Decision 25-08-050 August 28, 2025

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking to Update the California Universal Telephone Service (California LifeLine) Program.	Rulemaking 20-02-008

DECISION APPROVING HOME BROADBAND PILOT

TABLE OF CONTENTS

Title **Page**

DECISION APPROVING HOME BROADBAND PILOT

Summary

This decision approves a three-year, voluntary, technology-neutral, Home Broadband Pilot for eligible households to apply the California Universal Telephone Service Program subsidy to any internet plan meeting the minimum service standards and approved by the Commission.

Rulemaking 20-02-008 remains open.

1. Background

The Moore Universal Telephone Service Act (Moore Act)[1] established the California Universal Telephone Service Program (California LifeLine). California LifeLine provides discounts on home phone (wireline) and cell phone (wireless) services to qualified households. The Program also offers wireline and wireless service providers a subsidy reimbursement, or specific support amount (SSA), for their participation in the Program with funds collected through a flat-rate surcharge on each telephone line. Currently, the flat-rate surcharge is $0.90, of which $0.55 is designated for California LifeLine.[2] The SSA is $19.00 per month.[3]

Although the Moore Act was originally enacted to "offer high quality basic telephone service at affordable rates to the greatest number of California residents,"[4] the California Public Utilities Commission (Commission) and the

[1] Pub. Util. Code §§ 871 *et seq*.

[2] Cal. P.U.C., Surcharge Rates, *available as of this writing at* www.cpuc.ca.gov/industries-and-topics/internet-and-phone/telecommunications-surcharges-and-user-fees/surcharge-rates.

[3] Decision (D.) 24-12-006 at Ordering Paragraph (OP) 1.

[4] Pub. Util. Code § 871.7(a).

California Legislature have expanded California LifeLine to include additional basic communications services, such as broadband.

California Public Utilities (Pub. Util.) Code Section 871.7(c) directs the Commission to "promote equity of access to high-speed communications networks, the Internet, and other services to the extent those services provide social benefits."[5] Through this Rulemaking (R.) 20-02-008, the Commission is following the Legislature's direction by considering access to broadband services.[6] For example, in Decision (D.) 20-10-006, the Commission concluded that California LifeLine should offer subsidies for fixed broadband service bundled with fixed Voice over Internet Protocol (VoIP) services that meet certain requirements.[7]

Like California LifeLine, the Federal Communications Commission (FCC) established the federal Lifeline program to provide phone service discounts for low-income Americans and subsidies to Eligible Telecommunications Carriers (ETCs).[8] The federal Lifeline program also promotes broadband access. In 2016, the FCC modified the federal Lifeline support levels to shift support from voice services to broadband services including reducing the subsidy amount for wireline voice subscribers.[9] To ensure Californians continued to receive access to

[5] Pub. Util. Code § 871.7(c).

[6] Assigned Commissioner Scoping Memo and Ruling (April 13, 2020) at 5-6.

[7] D.20-10-006 at Conclusion of Law 17.

[8] Service providers that comply with the requirements for federal Lifeline and California LifeLine are eligible for both the federal and state subsidies. ETC status is required for access to federal Lifeline subsidies.

[9] In re Lifeline & Link Up Reform & Modernization et al., 31 FCC Rcd 3962 (2016) at 3964.

critical voice services, such as 911, the Commission authorized California LifeLine to replace all or a portion of reduced federal Lifeline support for wireline voice participants.[10]

In February 2021, the FCC adopted the Emergency Broadband Benefit (EBB) Program to help low-income households stay connected during the COVID-19 pandemic.[11] The 2021 Infrastructure Investment and Jobs Act replaced the EBB Program with a new broadband affordability program, the Affordable Connectivity Program (ACP).[12] In January 2022, the FCC adopted Order FCC 22-2 to adopt rules for the ACP.[13] Through the ACP, qualifying low-income households received a $30 per month discount for broadband services, and households on qualifying Tribal lands received a $75 discount.[14] Eligible households could also receive a one-time discount of up to $100 for the purchase of a laptop, desktop computer, or tablet if the household contributed between $10 and $50 toward the purchase price.[15]

California households and providers participated significantly in the ACP. In February 2024, the total households enrolled in California at the enrollment

---

[10] *See* D.20-10-006 at 24-26; *see also* D.21-09-023 at OP 5.

[11] *See generally* In re Emergency Broadband Ben. Program, 36 FCC Rcd 4612 (2021) (authorizing funding to support participating providers' provision of qualifying broadband service offerings and connected devices to qualifying households).

[12] Infrastructure Investment and Jobs Act, 135 Stat. 1238–1244 (2021) (modifying 47 U.S.C. § 1752).

[13] In re Affordable Connectivity Program, 37 FCC Rcd 484 (2022); *see also* 47 C.F.R. §§ 54.1800 – 54.1814.

[14] In re Affordability Connectivity Program, 377 FCC Rcd 484 at 529.

[15] *Id*. at 538.

freeze was 2,945,282 — approximately 49 percent of the households eligible for the program.[16] Moreover, 205 independent service providers participated in California, with 99 offering only fixed broadband, 27 offering fixed and/or mobile broadband, and 79 only offering mobile broadband.[17]

In D.23-06-003, the Commission approved wireline and wireless pilot programs that leveraged ACP funds.[18] Through the pilot programs, the Commission allowed wireline and wireless providers to apply the California LifeLine and federal Lifeline subsidies to standalone broadband services. However, by the end of 2023, only three wireless providers and one wireline provider had enrolled 89,654 participants in the pilot programs.[19]

On January 11, 2024, the FCC announced that the ACP would stop offering subsidies in June 2024.[20] On March 27, 2024, the Administrative Law Judge (ALJ) directed wireline service providers to notify participants that the California LifeLine ACP pilot programs would end on May 31, 2024, unless Congress

---

[16] Assigned Commissioner's Ruling Requesting Comments on Strategies to Address the Home Broadband Adoption Gap (April 16, 2025) at Attachment A, Home Broadband Adoption Report at 24 (Home Broadband Report).

