

Legislative Analysis



TELECOMMUNICATIONS LIFELINE PROGRAM

Phone: (517) 373-8080
<http://www.house.mi.gov/hfa>

House Bill 5263 as introduced
Sponsor: Rep. Aaron Miller
Committee: Communications and Technology
Complete to 12-4-19

Analysis available at
<http://www.legislature.mi.gov>

SUMMARY:

House Bill 5263 would amend the Michigan Telecommunications Act to remove the existing criteria whereby low-income customers can receive a reduced rate for telephone services and in their place adopt the criteria necessary to qualify for the federal Lifeline program, beginning January 1, 2020.

Additionally, beginning January 1, 2020, if a person did not meet the criteria for the federal Lifeline program and was otherwise ineligible to continue to receive the reduced rate, the person could continue to do so if all of the following applied:

- The person received the reduced rate prior to January 1, 2020.
- The person continued to meet the current criteria (namely, participation in a federal assistance program such as food stamps or Medicaid).
- The person complied with the provider's annual recertification requirement, if any.

Currently, the Michigan Public Service Commission (MPSC) must establish a rate for each subscriber line of a provider so that the provider can recover costs of the reduced rate initiative. Instead, the bill would require the MPSC to do so only upon request of a provider.

Beginning November 30, 2022, a provider of *basic local exchange service* could opt out of offering a reduced rate for low-income customers as long as it provided 90 days' written notice to the MPSC and all people receiving the reduced rate.

Basic local exchange service means the provision of an access line and usage within a local calling area for the transmission of high-quality two-way interactive switched voice or data communication.

MCL 484.2316

FISCAL IMPACT:

House Bill 5263 would not have an appreciable fiscal impact on any unit of state or local government.

Legislative Analyst: Jenny McInerney
Fiscal Analyst: Marcus Coffin

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