by the Workforce Florida Regional Boards throughout the state. The One Stop Centers provide job placement training, temporary cash assistance, and special support services. Many citizens served by the One Stop Centers have a low income, experience a temporary financial hardship, or participate in publicly-supported programs. As part of the 2006 Campaign, Linking Solutions conducted training for the One Stop Center staff to help identify clients who might be eligible for the Link-Up and Lifeline programs. Participants in the training were encouraged to share program applications and help their eligible clients sign up for the programs. Linking Solutions met with One Stop Centers from Key West to Pensacola in 20 of the 24 Workforce Florida Regions and conducted more than 75 training sessions.

The Campaign also continued promoting the Link-Up and Lifeline programs through organized community activities with the Commission and participating telecommunications companies. During late 2005 and 2006, events were held in Hollywood/Fort Lauderdale, Plantation Key, Key West, Big Pine Key, Gadsden County/Quincy, Pensacola, and South Florida. The Gadsden County Community Come Together Day was organized in conjunction with the county's faith-based organizations and public service providers, and was supported by local elected and government officials. In West Florida, the Campaign held a partnership rally and luncheon in Pensacola at the Fricker Center, located near low-income housing units. Representatives from non-profit organizations in Escambia and Santa Rosa Counties agreed to promote the Link-Up and Lifeline programs to their constituents. In South Florida, the Campaign provided Link-Up and Lifeline information at established community festivals and events and also continued to provide information to residents of Section 8 Housing.

Community Events: Project participants continue to seek community events where Lifeline educational materials can be provided and discussed with citizens. Examples of 2006 events where Lifeline educational booths were located include Senior Days Events in the Miccosukee, Woodville, Fort Braden, and Chaires communities, the 2006 Florida Conference on Aging, the Gadsden County Community Come Together Day, the Laura Lee Boys and Girls Club Community Day, and an AARP-sponsored Williston Flu Shot Clinic.

Community and Professional Training Presentations: Project participants also continued to reach out to eligible individuals and service professionals on a more personal level. Increased emphasis was placed on offering training to service professionals who regularly assist eligible clients. Examples of locations where Lifeline training presentations and exhibits were provided during 2006 include the Florida Telecommunications Relay, Inc.'s Tallahassee Office and Annual Conference; the Front Porch Florida Annual Conference; the Florida Association for Community Action, Inc.'s 26th Annual Training Conference; the Florida Voters League, Inc.'s 48th Annual Convention; the 2006 Florida Conference on Aging; the FLAIRS 2006 Annual Conference; Workforce Florida One Stop Centers; and senior centers and low-income residences.

Lifeline Across America: On July 26, 2005, during the National Association of Regulatory Utility Commissioners (NARUC) Summer Meetings, the FCC and the NARUC launched "Lifeline Across America," a nationwide initiative to provide state, local, and tribal entities with additional outreach resources on Link-Up and Lifeline, draft recommended outreach guidelines for carriers, enhance consumer awareness, and ultimately draw more income-eligible consumers into federal and state Link-Up and Lifeline programs. On September 28, 2005, the FCC issued a Public Notice naming the 15 Working Group members and advising the public of the opportunity to provide input to the Working Group, now joined by the National Association of State Utility Consumer Advocates (NASUCA).

In an FCC Public Notice dated January 10, 2006, the Working Group asked for input on current Link-Up and Lifeline outreach efforts and established a dedicated FCC e-mail box lifeline@fcc.gov to solicit public input. To help raise awareness about the "Lifeline Across America" initiative and to assist in the collection of input and distribution of new outreach materials, on February 7, 2006, the Working Group also launched a dedicated Link-Up and Lifeline Web site, www.lifeline.gov. The Web site is hosted on the FCC's Web site and linked to the Web sites of NARUC and NASUCA. The Link-Up and Lifeline Web site provides information and resources to consumers, consumer advocacy groups, industry and government stakeholders in a user-friendly format and encourages visitors to give input on the Working Group's outreach questions.

The Working Group identified some consistent themes in its review of the information and comments filed in response to its request for input. Some of these comments include the following ideas:

**One Size Does Not Fit All.* The long-term success of Link-Up and Lifeline depends on effective communications with potential eligible consumers. There is no one best way to communicate the message.

**Automatic Enrollment Can Be Highly Effective in Reaching Eligible Consumers.* Participation rates for Link-Up and Lifeline have increased in states that have adopted some form of automatic enrollment.

**The Message Has Not Reached Some Constituencies.* This idea became more evident through interviews with organizations with constituents that have direct contact with consumers

such as social service agencies. The Working Group was able to identify some important constituencies that are generally not aware of the Link-Up and Lifeline programs.

**Partnerships Between Government, Carriers, and Community Organizations Have Been Very Effective in All Parts of the Country.* The most meaningful success in outreach on Link-Up and Lifeline seems to emanate from partnerships between stakeholders to reach, inform, and enroll eligible consumers. Coordination has included cooperative outreach efforts with state commissions, carriers, social service agencies, community centers, public schools, and private organizations that may serve low-income individuals, such as AARP and the United Way.

After reviewing the input received, the Working Group has combined its observations and analyses into a list of possible next steps for outreach on Link-Up and Lifeline. Here are some examples of next steps.

**Encouraging public/private partnerships within each state to ensure that accurate and current information is disseminated to those who interface with consumers.*

**Initiating a National Lifeline Awareness Week.*

**Exploring the feasibility of greater, perhaps nationwide, broadcast and /or print media presence on Link-Up and Lifeline.*

Currently, the Working Group is prioritizing among these next steps and discussing within the Group's respective organizations how to begin implementing action items to improve outreach on and awareness of Link-Up and Lifeline.

Lifeline Awareness Week: During 2006, the Commission, OPC, LECs, and Linking Solutions began developing a plan for a Lifeline Awareness Week to promote program awareness throughout the state. Participation from additional agencies and organizations will be requested at a later date. Tentative plans include requesting a Lifeline Awareness Week Resolution from the Governor. Possible events include a kick-off ceremony in Tallahassee at the Capital Courtyard, followed by similar promotional events in other cities during that week. The Commission would coordinate news releases prior to the planned events, and media coverage would be encouraged. During 2007, the Project participants will continue working to complete a Lifeline Awareness Week in 2007.

Clearly, the Lifeline promotional activities undertaken by the Project participants are responsible for certain eligible individuals enrolling in the Link-Up and Lifeline programs who were not previously aware of these valuable benefits. But there is still more work to be done. The Project participants have been fortunate in receiving marketing assistance at no charge through various radio stations, and public and government television stations. The Project participants will work to expand the network of broadcast stations willing to help in this manner. In the event financial resources become available, use of commercial television public service announcements and target marketing should also be pursued. During 2007, the Project participants will continue to work to increase awareness and participation in these programs. A

detailed discussion of promotional activities by program participants is presented in the Appendix of this report.

IX. Effectiveness of Procedures to Promote Participation

Efforts to increase Link-Up and Lifeline participation can be separated into two categories, Outreach and Enrollment Process. The FPSC, in cooperation with other state and federal agencies, the OPC, the ILECs, and other organizations, remains engaged in extensive Link-Up and Lifeline outreach efforts. Because most of these efforts run concurrently, measuring the impact of any single activity on Link-Up and Lifeline participation is difficult. However, we believe Outreach initiatives are having a positive impact.