[17] *Ibid*.

[18] D.23-06-003 at OPs 2, 3.

[19] Home Broadband Report at 25.

[20] In re Affordable Connectivity Program, 39 FCC Rcd 144 (2024); *see also* Affordability Connectivity Program to End Soon Barring Congressional Action, News Release FCC, *available as of this writing at* https://www.fcc.gov/document/affordable-connectivity-program-end-soon-barring-congressional-action-0.

authorized more funding.[21] On June 1, 2024, the ACP ended due to a lack of funding from Congress.

2. Procedural Background

On April 16, 2025, the assigned Commissioner issued a ruling in this proceeding requesting comments on addressing the home broadband adoption gap through a pilot program (assigned Commissioner's ruling). Attached to the ruling was a Commission-authored report titled "Home Broadband Adoption Report" (Report).

The Report distinguishes home broadband from internet service provided by cellphone networks. Fixed home broadband services (*e.g.*, DSL, cable, and fiber-optic networks) "provide abundant data and bandwidth, and through a Wi-Fi router, enable numerous users and devices to connect to the internet."[22] In contrast, mobile home broadband connections enable access for only a single user, and the amount of bandwidth and data is typically limited.[23]

The Report asserts that home broadband is necessary to meet the average American household's broadband usage needs, which range from 400 gigabytes (GB) to 700 GB per month.[24] However, the Report notes that meeting this need comes at a cost. For cell phones, the average bill per household is around $141/month.[25] For home internet, the average bill is $65/month with plans

[21] Administrative Law Judge's Ruling Clarifying ACP Pilot Programs Will Continue to May 31, 2024 (March 27, 2024) at 3.

[22] Home Broadband Report at 6.

[23] *Ibid*.

[24] *Id*. at 2, 6.

[25] *Id*. at 2, 8.

ranging from $25 to $300/month.[26] While 2.4 percent of California households with an income above $75,000 do not subscribe to internet service, nearly 1 in 5 California households (19 percent) with an income less than $20,000 do not subscribe to internet service.[27] Specific to broadband, 43 percent of U.S. households with income below $30,000 do not subscribe to home broadband, compared to 20 percent of all adults.[28] This broadband affordability gap impacts the ability of low-income Californians to participate in telework, telelearning, telehealth, public safety, civic engagement, social media, website browsing, and streaming activities at the same level as higher-income Californians.[29]

According to the Report, Californians who relied on the ACP have either forgone broadband service or rely on income-qualified, low-cost internet service plans offered by some internet service providers.[30] These plans can cost between $9.95 and $180 per month,[31] with speeds ranging between 0.8/0.4 megabytes per second (Mbps) to 2500 Mbps symmetrical service.[32] For context, the FCC's benchmark for high-speed fixed broadband is download speeds of 100 Mbps and upload speeds of 20 Mbps.[33] The Report notes that 70 percent of Californian

[26] *Id*. at 8.

[27] *Id*. at 9.

[28] *Ibid*.

[29] *Id*. at 2, 6.

[30] *Id*. at 3-4.

[31] *Id*. at 29.

[32] *Ibid*.

[33] *Id.* at 10.

households and businesses are not subscribing to broadband plans offering speeds at the 100/20 Mbps benchmark.[34]

The Report does not offer recommendations. Instead, the Report contains a series of questions, including whether the California LifeLine program should support a pilot program for a subsidy to home broadband service, including standalone broadband service.[35]

On May 16, 2025, 12 parties filed opening comments in response to the assigned Commissioner's ruling: Advanced Communications Law and Policy Institute at New York Law School (ACLP); Pacific Bell Telephone Company d/b/a AT&T California (AT&T); the Public Advocates Office at the California Public Utilities Commission (Cal Advocates); the California Broadband & Video Association (CalBroadband); Center for Accessible Technology (CforAT); California Emerging Technology Fund (CETF); CTIA – The Wireless Association (CTIA); the Independent Small LECs;[36] the National LifeLine Association[37] and TruConnect Communications, Inc. (NaLA/TruConnect); The Utility Reform Network (TURN); USTelecom — The Broadband Association (USTelecom); and Cellco Partnership d/b/a Verizon Wireless (Verizon).

---

[34] *Id*. at 11.

[35] *Id*. at 33.

[36] The Independent Small LECs represents a coalition of Calaveras Telephone Company; Cal-Ore Telephone Co.; Ducor Telephone Company; Foresthill Telephone Co.; Kerman Telephone Co.; Pinnacles Telephone Co.; The Ponderosa Telephone Co.; Sierra Telephone Company, Inc.; The Siskiyou Telephone Company; and Volcano Telephone Company.

[37] NaLA represents its participating members in California: Boomerang Wireless, LLC; AmeriMex Communications Corp. d/b/a SafetyNet Wireless; American Broadband & Telecommunications Company; and i-wireless, LLC.

On May 28, 2025, nine parties filed reply comments in response to the assigned Commissioner's ruling: AT&T; Cal Advocates; CalBroadband; CforAT; CTIA; the Independent Small LECs; NaLA/TruConnect; TURN; and Verizon.

2.1. Submission Date

This matter was submitted on May 28, 2025, upon filing of reply comments on the assigned Commissioner's ruling and Report.

3. Issues Before the Commission

As described in the assigned Commissioner's ruling, the sole issue before the Commission is whether California LifeLine should launch a pilot program to subsidize affordable home broadband for low-income Californians.

4. Discussion and Analysis

As described below, we have identified a need for California LifeLine to subsidize affordable home broadband for low-income Californians. As such, we authorize the Home Broadband Pilot.

