

Date of Hearing: April 9, 2025

ASSEMBLY COMMITTEE ON COMMUNICATIONS AND CONVEYANCE

Tasha Boerner, Chair

AB 1303 (Valencia) – As Amended April 1, 2025

SUBJECT: Communications: lifeline telephone service program

SUMMARY: This bill would prohibit the California Public Utilities Commission (CPUC) and associated specified entities from sharing information provided by an applicant or subscriber of the California Lifeline (Lifeline) program to other government entities without a court-ordered subpoena or judicial warrant. Additionally, this bill would prohibit the CPUC from requiring applicants and subscribers to provide a social security number to participate in the Lifeline program.

Specifically, **this bill:**

- 1) Prohibits the CPUC, the CPUC staff, the lifeline program's third-party administrator, lifeline service providers and associated entities from disclosing or otherwise making accessible any information provided by an applicant or subscriber to the lifeline program to any agency of a local government, a state government, or the federal government, or to any immigration authority, as defined in Section 7284.4 of the Government Code, without a court-ordered subpoena or judicial warrant from a judge of a court of the state.
- 2) Provides that this section does not prohibit the furnishing of applications, records, and data to other public agencies to the extent required for verifying an applicant's or subscriber's eligibility for lifeline.
- 3) Provides that the CPUC, the lifeline program's third-party administrator, lifeline service providers, and associated entities may request, but shall not require, a social security number to apply to or participate in the lifeline program.
- 4) Specifies that to the extent federal law may apply to this article, the Legislature finds and declares that this article is a state law that may provide assistance and services for people without social security numbers consistent with federal law.

EXISTING LAW:

- 1) Establishes the Moore Universal Telephone Service Act, or the California lifeline program. (Public Utilities Code § 871 et. seq.)
- 2) Authorizes the CPUC to annually designate a class of lifeline service necessary to meet minimum communications needs, and to develop eligibility criteria for that service. (Public Utilities Code § 873).
- 3) Requires the CPUC to establish a modified recertification process that minimizes barriers to lifeline subscriber recertification and reduces burden and cost of recertification of the lifeline program, including through utilizing the lifeline program's third-party administrator, as specified. (Public Utilities Code § 878.6)

- 4) Authorizes that a State may provide an alien who is not lawfully present in the United States is eligible for any State or local public benefit for which such alien would otherwise be ineligible under subsection federal law only through the enactment of a State law (8 U.S. Code § 1621)

FISCAL EFFECT: Unknown.

COMMENTS:

- 1) *Intent of this bill.* The intent of this bill, according to the author, is to address two issues with the Lifeline program. First, this bill is intended to address barriers for participation in the Lifeline program by otherwise eligible undocumented Californians, or others without a social security number (SSN). This change could help drive enrollment in the program, which has dwindled over the years. Secondly, in order to protect the integrity and privacy of applicants, this bill would prohibit the CPUC and associated entities from sharing applicant and subscriber information without legal authorization. According to the author: "AB 1303 will help increase participation for eligible undocumented Californians, and ensures they can access essential communication services without fear of unnecessary government overreach. This bill reinforces our commitment to protecting the privacy of residents who rely on the Lifeline Program."
- 2) *California Lifeline Program Overview.* The Lifeline program provides affordable wireline and wireless phone service to approximately 1.4 million low-income customers. In September 1983, the California Legislature enacted the Moore Universal Telephone Service Act (Moore Act) to ensure availability of affordable "basic local telephone service" to all qualifying low-income households. The CPUC administers the program in accordance with the Moore Act and the Federal Communications Commission's (FCC) Federal Lifeline program regulations.

Applicants may qualify for Lifeline in two ways: (1) through enrollment in an eligible public-assistance program (program-based eligibility), or (2) meeting an income threshold (income-based eligibility). Under program-based eligibility, households may qualify for the California Lifeline discounts if they provide supporting documentation that at least one household member is enrolled in one or more eligible public-assistance programs such as Medicaid/Medi-Cal, Supplemental Security Income, CalFresh, etc. Under income-based eligibility, a household may qualify for California Lifeline if the household's total annual gross income is at or less than approximately 150% of the Federal Poverty Level. In 2005, the CPUC transferred the enrollment and eligibility verification functions from the participating telephone corporations to a Third-Party Administrator (TPA). Under the CPUC's oversight and supervision, the TPA handles the application, enrollment, and renewal processes, and determines if an applicant is eligible to enroll in California Lifeline. Through the TPA, California typically administers over 7.1 million annual eligibility determinations for both the federal and state subsidies.