Outreach efforts should be expanded to encompass CLEC and wireless ETCs. In the past, only the ILECs have been involved in the coordinated outreach efforts. As the number of CLEC and wireless ETCs increase, bringing them into the coordinated outreach effort is important.

In recent years, and notably in 2006, the Commission has placed greater attention on addressing enrollment process issues as a means of increasing Lifeline participation. Specific enrollment process initiatives include the following:

- A.** BellSouth, Embarq, and Verizon's implementation of the income-based criterion of 135 percent of the FPG.
- B.** Commission requirement that all ETCs adopt the simplified certification process for enrollment under the program-based criteria.
- C.** The DCF Lifeline Project which implemented the Lifeline notification procedure and streamlined certification for DCF clients.
- D.** The Back-to-School Lifeline Project on a state-wide basis.
- E.** Rulemaking to develop comprehensive rules regarding the Link-Up and Lifeline programs.
- F.** Initiation of an Automated Lifeline Online Application Process on the Commission Web site allowing potential Link-Up and Lifeline customers to enroll in these programs with the click of a mouse.

X. Conclusion

The overall net Lifeline customer growth rate of five percent during the 2005-2006 review period, though positive, was modest. The FPSC is not satisfied with the Lifeline enrollment results. The expansion of customer eligibility criteria for Lifeline by BellSouth, Embarq, and Verizon to include the income-based standard of 135 percent of the FPG, and the expansion of the NSL criterion to all ETCs, along with implementation of the simplified enrollment process, are positive steps to improving participation.

Enrollment of new Lifeline customers by CLEC ETCs is having positive results. American Dial Tone, which began offering Lifeline in April of 2006, has enrolled 1,166 Lifeline customers as of September 30, 2006. In addition, Vilaire, which began offering Lifeline in May of 2006, has enrolled 520 Lifeline customers as of September 2006. In total, CLEC Lifeline enrollment was 1,884, representing 29 percent of net new Lifeline customer growth for the period between October 30, 2005, and September 30, 2006. CLEC and wireless ETCs are designing specific product offerings for Lifeline customers, and several are making Lifeline customers a major focus in their marketing strategy. We applaud their efforts and encourage continued commitment on the Lifeline eligible customer base.

The Commission has found the analysis and findings of the PURC Report useful and will continue to rely on this document as a resource. Specifically, analysis and findings relating to penetration rates have been of great value. The Commission is optimistic that continued focus on addressing key findings presented in the report relating to consumer choice will benefit our efforts to increase penetration rates.

The Commission will continue with the development and implementation of its Action Plan to improve the success of the Lifeline program. The Commission is optimistic that continued consumer outreach efforts, including the targeting of CLEC and wireless consumers, along with improved Lifeline enrollment measures, including the newly implemented automated enrollment process, will have positive results.

In closing, the Commission is committed to improving the success of the Link-Up and Lifeline programs. The Commission looks forward to continuing to work with consumers, agencies, industry, and all interested parties to increase consumer participation in these vital programs.

APPENDIX A

Sample Letter to Wireless Eligible Telecommunications Carriers

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COMMISSIONERS: LISA POLAK EDGAR, CHAIRMAN J. TERRY DEASON ISILIO ARRIAGA MATTHEW M. CARTER II KATRINA J. TEW	State of Florida 	DIVISION OF COMPETITIVE MARKETS & ENFORCEMENT BETH W. SALAK DIRECTOR (850) 413-6600
<h2>Public Service Commission</h2>		

Date _____

Executive
 Wireless Carrier
 Street Address
 City, State

Re: Information regarding Lifeline Requirements

Dear Executive:

According to Federal Communications Commission (FCC) records, on xx/xx/xxxx, your company filed a petition to obtain designation as an Eligible Telecommunications Carrier (ETC) in the state of Florida. The FCC has indicated that carriers granted ETC status must comply with state Lifeline requirements in those states that have Lifeline programs. As a result, we would like to take this opportunity to provide you information regarding your obligations under Florida's Lifeline program, should the FCC grant your petition.

Based upon four Florida Public Service Commission (FPSC) orders⁶⁸, ETCs must comply with the following Lifeline-related requirements:

1. ETCs may not disconnect local telephone service to Lifeline customers who fail to pay toll charges;
2. ETCs must work with local welfare agencies, where possible, to reach eligible Lifeline subscribers;
3. ETCs shall provide Lifeline customers with toll limitation services at no charge;
4. ETCs must reduce the bills of customers participating in the Lifeline program by \$3.50 per month; (\$1.75 reduction for Tier II support and \$1.75 reduction for Tier III support)
5. ETCs shall provide Lifeline and Link-Up information in their telephone directories and through bill stuffers;
6. ETCs must provide Lifeline service to eligible customers who have been previously disconnected for nonpayment of their telephone bills, provided those customers also subscribe to toll blocking service; and
7. The eligibility standards for Lifeline and Link-Up in Florida include: programs funded under Temporary Assistance for Needy Families (TANF), Medicaid, Supplementary Security Income (SSI), Food Stamps, Federal Public Housing Assistance (Section 8), National School Lunch

⁶⁸ PSC-97-1262-FOF-TP issued October 14, 1997 in Docket No. 970644-TP; PSC-98-0328-FOF-TP issued February 24, 1998 in Docket No. 970744-TP; PSC-99-2503-PAA-TL issued December 21, 1999 in Docket No. 990694-TL, and PSC-99-2503A-PAA-TL, issued January 4, 2000, in Docket No. 990694-TL.

(NSL) Program's Free Lunch Program, and Low-Income Home Energy Assistance Program (LIHEAP).

The four FPSC orders pertaining to Lifeline can be obtained through the FPSC's website, psc.state.fl.us. The orders provide significant detail regarding the Lifeline-related obligations of ETCs. In addition to the FPSC orders, sections 364.07, 364.09, and 364.10, Florida Statutes provide additional guidance regarding Lifeline service obligations.

Should you have any questions regarding your company's obligations, please call Curtis Williams at (850) 413-6924 or Bob Casey at (850) 413-6982.

Sincerely,

Beth Salak
Director, Division of Competitive Markets &
Enforcement

cc: Dale Mailhot, Assistant Director, Division of Competitive Markets & Enforcement
Rick Moses, Bureau Chief, Division of Competitive Markets & Enforcement
Robert Casey, Supervisor, Division of Competitive Markets & Enforcement
Curtis Williams, Analyst, Division of Competitive Markets & Enforcement

APPENDIX B

Promotional Activities

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Specific Promotional Activities by Project Participants

The following is a detailed discussion of the role that each of the Lifeline Project participants is playing in the development of procedures to promote Lifeline. The discussion includes the eligible programs that each participant is involved with, past and present outreach efforts, existing procedures that can be continued or expanded, and new procedures that are being considered for development and implementation.

The focus of the 2006 Lifeline promotional activities has continued to be outreach at the grass roots level with the inclusion of statewide efforts such as the Back-to-School Lifeline Project. Also, increased emphasis was placed on Public Service Announcements (PSAs), target marketing, and training the professionals who regularly assist eligible clients. During 2007, the Project participants will continue to work with the outreach partners to explore new approaches for reaching eligible citizens and expanding existing Lifeline promotional efforts.