4.1. Need for Access to Home Broadband

The Report identified a need to improve low-income Californians households' access to home broadband so that low-income Californians may participate in telework, telelearning, telehealth, public safety, civic engagement, social media, website browsing, and streaming activities at the same level as higher-income Californians.[38] Cal Advocates, CforAT, CETF, and TURN each produced data supporting the Report's findings.[39] However, ACLP, AT&T, CalBroadband, CTIA, USTelecom, and Verizon allege that the Report omits key

[38] *Id*. at 2, 6.

[39] Cal Advocates Opening Comments at 3 and Attachment A; CforAT Opening Comments at 5; CETF Opening Comments at 2; TURN Opening Comments at 3.

information and contains factual flaws that negate the need for a California LifeLine pilot.

Specifically, ACLP, CalBroadband, CTIA, and USTelecom present data that the competitive marketplace for internet service incentivizes providers to upgrade their offerings and reduce consumer prices.[40] ACLP, AT&T, CalBroadband, CTIA, and Verizon note that providers independently offer low-income households low-cost broadband plans and support.[41] ACLP and CalBroadband question whether broadband adoption rates respond to subsidies, noting that past subsidies caused existing subscribers to upgrade their plans but did not reliably attract first-time subscribers.[42]

CalBroadband suggests that the Report incorrectly found an affordability issue for home broadband service based on a "narrow subset" of California households.[43] It notes that nearly all Californians have access to 100/20 Mbps fixed broadband internet, that 96% of households can afford a $15/month unsubsidized plan, and that only 1.7% of households in the state have income below $20,000 and are not connected to broadband.[44] The ACLP, CalBroadband,

---

[40] ACLP Opening Comments at 5; CalBroadband Opening Comments at 1-2, 6-8, 15 n.47, 16; CTIA Opening Comments at 1-2; USTelecom Opening Comments at 3-4.

[41] ACLP Opening Comments at 8-9; AT&T Opening Comments at 2-3; CalBroadband Opening Comments at 16; CTIA Opening Comments at 1; Verizon Opening Comments at 8.

[42] ACLP Opening Comments at 6, 8, 13; CalBroadband Opening Comments at 9-10; *see also* CTIA Opening Comments at 3 (analyzing impact of non-monetary consumer preferences); *but see* TURN Reply Comments at 8 n.38 (noting that ACP demonstrably benefitted subscription-insecure households by helping them stay consistently online).

[43] CalBroadband Opening Comments at 17.

[44] *Id.* at 3, 5, 17.

the Independent Small LECs, and Verizon argue that non-monetary factors, including digital literacy, lack of relevance, remote work, language barriers, and housing instability, can contribute to a household's choice not to subscribe to fixed home broadband.[45]

We recognize these parties' points. However, we are persuaded that many households still struggle to afford basic broadband service. According to data presented by the Report, CETF, and CforAT, many low-income Californian households are without any broadband connection and many others sacrifice adequate internet connectivity to meet other needs.[46] Some households cannot afford any copay, and many households canceled or reduced their home broadband service after ACP ended.[47] According to CforAT, the lowest-income subscribers were disproportionately smartphone-dependent.[48]

We, therefore, find that home broadband, including fixed and wireless, is a necessary service for California households. We also find that affordability is a

---

[45] ACLP Opening Comments at 6; CalBroadband Opening Comments at 12; Independent Small LECs Opening Comments at 2 (citing Home Broadband Report); Verizon Opening Comments at 7; *see also* CalBroadband Reply Comments at 5. TURN notes that other programs address these factors and there is still a need for the Home Broadband Pilot. (TURN Reply Comments at 9-10.)

[46] CETF Opening Comments at Attch. 1, 2023 Statewide Digital Equity Survey at 4 (noting 355,342 California households with federal Lifeline eligibility were unconnected as of 2023, and a further 158,537 were underconnected).

[47] Cal Advocates Opening Comments at Attachment A, 10 (reporting any price above $0 barred unconnected households' ability to adopt broadband services); Home Broadband Report at 25-27 (referencing Comcast and Charter reports of subscriber losses due to ACP ending and Commission review of data responses from 39 internet service providers offering home broadband service).

[48] 28% of lowest-income subscribers were disproportionately smartphone-dependent, compared to only 4% of highest-income subscribers. (CforAT Opening Comments at 7, n. 9.)

significant barrier to home broadband for many California LifeLine-eligible households. This broadband affordability gap impacts the ability of low-income Californians to participate in telework, telelearning, telehealth, public safety, civic engagement, social media, website browsing, and streaming activities at the same level as higher-income Californians.

4.2. Establishment of Pilot

The assigned Commissioner's ruling noted that a pilot offered through the California LifeLine program may enable affordable home broadband for low-income Californians.[49]

AT&T, the Independent Small LECs, USTelecom, and Verizon assert that consideration of a pilot is premature because two affordability-related bills are currently under consideration by the California Legislature: Assembly Bill (AB) 353 and Senate Bill (SB) 716.[50] CETF recommends that the Commission "not waste time on a pilot project IF the Legislature passes SB 716 and it is enacted into law."[51] However, Cal Advocates and TURN encourage the Commission to "act now" with a pilot, which may complement the Legislature's intent "to support broadband services for low-income households through low-cost plans and subsidized plans."[52]

---

[49] Assigned Commissioner's Ruling Requesting Comments on Strategies to Address the Home Broadband Adoption Gap at 1.

[50] AT&T Opening Comments at 7; Small LECs Reply Comments at 4 (supporting certain changes to California LifeLine program but asserting "it would be reasonable to defer consideration of potential 'pilot programs' until a final decision is reached regarding the bill"); USTelecom Opening Comments at 2; Verizon Opening Comments at 8.

[51] CETF Opening Comments at 10, 21.

[52] Cal Advocates Reply Comments at 2; TURN Opening Comments at 1.