In total, an eligible applicant or subscriber of the Lifeline program can receive up to \$28.25 per month in subsidies applied to their telecommunications service. A portion of that funding (up to \$19 dollars) comes from the California Lifeline program, and a portion of the money (up to \$9.25) comes from the federal component of the program. As applicants are approved for enrollment, the CPUC and the TPA work to ensure each subscriber maximizes both the state and federal benefit. In some instance when an applicant has not qualified for the federal

portion of the funding, the CPUC has decided through its regulatory decisions to make up the difference of reduced federal support by backfilling the federal portion with state funding.

- 3) *Regulatory and Legal History of SSNs and the Lifeline Program.* For years following the establishment of the program neither the federal or state Lifeline programs required a SSN for an applicant to receive the program benefit. This changed in 2012 when the Federal Communications Commission (FCC), which establishes the rules governing the federal portion of Lifeline program, began to require carriers to collect the last four digits of a subscribers SSN¹. The stated purpose of the change was to reduce instances of waste, fraud, and abuse by more accurately verifying applicant's identities and eligibility. In order to maximize the amount of federal support available to California subscribers and also to reduce instances of waste, fraud, and abuse, the California Public Utilities Commission (CPUC) also began to collect SSN information around the same time.

However, in 2014, following a regulatory process to consider more comprehensive updates to the Lifeline program the CPUC decided to implement a revised California Lifeline program funded solely by state funds which would not require a SSN to determine eligibility². This change was intended to reduce barriers to participation for Californians without a SSN, some of whom may be undocumented immigrants. Nearly a decade later, consumer-advocates claim and independent reporting³ demonstrates that the California Public Utilities Commission has not implemented that decision. While the CPUC's 2014 decision did authorize Californians without an SSN to participate in California Lifeline, the CPUC acknowledges that it deferred implementation details for that decision. Most recently, in July 2024 the CPUC issues a proposed decision that would establish a process for Californians without an SSN to enroll in California Lifeline. However, once again the CPUC has failed to act on the proposed decisions.

While no representatives from the CPUC have discussed this bill with the committee directly, there is speculation that there may be legal barriers for the CPUC to consider taking further action on the proposed decision. In particular, a provision of the 1996 federal welfare reform legislation states that "alien who is not lawfully present in the United States" is eligible for state benefits only when explicitly authorized by a state law. This bill is aimed to provide that explicit authorization, by clarifying that the CPUC may not require a SSN for determine eligibility for the Lifeline program.

- 4) *Privacy Concerns for Applicants and Subscribers without an SSN.* Although existing law limits the ability of the CPUC and associated entities to disclose personal information that could identify an individual Lifeline subscriber or applicant, there are potential loopholes. For example, federal authorities have used administrative subpoenas, not court-ordered subpoenas, in the past to obtain sensitive information. According to the Utility Reform Network (TURN), it is possible that immigration enforcement agencies, such as U.S. Immigration and Customs Enforcement (ICE), will attempt to obtain information about

¹ Federal Communications Commission. FCC-12-11-1A. *Report and Order: Lifeline and Link Up Reform and Modernization*. <https://docs.fcc.gov/public/attachments/FCC-12-11A1.pdf>

² California Public Utilities Commission. Decision 14-01-0356. *Decision Adopting Revisions to Modernize and Expand the California Lifeline Program*.

³ Reyes-Velarde, A. February 10, 2024. "10 years after promise, California still hasn't included undocumented immigrants in cell phone subsidies". CalMatters. <https://calmatters.org/california-divide/2024/02/undocumented-immigrants-cellphone-subsidies/>

Lifeline applicants and subscribers from the CPUC, its contractors, or participating service providers, indiscriminately and without justification, while seeking out individuals they believe may be undocumented. Further, there is evidence that ICE has previously requested—and received—customer and user data from utilities and major technology firms, which ICE uses for immigration enforcement⁴. By requiring a court-ordered subpoena or judicial warrant from a judge before Lifeline subscriber and applicant information can be shared, this bill aims to address any loophole that may be utilized in existing law. As a result, Californians without a SSN that seek to utilize the California Lifeline program would be better protected against unrelated actions by other government entities.

5) *Similar/related legislation.*

- a. AB 2788 (Gloria, 2020). The bill requires immigration authorities to obtain a court-ordered subpoena or judicial warrant to gain access to a customer's electrical and gas consumption data.

REGISTERED SUPPORT / OPPOSITION:

Support

The Utility Reform Network (TURN)

Opposition

None on file

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⁴ NBC San Diego, Newsom Signs Todd Gloria Bill to Limit ICE's Use of Customer Utility Data, <https://www.nbcsandiego.com/news/local/newsom-signs-todd-gloria-bill-to-limit-ices-use-of-customer-utility-data/2414101/>; Johana Bhuiyan, The Guardian, Revealed: the contentious tool US immigration uses to get your data from tech firms, <https://www.theguardian.com/us-news/2023/may/25/us-immigration-surveillance-google-twitter-meta-personal-data>.