AARP - Florida Chapter: The requirements of the 2003 Act do not apply to the AARP. However, the AARP is a strong advocate for Lifeline awareness, and representatives of the AARP-Florida Chapter have offered to assist the Commission and other state agencies in the development of promotional procedures. The AARP currently provides Lifeline information on a recurring basis in its magazine and at the three Florida AARP Offices located in Miami, St. Petersburg, and Tallahassee. The AARP has agreed to continue these promotional activities. The AARP has also been involved in the Connect Florida Campaign and has developed a Lifeline application to assist its members in applying for Lifeline.

The AARP currently provides age-related news and information to its Florida members through two Web sites at www.floridaagingnews.org and www.aarpflorida.org. Effective October 23, 2006, the AARP added a Lifeline link to both Web sites. AARP also provides a Florida Aging News e-mail newsletter six days a week. The newsletter is provided free of charge and can be requested through the Florida Aging News Web site. Each newsletter contains a link to the Web site, which now includes a Lifeline link. In addition to the many citizens who receive the Florida Aging News e-mail newsletter regularly, the AARP has provided Lifeline information electronically to nearly 40,000 AARP members. Also, as discussed previously, the OPC and AARP have jointly petitioned the Commission to order local exchange telecommunications companies in Florida to implement practices and procedures with the DCF to automatically enroll eligible customers in the Lifeline telephone program. This petition is currently under review.

ACCESS Florida Community Network Members: The DCF has implemented the Automated Community Connection to Economic Self-Sufficiency system known as ACCESS Florida. The system allows citizens to apply for Food Stamps, TANF, or Medicaid through the Internet. In order to improve citizens' access to these services, the DCF has developed the ACCESS Community Network of local community participants who are willing to help clients obtain these services. The ACCESS Community Network Members include organizations such as aging resource centers, child advocacy centers, community centers, county public health units, domestic abuse centers, faith-based organizations, food banks, homeless organizations, hospitals, libraries, public schools, social services, and Workforce One Stop Centers. The organizations

assist clients in using the ACCESS Florida system by providing access to computers, printers, telephones, fax machines, and copy machines and helping the applicants complete an online or printed application. During 2006, the Community ACCESS Network increased to include nearly 935 locations across the state. The Project participants have begun working with the DCF and ACCESS Community Network Members to provide Lifeline educational materials and applications to eligible individuals through the ACCESS Community Network sites. Effective June 19, 2006, the DCF implemented a Lifeline link on its Economic Services/ACCESS Florida Web page that is utilized by individuals seeking information about Food Stamps, Medicaid, and TANF. During 2007, the Project participants will continue to work with the DCF and ACCESS Community Network Members to increase client awareness and participation in the Link-Up and Lifeline programs.

Agency for Health Care Administration (AHCA): AHCA has contact with recipients of Medicaid and Supplemental Security Income (SSI) benefits, but does not provide benefits through either program. Specifically, AHCA administers the Medicaid Program, but client eligibility is determined by the DCF and benefits are distributed by approved Medicaid providers. The Social Security Administration (SSA) performs all functions for the SSI Program (i.e., administration, eligibility determination, and distribution of benefits). Although it is likely that Medicaid and SSI recipients will receive Lifeline information through the DCF or SSA, AHCA has volunteered to assist in distributing Lifeline information in other forums not used by those agencies.

The Project participants determined that eligible citizens residing in nursing homes may not have easy access to Lifeline information. The participants agreed that it would be appropriate to develop procedures to increase awareness of Lifeline within this target group. It was determined that Lifeline information could be provided to nursing homes through an existing AHCA program. Specifically, AHCA's Long Term Care Monitoring Program ensures that all nursing homes in Florida are visited by a Quality of Care Monitor each quarter. During 2004, AHCA's Quality of Care Monitors provided each nursing home administrator with a Lifeline educational kit. The FPSC subsequently received orders for educational materials from the nursing homes. Effective October 30, 2006, The AHCA implemented a Lifeline link on its home page so that Medicaid recipients and other eligible individuals who visit AHCA's Web site for information will have easy access to Lifeline information as well. The Project participants will continue to work with AHCA and the nursing home administrators to ensure that the nursing homes have adequate supplies of educational materials available to nursing home residents and their family members who may be eligible for Lifeline assistance.

Agency for Workforce Innovation (AWI) and Workforce Florida, Inc. (WFI): WFI is the state's chief workforce policy organization. Created by the Workforce Innovation Act of 2000, the public-private partnership supports and promotes economic growth through workforce development. The AWI serves as the administrative agency for WFI. Neither the AWI nor WFI provides benefits through any of the eligible programs. However, due to WFI's extensive contact with eligible individuals, WFI has volunteered to assist with the outreach efforts.

WFI's Better Jobs/Better Wages Council assists families transitioning from welfare to work and former welfare recipients working in low-wage jobs with limited mobility. WFI

programs are implemented through 24 regional workforce boards. Workforce development services are provided through a system of more than 200 One Stop Centers designed to provide easy access to services including job placement, job training, and temporary cash assistance. The WFI regional workforce boards and One Stop Centers work in coordination with the DCF District Offices and other organizations to assist citizens at the local level. Previously, Lifeline informational packets were distributed to all 24 regional workforce boards. The FPSC subsequently received additional orders for educational materials from the workforce boards during 2004, 2005, and 2006. Each regional workforce board determined the best procedure for distributing educational materials within its region. As part of the 2006 Connect Florida Campaign, Linking Solutions conducted training for the One Stop Center staffs to help identify clients who might be eligible for the Link-Up and Lifeline programs. Participants in the training were encouraged to share program applications and help their eligible clients sign up for the programs. Linking Solutions met with One Stop Centers from Key West to Pensacola in 20 of the 24 Workforce Florida Regions and conducted more than 75 training sessions.

Previously, the AWI implemented a Lifeline link on its Welfare Transition Program Web page. The AWI and WFI are currently working together to determine if a Lifeline link may be added to the WFI Web site used by the WFI professionals. During 2007, the Project participants will continue to work with the AWI and WFI to explore new approaches for reaching WFI's clients and to ensure that adequate supplies of Lifeline educational materials and applications are available.

Area Agency on Aging: Local Area Agencies on Aging have contact with senior citizens who may be eligible for Lifeline due to their income level or participation in an eligible program. These organizations have agreed to assist in the effort to make Lifeline educational materials available to their clients. The Project participants will continue to work with these organizations to provide educational materials and schedule additional grass roots meetings in the upcoming year.

Big Bend 2-1-1: Big Bend 2-1-1 is the Information and Referral Service Agency for the Big Bend area in Florida and has contact with eligible individuals seeking information and assistance for various needs. During 2004, Big Bend 2-1-1 agreed to include information about the Link-Up and Lifeline programs in its database of information used to assist local citizens. In addition, Big Bend 2-1-1 has assisted the Project participants with contacting other 2-1-1 Information and Referral Service Agencies in the state and the Florida Alliance for Information and Referral Services (FLAIRS.) As a result, additional 2-1-1 Agencies across the state have included information about the Link-Up and Lifeline programs in their information databases as well. Also, the FPSC provided a Lifeline presentation and educational materials at the FLAIRS 2005 and 2006 Annual Conferences. In addition to the Big Bend 2-1-1, some telecommunications companies have worked directly with Informational and Referral Services in their service areas. During 2007, the Project participants will continue to work with Big Bend 2-1-1 and other Florida 2-1-1 service providers to make information available to eligible citizens seeking help through those organizations.