CforAT and the Independent Small LECs also suggest the Commission does not require any further statutory authorization to incorporate broadband into the California LifeLine Program. CforAT asserts the California Legislature has "expressly granted the Commission the authority to include broadband service as part of the LifeLine program, and to set rates and charges for that service."[53] The Independent Small LECs assert that the "Moore Act does not appear to prohibit the application of LifeLine support to fixed broadband plans. Rather, it appears to recognize the changing landscape of the telecommunications space since 1987."[54]

We agree with Cal Advocates and TURN. There is an immediate need for the California LifeLine program to expand to offer access to affordable home broadband for low-income Californians. To support the need for affordable home broadband, we adopt a technology-neutral Home Broadband Pilot (Pilot) that minimizes burdens on providers and customers to participate, while retaining protections to guard against waste, fraud, and abuse. While we recognize CforAT's and the Independent Small LECs' position that further statutory changes may be unnecessary for the Commission to adopt a permanent broadband program, we see value in adopting a pilot. Adopting this program on a pilot basis makes clear that it is subject to further changes and calibration as we strive to meet the Commission's Universal Service objectives.

[53] CforAT Opening Comments at 18.

[54] Independent Small LECs Opening Comments at 5.

The Pilot incorporates the input we received from stakeholders regarding customer eligibility criteria, subsidy amounts, the minimum service standards (MSS), provider responsibilities, and administrative and reporting requirements, as described in the sections below.

We implement this Pilot to address the need for affordable home broadband for low-income Californians. We also recognize that the Pilot furthers our policy goals of increasing participation in the California LifeLine program and broadband adoption.[55] We will measure the Pilot's success at meeting these objectives by assessing the Pilot's ability to meet the following two goals: (1) achieve a provider participation rate similar to the ACP, and (2) achieve an increase in participation in the overall California LifeLine program.

The Commission will revise the California LifeLine program through this Rulemaking, or a subsequent Rulemaking, as necessary, to ensure conformity with any future changes in federal and state laws. However, any revisions to the Pilot requirements needed to address successful Pilot and California LifeLine implementation, including provider participation,[56] California LifeLine participants' access, budgetary limitations, and/or waste, fraud, and abuse, may be proposed by Staff as a draft resolution, which will be served to the service list for this Rulemaking and considered by the Commission. This process will offer providers, customers, and the public notice of and the opportunity to be heard

---

[55] *See* Rulemaking (R.) 20-02-008, Order Instituting Rulemaking to Update the California LifeLine Program at 2.

[56] Staff will review any barriers to participation by nontraditional service providers in the Pilot, such as Tribes and public agencies. Staff may propose changes to streamline these entities' participation through a resolution.

on proposed changes, while also giving Staff the flexibility to adapt the Pilot to new information.

4.3. Duration, Review, and General Order 153 Compliance

Cal Advocates, CETF, and TURN recommend a two-year Pilot.[57] TURN additionally recommends that the Commission analyze and present findings on Pilot data at regular intervals throughout the program, suggesting a six-month schedule.[58] The Independent Small LECs favor a three-year Pilot program.[59] CforAT recommends against a Pilot but advises, in the alternative, that the Commission conduct periodic customer experience surveys for enrolled households.[60] CforAT additionally cautions that the abrupt wind-down of the ACP damaged consumer trust in low-income pilot programs and recommends frequent notices before the Pilot winds down.[61]

The Commission authorizes the Pilot for a three-year duration. The Commission's Communication Division Staff will perform a Pilot review within 18 months after launching the Pilot. Staff will present its analysis and recommendations within 20 months after launching the Pilot through a ruling in the docket of this Rulemaking, or a successor Rulemaking, or in a workshop. The analysis will include:

---

[57] Cal Advocates Opening Comments at 4; CETF Opening Comments at 21; TURN Opening Comments at 11.

[58] TURN Opening Comments at 19.

[59] Independent Small LECs Opening Comments at 13.

[60] CforAT Opening Comments at 19.

[61] *Id*. at 20.

1. An assessment of the usage patterns of Pilot participants;
2. An assessment of consumer preferences regarding standalone broadband versus bundled service offerings;
3. An evaluation of the lessons learned; and
4. An identification of waste, fraud, and abuse incidents and trends.

Staff's recommendations will further the Pilot's goals of (1) achieving a provider participation rate similar to the ACP; and (2) achieving an increase in participation in the overall California LifeLine program.

The Communications Division Staff will notify parties to this Rulemaking, or a successor Rulemaking, when the Pilot is operational, and give participating providers advanced notice before the Pilot launches. The three-year period will begin upon this notification being issued. Staff will provide an update and target date for the Pilot's commencement to parties to this Rulemaking, or a successor Rulemaking, and participating providers. The three-year duration of the Pilot creates long-term stability for California LifeLine participants and allows the Commission time to implement the Pilot with the Third-Party Administrator.[62] Moreover, the Commission may make necessary refinements to the Pilot through the Commission's resolution process.

All rules and procedures of California LifeLine and General Order (GO) 153 are applied to the Pilot, except as specifically provided in this decision or subsequent Staff resolutions approved by the Commission, including the

[62] We encourage providers to apply to participate in the Pilot after the effective date of this decision. The Commission's Communication Division will update potential providers regarding the Third-Party Administrator's implementation timeline.

many consumer protections for California LifeLine participants. In particular, GO 153's requirement to provide California LifeLine participants with at least 30 days' notice before discontinuing service or making service terms more restrictive shall apply to all Pilot service plans.[63] In addition, GO 153's requirements for non-usage also apply to combat waste, fraud, and abuse.[64]

4.4. Customer Eligibility Criteria

CalBroadband, CforAT, CTIA, the Independent Small LECs, and NaLA/TruConnect suggest that the Pilot carry over eligibility criteria from the current California LifeLine service.[65] TURN recommends carrying over the current California LifeLine eligibility criteria, as a minimum, but suggests that the Commission expand eligibility, if feasible.[66] TURN and Cal Advocates recommend expanding eligibility to households making under 80 percent of the area median income.[67] CETF recommends linking eligibility and notification channels to other public assistance programs.[68] CforAT, CETF, and TURN recommend that the Commission allow people who cannot provide Social

[63] General Order (GO) 153, Sections 4.7, 4.8, Appendix B.

[64] GO 153, Section 5.7.

[65] CforAT Opening Comments at 11; CTIA Opening Comments at 8; Independent Small LECS Opening Comments at 9; NaLa/TruConnect Opening Comments at 8-9; *see also* CalBroadband Reply Comments at 12.

[66] TURN Opening Comments at 7.

[67] Cal Advocates Opening Comments at 6; TURN Opening Comments at 8.

[68] CETF Opening Comments at 15.

Security numbers to register their household.[69] AT&T recommends that California LifeLine eligibility should mirror federal Lifeline eligibility.[70]

We retain the current California LifeLine eligibility criteria for the Pilot as described in GO 153, Section 5,[71] consistent with most commenters' feedback. The Pilot must minimize burdens on providers and customers, while retaining eligibility criteria sufficient to prevent waste, fraud, and abuse. By carrying over the established eligibility criteria from the current California LifeLine program, the Commission will streamline implementation of the Pilot, reduce its administrative costs and timeline, and simplify the application process to maximize customer and provider participation.

4.5. Subsidy

Cal Advocates recommends that the Pilot adopt a $15.00 SSA.[72] CforAT, CETF, and TURN propose a $20.00 SSA applied independently of a customer's subscription to voice or mobile broadband.[73] The Independent Small LECs support a $20.00 SSA for households enrolling in either standalone voice or broadband, or $30.00 for customers enrolling in a bundled voice and fixed home

[69] CforAT Opening Comments at 11; CETF Opening Comments at 15; TURN Reply Comments at 11.

[70] AT&T Opening Comments at 9.

[71] Customers are eligible to enroll in California LifeLine based on the customer's or a member of the customer household's participation in certain programs, including Medicaid or Medi-Cal. (GO 153, Section 5.1.5.)

[72] Cal Advocates additionally recommends a $15.00 price cap on participating plans, bringing the consumer cost to $0. (Cal Advocates Opening Comments at 2, 8.)

[73] CforAT Opening Comments at 9, 14-15; CETF Opening Comments at 16; TURN Reply Comments at 13.

broadband plan.[74] NaLA/TruConnect recommends the Commission match its current $19.00 California LifeLine subsidy for voice service.[75]

Several commenters offer methodologies or general considerations for calculating the Pilot's SSA. TURN suggests that the Commission establish multiple subsidy levels to match multiple tiers of service, based on the lowest retail rate listed on Broadband Nutrition Labels.[76] AT&T and the CTIA note their concern that funding the Pilot with existing California LifeLine funds would unfairly subsidize fixed broadband subscribers at the expense of voice-only customers.[77] Verizon suggests that the Commission consider "robust" subsidies in addition to the California LifeLine SSA.[78]

We agree with commenters that the Commission must balance its mission to connect all Californians with its obligation to ensure costs are minimally burdensome and evenly distributed. As such, we authorize the Pilot to subsidize one standalone fixed broadband connection for $20.00, or a bundle of fixed broadband and voice service for $30.00 ($20.00 for broadband service and $10.00 for voice service). Bundled fixed broadband and voice service must be from the same provider or offered in partnership with an affiliate.

---

[74] Independent Small LECs Opening Comments at 7, 10.

[75] NaLA/TruConnect Opening Comments at 2. NaLA/TruConnect further recommends that, for mobile and housing-insecure households unable to support a fixed broadband connection, the Commission should allow the pilot program subsidy to apply to a second wireless mobile line. (*Id*.)

[76] TURN Opening Comments at 11-12.

[77] AT&T Opening Comments at 10; CTIA Opening Comments at 9.

[78] Verizon Opening Comments at 4.

The subsidies we adopt are consistent with the suggestions offered by commenters and particularly reflect the proposal of the Independent Small LECs. Because each household is limited to one subsidy through California LifeLine,[79] the subsidies we adopt also allow California LifeLine participants who opt to join the Pilot to access a partial subsidy for phone service with fixed broadband. The SSA will apply to any broadband plan meeting the Pilot requirements, subject to certain exceptions as described below.

The voice offering for bundled service is exempt from GO 153 requirements and does not need to be applied to an approved California LifeLine plan.[80] Instead, the $10.00 voice subsidy component may apply to any wireline or wireless voice plan (regardless of minutes, text messages, data usage requirements, or copays), as long as the broadband service meets the MSS requirements. This will simplify the administration of the California LifeLine program and continue to enable participants to access critical voice services, such as 911. Providers shall report the voice plan's costs, details (*e.g.*, minutes, texts, data allowance, and copays), and any other requested information to the Commission.

[79] Pub. Util. Code § 878(d)(3) defines "household" as "any group of individuals, including the subscriber, who are living together at the same address and as one economic unit." If multiple individuals live at the same address but do not share income and expenses, they are not in the same household.

[80] The voice service is encouraged, but not required, to comply with the California LifeLine Service Elements. (GO 153, Section 7.1.)

4.6. Connection and Equipment Reimbursements

CalBroadband urges the Commission to adopt a voluntary approach to device and equipment provision and utilize a cost-reimbursement mechanism, similar to the ACP.[81] CETF recommends a "Connection Cost Reimbursement" for new subscribers who are unconnected eligible households.[82] The Independent Small LECs recommend that home broadband providers receive the same reimbursements for administrative support subsidies and connection charges that are currently provided to California LifeLine providers.[83] However, the Independent Small LECs also recommend that the Commission not reimburse providers for any portion of the expenses for equipment or devices.[84]

Connection charges and device/equipment expenses can prevent low-income households from subscribing to plans that are otherwise affordable. While the Commission aims to encourage maximum participation for both customers and providers, it must also limit its own costs and administrative burdens. For these reasons, we will provide a reimbursement for a connection charge up to $39.00 through the Pilot. This is higher than the current California LifeLine wireline connection reimbursement, which is capped at $10.00.[85] It is equal to the Wireless LifeLine Provider reimbursement amount for Service

[81] CalBroadband Reply Comments at 12-13.