Braille and Talking Book Library: The Bureau of Braille and Talking Book Library Services is under the Department of Education, Division of Blind Services. Since 1950, the Bureau has

been designated by the Library of Congress/National Library Service for the Blind and Physically Handicapped as the regional library for Florida, and loans Braille and recorded books and magazines to all eligible residents of the state. In addition, the Bureau has established 11 sub-regional libraries to provide local talking book services to residents of metropolitan areas. Reading materials are sent to and from customers via postage-free mail, and all services are provided at no charge. During 2004, the Bureau agreed to translate the Commission's Lifeline brochure into Braille and produce copies for the FPSC to distribute. The Braille brochures became available for use in July 2004. During 2006, the FPSC continued to work with the Braille and Talking Book Library to make Lifeline information available to sight impaired individuals who may be eligible for Lifeline.

Bureau of Indian Affairs Programs: Individuals who are receiving benefits through a qualified Bureau of Indian Affairs program are eligible for expanded Link-Up and Lifeline benefits. Florida's tribes fall under the Bureau of Indian Affairs Regional Office located in Nashville, Tennessee. Florida's two federally recognized tribes are the Miccosukee and Seminole Tribes. There is one Head Start Program serving children of the Miccosukee Tribe, and one school lunch program in Clewiston for children of the Seminole Tribe. The agencies that are located near federally recognized lands are being made aware of the expanded benefits so they may inform clients living in those areas. The Project participants have worked with the Florida Association of Community Action to provide Link-Up and Lifeline educational materials to its two Tribal Lands agencies representing the Seminole and Miccosukee Tribes. The Commission will continue to work with these and other agencies to ensure that eligible individuals living on tribal lands are informed of the availability of Link-Up and Lifeline.

Capital Area Community Action Agency, Inc. (CACAA): CACAA is a private non-profit organization created to help low-income families gain financial independence and self sufficiency in the Big Bend area. During 2004, the CACAA agreed to assist in the outreach effort to provide Lifeline educational materials to its clients. In addition, the CACAA assisted the Project participants in contacting other Community Action Agencies throughout the state. In 2005, this promotional effort was expanded to include all local Community Action Agencies that are members of the Florida Association of Community Action. During 2006, the Project participants continued to work with the CACAA and other Community Action Agencies to provide Lifeline educational materials and applications to eligible clients served by these agencies.

City and County Consumer Assistance Departments: A number of cities and/or counties have Consumer Assistance Departments that provide information and assistance to local citizens. These Departments have contact with individuals who are eligible for Lifeline based upon their income level or participation in eligible programs. City and county Consumer Assistance Departments throughout Florida have agreed to assist in the Lifeline outreach effort by making educational materials available to local citizens seeking assistance through their offices. Cities represented include Jacksonville, Miami, Orlando, Tallahassee, Tampa, and West Palm Beach. Counties that have agreed to assist in the outreach effort include Broward, Duval, Hillsborough, Leon, Miami-Dade, Orange, Pinellas, and Palm Beach. During 2006, the Project participants continued to work with these and other local governments to make Lifeline educational materials and applications available to local citizens.

Faith Radio Station and Other Florida Radio Stations: In keeping with the grass roots theme for outreach, the Project participants initiated a pilot project with a local radio station. Faith Radio Station in Tallahassee agreed to play a Lifeline Public Service Announcement (PSA) free of charge. During 2006, the Commission produced new Lifeline PSAs for radio broadcast, featuring Commissioners Isilio Arriaga and Matthew M. Carter II. The Lifeline PSAs were produced in English and Spanish to reach a larger population of eligible citizens. The 30-second and 60-second PSAs were distributed to Faith Radio Station and 83 other radio stations across the state with either English-speaking or Spanish-speaking target audiences. The Commission has begun working to update the radio PSAs to help inform consumers that they may now apply for Lifeline electronically through the Commission's Web site. During 2007, the FPSC will continue to work with Faith Radio Station and other radio stations across the state to request their continued support of this important community outreach effort.

Federal Social Security Administration (SSA) - Tallahassee District: The SSI Program is administered by the SSA. The SSA District Offices determine client eligibility and distribute program benefits at the local level. The SSA - Tallahassee District Office has assisted in expanding Lifeline outreach to all of the SSA Offices in Florida. Information packets were previously sent to all 57 SSA District Offices, and the Offices subsequently ordered additional Lifeline educational materials from the FPSC. During 2006, the SSA - Tallahassee District Office requested that the Baltimore Office consider implementation of a Florida Lifeline link. The SSA in Florida does not have a separate Web page; therefore, any addition to the national SSA Web site must be approved by the SSA's Baltimore Office. During 2007, the SSA and FPSC will continue to work together to ensure that the SSA District Offices receive the necessary educational materials to provide to SSI recipients.

Florida Alliance for Information and Referral Services (FLAIRS): FLAIRS is a statewide association of agencies and individuals committed to the provision of quality information, referral, and hotline services. FLAIRS members include Florida 2-1-1 Agencies, United Ways, crisis hotlines, libraries, military service centers, elder helplines, child care resource and referral providers, and others who provide hotline and information services. The Alliance offers an annual training conference for members and other interested service providers. During 2005 and 2006, FLAIRS assisted in the Lifeline promotional effort by allowing the Commission to participate as a presenter at its Annual Conference. In addition, FLAIRS representatives were actively involved in distributing Lifeline educational materials to the conference attendees and encouraging them to share the materials with others in their organizations who were not able to attend the conference. During 2007, the Project participants will continue to work with the FLAIRS representatives and members to increase awareness of the Link-Up and Lifeline programs.

Florida Association of Community Action (FACA): Since 1981, the FACA has served as a network of Florida Community Action Agencies, Head Start programs, Weatherization programs, and other sanctioned programs to raise the health, education, and economic standards of Florida's economically disadvantaged citizens. FACA serves its members through such avenues as educational programs, information exchange, advocacy and support services, and collaboration and shared resources. Since 1988, the FACA has developed and managed Florida's statewide, toll-free Hunger Hotline. The Hunger Hotline provides referrals to

approximately 2000 agencies across the State of Florida which offer various assistance programs to Floridians. In 2005, the FACA assisted in the Lifeline promotional effort by allowing the Commission to participate as a Link-Up and Lifeline exhibitor at FACA's 25th Annual Training Conference. Also, FACA helped facilitate the distribution of Link-Up and Lifeline educational materials and applications to all 56 of its member local community action agencies, including two Tribal Lands agencies representing the Seminole and Miccosukee Tribes. During 2006, the FACA assisted further by allowing the Commission to participate as a presenter and exhibitor at its 26th Annual Training Conference. The Project participants will continue to work with FACA to increase awareness of and participation in the Link-Up and Lifeline programs among the individuals served by FACA's member agencies.