[82] CETF Opening Comments at 16-17.

[83] Independent Small LECs Opening Comments at 10.

[84] *Ibid*.

[85] GO 153, Section 8.1.1.1.

Connection/Activation and Service Conversion Charges, which are capped at $39.00.[86]

We require providers to make equipment necessary for the provision of internet services available to customers participating in the Pilot, such as a router and a modem. Providers are encouraged, but not required, to make modems and routers available for free. We also encourage, but do not require, providers to offer other devices, such as computers and tablets, to participating customers at a discount or free of charge. Our goal is to facilitate broadband usage and ensure the successful implementation of the Pilot. Providers may not seek reimbursement for expenses related to devices.

We limit households to one connection charge reimbursement per year per provider during the duration of the Pilot.[87] As such, GO 153 Sections 8.1.1.3 and 8.1.3.2 do not apply to the Pilot.[88] Other applicable GO 153 rules regarding connection reimbursements apply to the Pilot, with the limitation of one connection charge reimbursement per year per provider per household.[89] Additional reimbursement will not be available for households that switch plans

[86] GO 153, Section 9.3.1.1.

[87] A partial change in the occupants of the same address or a change in address for the same group of occupants may qualify as a new "household" for Pilot purposes.

[88] GO 153, Sections 8.1.1.3 and 8.1.3.2.

[89] *See, e.g.,* GO 153, Section 4.2.5 (requiring wireless LifeLine providers to inform subscribers before service initiation, verbally and in writing, of connection charge limitations and responsibilities); GO 153, Sections 7.13 and 7.14 (providing requirements for wireless and wireline providers regarding service connection notices and prohibitions).

with the same provider.[90] Supporting the ability to switch providers will facilitate customer choice.

4.7. Minimum Service Standards

Cal Advocates, CforAT, and CETF each recommend that the Commission adopt an MSS of 100/20 Mbps, consistent with the FCC's broadband speed benchmark.[91] Cal Advocates recommends a 1230 GB data cap, CforAT and the Independent Small LECs oppose data caps, and CETF recommends that the Commission retain or increase the minimum data requirements for California LifeLine bundled service.[92]

Cal Advocates, CforAT, CETF, the Independent Small LECs, and TURN urge the Commission to provide an exception to certain service providers who cannot meet the MSS.[93] TURN recommends that the Commission, at a minimum, meet the federal Lifeline standard of 25/3 Mbps.[94] AT&T, CalBroadband, and NaLA/TruConnect recommend that the Commission set no MSS, although NaLA/TruConnect notes that, as an alternative, the Commission could retain its

[90] GO 153, Section 8.1.3.4.

[91] Cal Advocates Opening Comments at 7; CforAT Opening Comments at 11-12; CETF Opening Comments at 15.

[92] Cal Advocates Opening Comments at 7; CforAT Opening Comments at 12; CETF Opening Comments at 15; Independent Small LECs Opening Comments at 10.

[93] Cal Advocates Opening Comments at 7; CforAT Opening Comments at 13 (recommending that exceptions be time-limited, inapplicable to providers delivering MSS-compliant broadband elsewhere, and restricted to a lower subsidy); CETF Opening Comments at 15; Independent Small LECs Opening Comments at 7, 9-10; TURN Opening Comments at 9.

[94] TURN Opening Comments at 8-9.

current California LifeLine MSS.[95] CTIA, the Independent Small LECs, NaLA/TruConnect, TURN, and Verizon recommend that the Commission set a technologically neutral MSS, opening eligibility for fixed wireless broadband plans.[96] Verizon also notes that some of their plans offer wireless home broadband service that nearly meets the 100/20 Mbps standard, providing speeds up to 100/10 Mbps.[97]

For the Pilot, we adopt a technology-neutral MSS of 100/20 Mbps with 1280 GB usage per month for fixed broadband, including wired and wireless, services. This MSS is consistent with the federal broadband speed benchmark, which the FCC uses to evaluate national progress towards universal service,[98] as well as the Lifeline fixed broadband data usage allowance beginning December 1, 2025.[99] It also guarantees that providers with ETC status participating in the Pilot will be eligible for federal Lifeline subsidies.[100] Finally,

---

[95] AT&T Opening Comments at 10; AT&T Reply Comments at 5; CalBroadband Opening Comments at 2-3; NaLA/TruConnect Opening Comments at 2, 9-11.

[96] CTIA Opening Comments at 7; Independent Small LECs Reply Comments at 3-4; NaLA/TruConnect Opening Comments at 2, 12; TURN Reply Comments at 2 (advising against supporting mobile hotspots in the Pilot); Verizon Opening Comments at 1, 3-4.

[97] Verizon Opening Comments at 8 ("Verizon offers 5G Home, a wireless home broadband service, providing speeds up to 100/10 Mbps…").

[98] FCC, "FCC Increases Broadband Speed Benchmark," (March 13, 2024), *available as of this writing at* https://docs.fcc.gov/public/attachments/DOC-401205A1.pdf.

[99] FCC, "Wireline Competition Bureau Announces Updated Lifeline Minimum Service Standards and Indexed Budget Amount (July 14, 2025), *available as of this writing at* https://docs.fcc.gov/public/attachments/DA-25-619A1.pdf.

[100] Minimum Service Standards, Universal Service Administrative Company, *available as of this writing at* https://www.usac.org/lifeline/rules-and-requirements/minimum-service-standards/ (last visited June 10, 2025).

it is consistent with Governor Newsom's Executive Order N-73-20, which directed California state agencies to pursue a minimum broadband speed goal of 100 Mbps download speed to guide infrastructure investments and program implementation, benefiting all Californians.[101]

In addition, we adopt this MSS to ensure that the services the Pilot subsidizes are adequate for establishing robust, reliable connectivity. We recognize the increasing data usage needs identified in the Report, which are rising from the current American household usage of between 400 to 700 GB each month.[102] Commission Staff will review the MSS at least once during the three-year Pilot to ensure it continues to align with evolving broadband standards and excludes underinvested and obsolete networks.

There are two exceptions to our adoption of the 100/20 Mbps MSS. First, broadband that can reliably stream video calls is becoming increasingly necessary for remote work, education, and telehealth, particularly for seniors, individuals with disabilities, and households in rural areas. Given these particular needs, we are mindful that excluding California LifeLine-eligible households that lack the infrastructure to meet the MSS of 100/20 Mbps would undermine the purpose of the Pilot. Therefore, while the Pilot adopts 100/20 Mbps as its baseline MSS, we make an exception for areas where 100/20 Mbps is not feasible. In these areas, providers must provide supporting documentation,

[101] Executive Order N-73-20 at 2, *available as of this writing at* https://www.gov.ca.gov/wp-content/uploads/2020/08/8.14.20-EO-N-73-20.pdf.

[102] *See* Home Broadband Report at 6.

as detailed below, and receive approval from the Communications Division Staff to participate in the Pilot.[103]

Second, service plan tiers that are low-cost and/or income qualified, but do not meet the 100/20 Mbps standard, may also participate in the Pilot, so long as the network is capable of delivering such service and the provider offers service tiers that meet or exceed the MSS. As noted in the Home Broadband Report, service providers make available low-cost plans for low-income households. In some instances, these plans do not meet or exceed the 100/20 MSS for the Pilot.[104] Further, service providers indicate that they offer plans that approach, but do not meet or exceed the MSS for the Pilot.[105] In the interest of enabling consumer choice and broad participation in the Pilot, the Communications Division Staff will consider authorizing income-qualified low-cost plans not meeting the MSS for providers capable of achieving the MSS speed. These plans must receive approval through submission of the initial, or a subsequent, Tier 2 Advice Letter. Staff will review these plans to ensure they are reasonable.

4.8. Customer Notification and Marketing Materials

Cal Advocates recommends that providers communicate their California LifeLine offerings to Pilot-eligible customers when the customers apply and re-

[103] This requirement is consistent with federal Lifeline requirements in 47 C.F.R. § 54.408(d).

[104] *See* Home Broadband Report at 29 (noting that lowest speed offering reported was 0.8/0.4 Mbps).

[105] Verizon Opening Comments at 8 ("Verizon offers 5G Home, a wireless home broadband service, providing speeds up to 100/10 Mbps…").

enroll for the Program.[106] CforAT and CETF suggest providers also notify all eligible *current* subscribers of their subsidized California LifeLine offerings as soon as a broadband subsidy becomes available.[107] CETF urges the Commission to require providers to develop and implement their own customer notification and awareness programs.[108]

CforAT, CETF, and TURN each recommend specific marketing requirements, such as accessibility standards for print materials; outreach efforts through community and ethnic media channels; development of a "menu of service options" for subscribers to review before selecting a plan; and advertisements that the Pilot is time-limited.[109] AT&T, CalBroadband, and the Independent Small LECs advise against any notification or advertising requirements.[110] CforAT and CETF suggest notification requirements that would safeguard subscribers against upselling.[111] The Independent Small LECs assert

---

[106] Cal Advocates Opening Comments at 11 ("Service providers . . . should be required to inform customers of LifeLine at time of sign up ... Additionally, service providers should inform customers of LifeLine during re-enrollments.").

[107] CforAT Opening Comments at 10; CETF Opening Comments at 17.

[108] CETF Opening Comments at 18-19.

[109] CforAT Opening Comments at 20 (suggesting font, typeface size, and alternative format requirements for print notifications, and robust notifications before program wind-down); CETF Opening Comments at 18 (suggesting use of community and ethnic media channels for advertising); TURN Opening Comments at 10, 19 (proposing service option menu and recommending Pilot be advertised as time-limited).

[110] AT&T Opening Comments at 11 (advising allowing providers discretion in notification procedures); CalBroadband Reply Comments at 13; Independent Small LECs Opening Comments at 13 (citing administrative cost concerns).

[111] CforAT Opening Comments at 10-11; CETF Opening Comments at 16. CforAT cites "credible evidence" that providers upsold services to ACP subscribers, leading some

that the Report did not provide any empirical evidence that providers engage in upselling.[112]

We recognize that administrative requirements, including employee training and complex advertising and notification mandates, may raise the Pilot's implementation costs and disincentivize providers from participating. However, we also recognize GO 153's requirement and a public interest in monitoring how providers promote and advertise their services. Through monitoring, the Commission may effectively evaluate the Pilot's success and consider methods to increase customer participation.

We, therefore, require providers to notify households of all affordable internet service options and any associated promotional pricing that results in a price increase after a specified period of service. Pilot providers shall submit a marketing plan to the Commission's Communication Division that includes examples of their marketing materials for eligible customers. These examples shall include customer service representative scripts that introduce the Pilot to eligible customers. Marketing material must satisfy the standards set in GO 153.[113] Providers must inform customers that a standalone broadband plan does not include voice service for making 911 calls.

---

households to subscribe to services they could not afford. (CforAT Opening Comments at 10, n20).

[112] Independent Small LECs Opening Comments at 3. The Report cited Congress's 2022 investigation into ISPs for upselling customers during the ACP rollout as one reason for its concern. (*See* Home Broadband Report at 27.)

[113] GO 153, Sections 4 and 7.10.