Florida Association of Community Health Centers: The Florida Association of Community Health Centers represents community health centers which assist individuals who may be eligible for Lifeline. The Association previously agreed to assist the Project participants in the outreach effort by making Lifeline educational materials available to individuals who visit the community health centers. Lifeline informational packets were previously distributed to each of the 26 community health centers that were members at that time. Membership has since increased to include 37 federally qualified health centers. During 2006, the FPSC continued to work with these health centers to help inform eligible individuals about the availability of the Link-Up and Lifeline programs.

Florida Association of Food Banks (FAFB): The Florida Association of Food Banks represents 16 member food banks that serve all 67 counties in the State of Florida. The FAFB is affiliated with America's Second Harvest which has a nationally recognized food distribution system and has 200 member food banks throughout the country. During 2006, the FAFB worked with the Project participants to help provide Lifeline educational materials to eligible individuals who receive assistance through the member food banks. The Project participants will continue to work with the FAFB to make Link-Up and Lifeline information available to FAFB clients.

Florida Council on Aging (FCOA): The Florida Council on Aging was founded in 1955 and is Florida's only statewide association representing all aging interests and many different disciplines. The FCOA is committed to serving Florida's diverse aging interests through education, information-sharing, and advocacy. During 2006, the FCOA assisted in the Lifeline promotional effort by allowing the Commission to participate as an exhibitor at its 2006 Florida Conference on Aging. During 2007, the Project participants will continue to work with the FCOA representatives and members to increase awareness of the Link-Up and Lifeline programs.

Florida Department of Children and Families (DCF): As stated previously, the DCF determines eligibility and provides benefits to recipients of Food Stamps or TANF. The DCF also determines eligibility for Medicaid; however, benefits are distributed by approved Medicaid providers. The DCF began its Lifeline outreach efforts with a mass mailing in 1998. The DCF has since implemented procedures to promote Lifeline on a regular basis. Specifically, the Florida Legislature appropriated \$500,000 for fiscal year 2001-2002 to be transferred from the Commission's Regulatory Trust Fund to the DCF to fund a Lifeline Project. On January 15, 2003, the Legislative Budget Commission approved the DCF Lifeline Project expenditure plan, which was designed to use \$130,050 of the original appropriation. During 2002 and 2003, the

DCF, the Commission, Florida Telecommunications Industry Association, and LECs worked together to implement the DCF Lifeline Project.

The DCF modified its eligibility determination procedures so that information about the Link-Up and Lifeline programs is provided during client interviews. Brochures and posters are provided by the Commission to individual DCF field offices for distribution to program beneficiaries. The DCF provides an eligibility notice to all clients who are determined to be eligible for Medicaid, Food Stamps, or TANF. Effective April 21, 2003, the eligibility notice also informs clients that they may be eligible for Lifeline assistance. Prior to that date, the required proof of eligibility varied among telecommunications companies. Under the DCF Lifeline Project, the LECs agreed to accept the DCF's eligibility notice as proof of eligibility for Lifeline. The new notification procedure and streamlined eligibility verification were expected to provide increased awareness and enrollment in these programs. Following implementation of the new procedures, several telecommunications companies confirmed that they were receiving requests for Lifeline assistance from customers who had received the new DCF eligibility notice, and that the notices were helpful in streamlining the enrollment process.

Effective June 19, 2006, the DCF added a Lifeline link to its Economic Services/ACCESS Florida Web page that is used by individuals seeking information about Food Stamps, Medicaid, and TANF. During 2007, the DCF and Commission will continue to work together to ensure that the DCF District Offices and ACCESS Community Network sites receive adequate supplies of educational materials and Lifeline applications for distribution to clients.

Florida Department of Community Affairs (DCA): The DCA's Division of Housing and Community Development administers the Low-Income Home Energy Assistance Program (LIHEAP), but does not determine client eligibility or provide benefits. The DCA provides LIHEAP grants to local governments and non-profit agencies to assist eligible low-income households in meeting the costs of home heating and cooling. Prior to implementation of the Project, Lifeline educational packets were sent by the Commission to the 34 agencies in Florida that administered the LIHEAP at the local level. The DCA has continued to work with those agencies to incorporate the regular distribution of Lifeline educational materials into their client interview process. In addition, during 2005, the DCA modified its procedures in the Community Services Block Grant program to add an indicator to its work plan that allows the Community Action Agencies to report on the number of clients they help to secure Lifeline services. During the first year reporting period of October 1, 2004 through September 30, 2005, the Community Services Block Grant program reported that 3,475 households were signed up for Lifeline benefits as a result of assistance received from the Community Action Agencies.

During 2006, the DCA and Commission worked together to provide updated Lifeline informational packets to the 32 agencies and organizations in the state that currently qualify customers for LIHEAP. The packets highlighted the addition of the NSL eligibility criterion and expansion of self-certification to all ETCs. The DCA is encouraging the agencies and organizations to continue helping clients apply for the Link-Up and Lifeline programs. Also, during 2006, the DCA and Commission began working together to provide Lifeline information through the DCA's Front Porch Florida program. The DCA further assisted in the Lifeline promotional effort by allowing the FPSC to participate in a Front Porch Florida Training

Meeting. A joint brochure has been developed to help increase awareness of the Link-Up and Lifeline programs in communities served by Front Porch Florida. The DCA and FPSC will continue to work together to explore new approaches for providing educational materials to DCA's clients and ensure that the local agencies have adequate supplies of educational materials and Lifeline applications to distribute.

Florida Department of Education (DOE): During 2004, the DOE provided assistance with the Lifeline promotional effort through its Division of Blind Services. The DOE's Division of Blind Services provides assistance to sight impaired individuals who may be eligible for Lifeline. The Division agreed to assist in the outreach effort by providing Lifeline educational materials to its clients. As discussed previously, the Division alerted the Project participants to the need for Lifeline educational materials in different formats that are accessible to sight impaired citizens. As a result, the Commission's Lifeline brochure was translated to Braille by the Braille and Talking Book Library. The Division also advised the Project participants regarding the best methods for providing educational materials in a computer format that can be read using accessibility software. During 2005 and 2006, the DOE provided further assistance with the Back-to-School Lifeline Project. The Project participants will continue to work with the DOE to increase awareness and participation in the Link-Up and Lifeline programs.

Florida Department of Elder Affairs (DEA): The DEA does not administer or provide benefits through any of the eligible programs but does have contact with eligible individuals. The DEA has been assisting with Lifeline outreach efforts since 1998. The DEA currently has procedures in place for providing Lifeline information to eligible citizens with whom the agency has contact. The DEA regularly includes information about the Link-Up and Lifeline programs in its Elder Update publication. The DEA also provides educational information through its Elder Helpline, and at health fairs and expositions. It was determined that it would be appropriate for the DEA to continue to provide Lifeline information through these means. During 2006, the DEA also assisted in the Lifeline promotional effort by allowing the FPSC to share a booth as a co-exhibitor at the 2006 Florida Conference on Aging. The DEA is currently considering whether a Lifeline link may be implemented on DEA's Web site. During 2007, the DEA and FPSC will continue to work together to explore new approaches for providing educational materials to DEA clients and ensure that DEA has adequate supplies of educational materials to distribute.

Florida Department of Revenue (DOR): The DOR does not administer or provide benefits through any of the eligible programs but does have contact with eligible individuals. During 2006, the DOR provided assistance with the Lifeline promotional effort through its Child Support Enforcement program. The Commission has provided Lifeline educational materials and applications to the DOR for distribution to eligible clients. Also, the DOR is currently considering whether a Lifeline link may be implemented on DOR's Web site. During 2007, the DOR and FPSC will continue to work together to increase awareness and participation in the Link-Up and Lifeline programs among DOR clients.

Florida Impact: Since 1979, Florida Impact has been dedicated to reducing hunger and poverty in Florida. The organization works to increase access to food programs by conducting aggressive outreach strategies and public policy advocacy. Florida Impact works with Food

Service Directors for many of Florida's School Districts to provide information about Food Stamp and NSL to eligible families. In 2005, Florida Impact assisted with the Back-to-School Lifeline Project by facilitating contact with its network of Food Service Directors. During 2006, Florida Impact continued to assist in the Lifeline promotional effort by making Lifeline educational materials available to its clients.

Florida Office of Public Counsel (OPC): As discussed previously, the 2003 Act expanded the Lifeline eligibility criteria to include BellSouth, Embarq, and Verizon customers who meet an income eligibility test at 125 percent of the Federal Poverty Guidelines (FPG). In 2005, the Florida Legislature increased the standard to 135 percent. Section 364.10(3)(a), Florida Statutes, states in part that, "The Office of Public Counsel shall certify and maintain claims submitted by a customer for eligibility under the income test authorized by this subsection." Accordingly, the OPC has implemented procedures to process customer applications.

The OPC's procedures include telephone consultations to determine initial eligibility, distribution of applications to customers, review of submitted applications, written notification of the eligibility determination, and provision of customer eligibility information to the appropriate LECs. Customers who are currently receiving telephone service from BellSouth, Embarq, or Verizon are then enrolled in Lifeline by their telephone company based upon information provided by the OPC. Customers who do not currently have a telephone must contact their telephone company directly to request the installation of telephone service. In those cases, the OPC requests that the customer contact the OPC upon receiving his or her new telephone number so that the Link-Up and Lifeline credits may be activated.

The OPC also helped establish the Connect Florida Campaign and has been actively involved in the Connect Florida Campaign events. The OPC staff members are regularly on hand to assist customers with the application process during the events. The events have been beneficial in increasing awareness and participation in the Lifeline program. Additionally, information gathered by the OPC seems to support the concept that the promotion of Link-Up and Lifeline is directly related to the programs' participation rates. In July 2005, a televised promotional event held in Miami generated 12,260 telephone calls. The calls for that month alone totaled more than the calls for the preceding six months, January through June. Similarly, in September 2005, a press conference in Tallahassee generated an extra 1,000 calls. The OPC reports that it regularly receives letters and calls of thanks from Lifeline participants who appreciate being able to speak to someone in person and receive assistance with signing up for the program. The media advertisement used in conjunction with personal one-on-one assistance in the enrollment process has proven to be beneficial in increasing awareness of and participation in these programs. Statistics regarding the OPC's eligibility program are shown below.

During 2006, the OPC again assisted with the Back-to-School Lifeline Project and participated in the development of plans for a future Lifeline Awareness Week. Effective October 13, 2006, the OPC modified its Lifeline Web page to include a link to the Commission's Lifeline Web page for consumers who wish to apply for Lifeline based upon participation in an eligible program rather than based upon income. Also, on October 11, 2006, the OPC and AARP jointly petitioned the Commission to order local exchange telecommunications companies

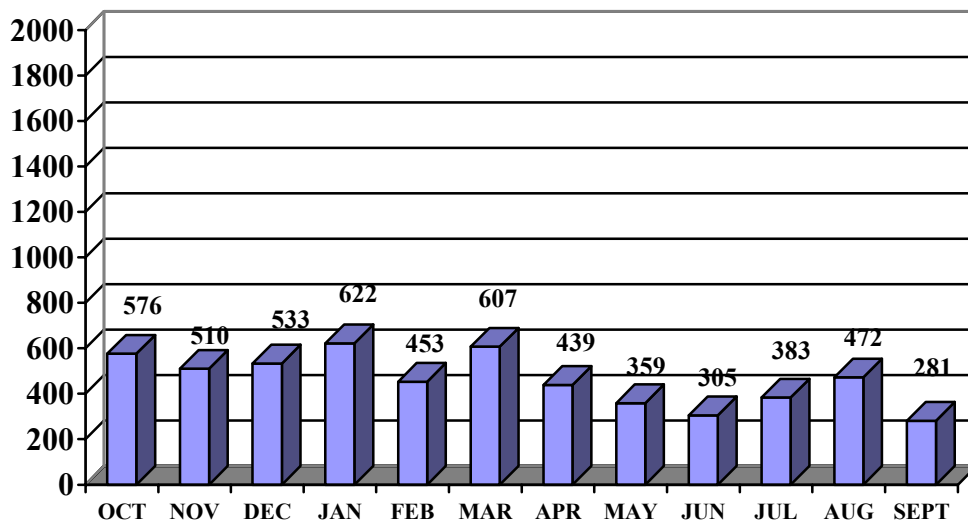
in Florida to implement practices and procedures with the DCF to automatically enroll eligible customers in the Lifeline telephone program. This petition is currently under review.

Last year from October 2004 through September 2005, the OPC received 45,378 telephone calls about Lifeline, received 12,486 Lifeline applications, and approved 10,957 applications for customers of BellSouth, Embarq, and Verizon. The remaining applications were either denied, pending, or from non BellSouth, Embarq, or Verizon customers.

Figure 2 presents data on the number of income-based Lifeline applications received each month from October 2005 through September 2006. Figure 3 presents data on the number of applications approved, denied, and pending. Figure 3 also includes the number of non BellSouth, Embarq, or Verizon customers. During this time period, the OPC received 35,474 telephone calls about Lifeline, received 5,540 Lifeline applications, and approved 4,575 applications for customers of BellSouth, Embarq, and Verizon. The remaining applications were either denied, pending, or from non BellSouth, Embarq, or Verizon customers.

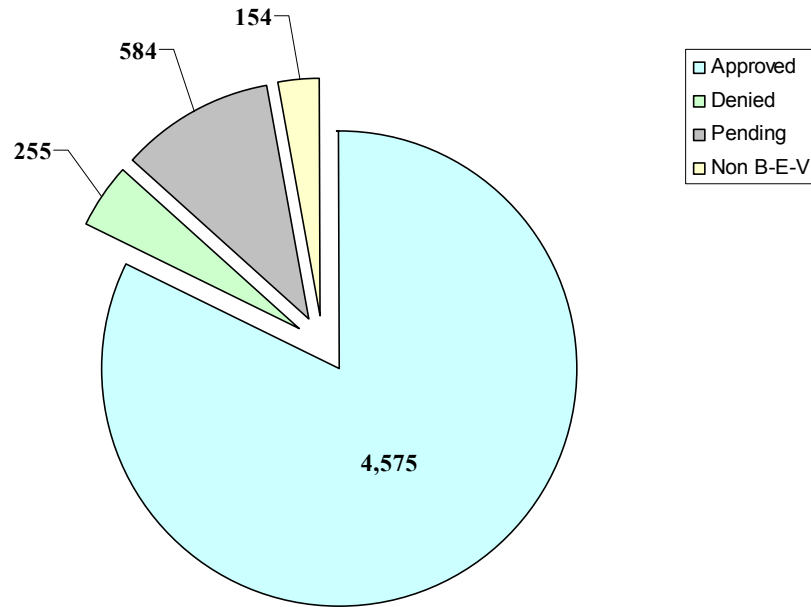
Income-Based Link-Up/Lifeline Applications Received
October 2005 - September 2006

Figure 2



Income-Based Link-Up/Lifeline Participation
October 2005 - September 2006

Figure 3



Florida Public Libraries: Florida’s Public Libraries are visited by thousands of citizens each year, some of whom may be eligible for assistance through the Link-Up and Lifeline programs. Many libraries have been helping to make Lifeline information available to library patrons for a number of years. However, in 2004, the Commission’s Library Outreach Program was expanded to include every public library in Florida. This was the first time the FPSC had undertaken such a comprehensive library outreach effort and provided materials to all Florida public libraries at one time. The outreach effort was repeated in 2005 and 2006. Many of the libraries regularly request additional supplies. During 2007, the Project participants will continue to work with Florida’s public libraries to ensure that Lifeline information remains available to the public.

Florida Public School Districts: In 2006, 25 Florida Public School Districts participated in the Back-to-School Lifeline Project in 2006. The Districts assisted in providing English/Spanish Lifeline educational brochures including Lifeline applications to 1.8 million Florida students, and Haitian Creole Lifeline brochures with applications to another 400,000 students in Miami-Dade County. During 2007, the Project participants will continue to work with the School Districts to provide Lifeline information to eligible families.

Florida Public Service Commission (FPSC): The Commission’s Lifeline consumer outreach program began in 1995, following establishment of the Link-Up and Lifeline programs by the Florida Legislature. The focus of the outreach program continues to be distributing educational materials to those agencies, organizations, and individuals most likely to come into contact with

citizens who qualify for the benefits. To accomplish this, the Commission publishes a variety of educational materials, including brochures, posters, and applications in English, Spanish, and Haitian Creole. Through partnerships with other agencies, the Commission became aware of a growing need to provide Lifeline information in the Haitian Creole language and in Braille. Consequently, the Commission's Lifeline brochures and posters were translated into Haitian Creole and became available for distribution in January 2004. The Braille brochures became available for use in July 2004. Subsequently, the Haitian Creole applications became available in August 2006. The Commission also produces Lifeline information on computer disks in a format that is compatible with accessibility software programs and is exploring other formats to make information even more widely available. During 2006, the Commission modified its Power Point Training CD to include an audio voice-over so that individuals who are unable to attend training presentations in person may still learn about the programs in an easy-to-use format. In addition to providing training presentations at various professional conferences, the FPSC also provided four in-house training sessions for FPSC staff members.

The Commission has formed partnerships with a number of organizations that have worked with Commission staff to provide Lifeline information to the public. In addition to the original Project participants, the Commission has partnered with county libraries, city and county consumer affairs offices, churches, senior centers, and other organizations to increase awareness about Lifeline. The Commission also regularly provides Lifeline information at utility hearings, on the Commission's Web site, and through a Lifeline e-mail that is periodically sent to the Commission's Lifeline partners and other interested persons. The Lifeline e-mail includes a form that can be used by recipients to order supplies of Lifeline educational materials by e-mail, postal mail, or telephone. Several recipients typically request supplies after receiving a Lifeline e-mail. In addition, the OPC provides the Commission with supplies of its income-based applications throughout the year. The Commission assists in the distribution of the income-based applications to other Project participants for eligible clients and at Lifeline events.

Florida Telecommunications Relay, Inc. (FTRI): FTRI provides specialized telecommunications equipment to qualified residents of Florida who are deaf, hard of hearing, deaf/blind, or speech impaired. FTRI has contact with individuals who may be eligible for Lifeline. During 2004 and 2005, FTRI assisted in the outreach effort by providing the Commission's Lifeline educational materials to its clients. During 2006, FTRI further assisted in the Lifeline promotional efforts by allowing the FPSC to provide Lifeline training presentations to the FTRI professionals based in Tallahassee and at FTRI's Annual Conference. During 2007, the Project participants will continue to work with the FTRI to improve accessibility to Lifeline information for its clients.

Florida Voters League: The Florida Voters League is a nonpartisan political organization that encourages and informs active participation of citizens in government, and works to increase understanding of major public policy issues through education and advocacy. One of the Florida Voters League's primary functions is to increase voter participation. The Florida Voters League has contact with individuals who may be eligible for Link-Up and Lifeline, as well as many citizens who can help share the information with others who may be eligible. During 2006, the Florida Voters League assisted with the Lifeline promotional effort by allowing the FPSC to provide two Lifeline presentations at its 48th Annual Convention. During 2007, the Project

participants will continue to work with the Florida Voters League to increase awareness and participation in the Link-Up and Lifeline programs.

Habitat for Humanity – Florida (Habitat): Habitat for Humanity International was founded in 1976. Habitat helps to break the cycle of poverty by working in partnership with low-income families to build affordable homes. Habitat for Humanity's work is accomplished at the community level by affiliates representing independent, locally run, nonprofit organizations. Each affiliate coordinates all aspects of Habitat home building in its local area: fund raising, building site selection, partner family selection and support, house construction, and mortgage servicing. Many of the Habitat families are eligible for Link-Up and Lifeline based upon the income eligibility criteria. During 2006, the FPSC began working with the Florida Habitat for Humanity's 71 local affiliates to provide Link-Up and Lifeline educational materials and applications to the Habitat families, so they may obtain affordable telephone service in their new Habitat homes. During 2007, the Project participants will continue to work with the Florida Habitat for Humanity to increase awareness and participation in the programs among Habitat clients.

KMR Consultants, LLC (KMR): KMR is a Tallahassee-based firm that specializes in developing and integrating private sector business practices into federal, state, and local governmental agencies. KMR has worked under contract with BellSouth and Embarq to promote the Link-Up and Lifeline programs. During 2005, KMR served as the lead coordinator for the Back-to-School Lifeline Project, helping to contact and enlist the support of Florida's education officials in all 67 Public School Districts and four Special Districts. During 2006, KMR assisted with various media events and distribution of educational materials within Embarq's service territory.

Leon County School Board: During 2004, the Leon County School Board agreed to work with the Project participants to explore ways to provide Lifeline information through the school system. As discussed previously, at the beginning of each school year, local schools provide informational packets for the students to take home to their parents. As a pilot project in 2004, the School Board agreed to include Lifeline information in the packets to help inform possible eligible families about the availability of the Link-Up and Lifeline programs. During 2005 and 2006, the School Board participated in the Back-to-School Lifeline Projects and assisted with local promotional media events. The Project participants will continue to work with the School Board on future promotional efforts.

Linking Solutions, Inc.: Linking Solutions is a private business under contract with BellSouth and Embarq to promote the Link-Up and Lifeline programs. Linking Solutions assisted in the initial development and continues to take a lead role in the Connect Florida Campaign. The Campaign focuses on establishing sustained partnerships with local non-profit community based organizations. Link-Up and Lifeline community events are held to present information about the programs, and to encourage individuals and non-profit organizations to participate in the Campaign on a year-round basis. Attendance at these events ranges from 50 people at the smaller events up to several hundred at the larger events. Attendees are given the opportunity to ask questions and complete a Lifeline application during the event. These events have been a successful tool in promoting increased participation in the Lifeline program.

In addition, Linking Solutions has been actively involved in increasing awareness of Lifeline through smaller grass roots meetings at the local level with entities such as senior centers and churches. Non-profit organizations, churches, and community groups that naturally serve eligible consumers are encouraged to join the Campaign as Alliance Partners. Alliance Partners participate in a training session, share the information with their members, and through their outreach programs assist consumers with the application process. As part of the 2006 Campaign, Linking Solutions conducted training for the Workforce Florida One Stop Center staffs to help identify clients who might be eligible for the Link-Up and Lifeline programs. Participants in the training were encouraged to share program applications and help their eligible clients sign up for the programs. Linking Solutions met with One Stop Centers from Key West to Pensacola in 20 of the 24 Workforce Florida Regions and conducted more than 75 training sessions. The Project participants will continue to work with Linking Solutions on additional Connect Florida Campaign events in 2007.

National Federation of the Blind (NFB), Big Bend Chapter: The NFB is the nation's largest membership organization of blind persons. With fifty thousand members, the NFB has affiliates in all fifty states, plus Washington D.C. and Puerto Rico, and over seven hundred local chapters. As a consumer and advocacy organization, the NFB is considered the leading force in the blindness field today. Among its many services, the NFB provides information and referral services to its members. Previously, the Project participants partnered with the local NFB chapter for the Big Bend area to provide Lifeline information to its members. The Project participants will continue to work to expand this effort to include other NFB chapters in Florida.

Tallahassee Memorial Hospital (TMH) and other Florida Hospitals: Health care professionals throughout the state come in contact with eligible individuals on a daily basis, primarily in hospital emergency rooms. TMH staff suggested that it would be helpful to include hospital social workers and emergency room waiting rooms in the outreach effort. During 2004, as a pilot project, Lifeline educational materials were provided to TMH to be made available to patients and their family members who visit the emergency room. During 2005, this promotional effort was expanded to include all 279 hospitals registered with the Florida Department of Health. During 2006, the Project participants continued to work with Florida's hospitals to provide Lifeline educational materials to eligible patients and family members.

Tallahassee Urban League: The Urban League provides assistance to many people within the community, some of whom may be eligible for Lifeline. Previously, the Tallahassee Urban League joined in the outreach effort to provide Lifeline educational materials to eligible citizens in the Tallahassee area and to explore new ways to provide educational materials to eligible individuals. During 2006, the Project participants continued to work with various Urban Leagues across the state to provide educational materials and applications to eligible clients. The Project participants will continue to work with the Urban Leagues throughout the state to increase awareness and participation in the Link-Up and Lifeline programs.

Telecommunications Companies: The LECs have worked in conjunction with the state agencies on outreach efforts such as the DCF Lifeline Project to include Lifeline information in the DCF eligibility notices, the OPC's implementation of the income eligibility criteria procedures, and the Lifeline Project resulting from the 2003 Act. Additionally, each LEC that

offers Lifeline provides Lifeline information to the customers on an annual basis through mass mailings or bill inserts. Some companies voluntarily provide Lifeline information more than once a year or advertise the availability of Lifeline in local newspapers. During 2006, all ten LECs providing Lifeline in Florida participated in the Back-to-School Project and development of plans for a Lifeline Awareness Week. Additionally, all Florida ETCs worked with the FPSC to implement the electronic Lifeline application system.

The LECs have also initiated outreach activities at the local level within their service territories, often working jointly with the local public assistance organizations. During 2006, BellSouth coordinated the printing and distribution of the Back-to-School Lifeline brochures to the 25 designated counties. BellSouth continued to work with Linking Solutions to coordinate several Lifeline events including the Gadsden County Community Come Together Day and Connect Florida Campaign events in Pensacola and South Florida. In addition, BellSouth worked with Linking Solutions to provide Lifeline brochures and applications to the Workforce Florida One Stop Centers.

Embarq participated in the Gadsden County Community Come Together Day and conducted a Lifeline event in Walton County during 2006. Embarq also sponsored an event at the Laura Lee Boys and Girls Club in Tallahassee where Lifeline information was made available. In addition, packets of Lifeline applications were sent to Boys and Girls Clubs directors within Embarq's service territory and to several churches in the Big Bend region.

During 2006, Verizon provided Lifeline presentations and enrolled eligible applicants at eight community events or agencies in its service areas as follows: the Black Heritage Month Festival, Newtown Redevelopment Community Festival, Front Porch Council meeting, the Urban League, Work Net Pinellas, East Hillsborough Network, Florida Council on Aging, and Redlands Christian Migrant Association's Infant Care Center. Verizon has worked with the chairperson of the Seminole Tribe of Florida to provide information about the Native American Lifeline program. In addition, Verizon has provided Lifeline flyers and posters to various social service agencies within its service territory. Examples include the 211 Informational and Referral Call Centers, United Way, Metropolitan Ministries, health departments, housing authorities, local libraries, and the Urban League.

Also during 2006, TDS participated in the Gadsden County Community Come Together Day and provided radio Public Service Announcements periodically throughout the year. Windstream sponsored a community event with the Live Oak Chamber of Commerce where Lifeline information was made available. Frontier partnered with the Florida Department of Human Resources, the Escambia County Department of Health's Molino Clinic, and local Social Security Administration Offices to provide Lifeline posters, brochures, and applications to eligible clients. GTCOM has partnered with Senior Citizen organizations within its service area to provide Lifeline information to eligible clients, and plans to seek additional partnerships with local ministerial associations and civic organizations. ITS, Northeast, and Smart City assisted with the Back-to-School Lifeline Project for schools within their service areas and development of plans for possible future Lifeline Awareness Week events. This type of grass roots work at the local level is a vital component in the effort to increase Lifeline awareness.

United Way of Florida: The United Way works with local organizations to improve the community. Many of those organizations have regular contact with individuals who may be eligible for the Link-Up and Lifeline programs. During 2004, the United Way of the Big Bend agreed to assist in providing Lifeline educational materials to eligible citizens through its member organizations in the Big Bend area, as well as assist in distributing Lifeline educational packets to all of the United Way Regional Offices in Florida. During 2006, the FPSC provided Lifeline educational packets to all United Way Directors in the state to update them on program changes. During 2007, the Project participants will continue to work with the United Way to increase Lifeline awareness and participation among individuals who are assisted through the United Way member organizations.

U.S. Department of Housing and Urban Development (HUD): The Federal Public Housing Assistance (Section 8) Program is under the U.S. Department of Housing and Urban Development but is administered at the state level through local public housing agencies. Prior to the Project, Lifeline educational kits were sent to all 128 agencies administering Section 8 Housing in Florida. Some agencies have repeatedly placed new orders for additional educational materials. During 2005 and 2006, the Connect Florida Campaign events included Section 8 Housing locations. During 2007, the Project participants will continue to work with the local public housing agencies to ensure that they receive adequate supplies of educational materials to provide to eligible citizens in their program.