Service providers must comply with the customer notification requirements that are in GO 153.[114]

4.9. Eligible Telecommunications Carrier (ETC) Designation

CalBroadband, TURN, and USTelecom recommend that the Pilot include non-ETC providers.[115] The Independent Small LECs suggest that the Commission revise its ETC designation process to allow standalone ISPs with telephone company affiliates to obtain ETC status.[116]

Imposing an ETC designation requirement on Pilot providers may limit provider participation. For this reason, we do not require providers to be ETCs to participate in the Pilot. However, we encourage eligible providers to obtain an ETC designation or expand existing ETC designations, so they may stack the federal Lifeline subsidy with the Pilot subsidy for eligible households.

In addition, ETC-designated providers may already receive federal Lifeline reimbursement for broadband services provided by affiliates, such as the ISP affiliates of the Independent Small LECs. The federal Lifeline program allows ETC-designated providers to receive federal universal service support "using its

[114] *See, e.g.*, GO 153, Section 4.3.

[115] *See* CalBroadband Reply Comments at 11; TURN Opening Comments at 12 (recommending Commission encourage, but not require, participating providers to obtain ETC designation and recommending California make up lost federal support for Tribal broadband providers that are not ETCs); USTelecom at 5 (citing success of ACP, which similarly did not require providers to have ETC designation, in achieving high provider participation).

[116] Independent Small LECs Opening Comments at 5-6.

own facilities or a combination of its own facilities and resale of another carrier's services."[117] In the 2019 Lifeline Order, the FCC found that

> the statute and Lifeline program rules do not preclude ETCs from offering broadband Internet access service satisfying the Lifeline minimum service standards through affiliated broadband Internet access service providers that operate under the ETC's existing designation. However, […] only the ETC is eligible to receive reimbursement from the Lifeline program, and the ETC remains legally responsible for ensuring compliance with the requirements and obligations for ETCs […].[118]

While this does not expand ETC status as requested by the Independent Small LECs, the current rules provide a path for broadband affiliates to participate in the federal Lifeline program. Similarly, other providers with existing ETC-designation that do not currently leverage federal Lifeline reimbursement for broadband offered by affiliates may do so, such as some of the state's largest home broadband providers AT&T, Charter, and Cox.

4.10. Federal Makeup

CforAT and TURN recommend against the Commission supporting federal makeup for providers who do not receive federal Lifeline funding.[119] CforAT recommends that the Commission should make up the subsidy difference for customers who meet California, but not federal, LifeLine eligibility.[120] TURN recommends a carve-out from this general rule to reimburse

---

[117] 47 U.S.C. § 214(e).

[118] In re Bridging the Digital Divide for Low-Income Consumers, 34 FCC Rcd 10886 (2019) at 10912 ¶ 61.

[119] CforAT Opening Comments at 14; TURN Opening Comments at 12.

[120] CforAT Opening Comments at 14.

Tribal non-ETC providers.[121] NaLA/TruConnect supports federal makeup for all providers.[122]

The Commission aims to make broadband as affordable as possible for Californians while striking a balance between public costs and the incentives its policies create for providers. We allow California-only subscribers and non-ETC providers, including Tribal broadband providers, to participate in the Pilot. However, making up the federal subsidy for every non-ETC provider and California-only subscriber may significantly inflate the Pilot's cost. Additionally, we hope to encourage more providers to seek ETC designation and apply the federal Lifeline subsidy to their standalone home broadband plans.

For these reasons, we will not make up the federal subsidy difference for providers participating in the Pilot. Providers that are eligible for California LifeLine, but not federal Lifeline, will receive only the California LifeLine subsidy amount. Similarly, service providers without ETC designation will receive only the California LifeLine subsidy amount.

While providers with ETC status may seek to stack the federal Lifeline and state LifeLine subsidies, service providers may only receive one subsidy amount per household from each of the Lifeline programs. For example, a service provider may not receive a California LifeLine subsidy from the Pilot and a California LifeLine subsidy for voice and data or voice-only service for the same household. However, a service provider may receive a California LifeLine

[121] TURN Opening Comments at 12.

[122] NaLA/TruConnect Opening Comments at 9.

subsidy from the Pilot and a federal Lifeline subsidy because they would only receive one subsidy amount per household from each of the lifeline programs.

4.11. Advice Letter Obligations

Currently, California LifeLine providers seeking to add, remove, or modify California LifeLine services must submit a Tier 2 Advice Letter. CETF and TURN recommend that the Commission require providers to include additional information in their Advice Letters for the Pilot.[123] NaLA/TruConnect suggests that the Commission should relax its requirements and allow California LifeLine providers to submit a Tier 1 Advice Letter.[124] AT&T recommends that the Commission forgo any submission requirement.[125]

Although we want to identify ways to streamline the Pilot, we must also guard against waste, fraud, and abuse.

Therefore, providers with existing authorization to participate in the California LifeLine program, directly or through an affiliate, must seek authorization to participate in the Pilot through filing a Tier 2 Advice Letter (Pilot Election Advice Letter). The Pilot Election Advice Letter must detail: (1) relevant Commission licenses and approvals, including for any affiliates that will be involved in providing service; (2) affiliate business structure and role of

[123] CETF Opening Comments at 18; TURN Opening Comments at 9. TURN additionally suggested that the Commission would reduce its administrative burden by instituting an annual approval process for each proposed service plan, citing the difficulties that the Commission experienced determining eligibility during the Boost/CARE pilot as Boost iterated on their low-cost service plan without submitting notification.

[124] NaLA/TruConnect Opening Comments at 13.

[125] AT&T Opening Comments at 11.

affiliates, if relevant; (3) all internet service plans and bundles that meet the minimum service standards including details of any promotional plan pricing that is scheduled to increase at a set interval; (4) an overview of the providers' network's ability to provide service that meets program requirements; (5) if applicable, a map of the areas where service is available but cannot meet or exceed the Pilot MSS and the technology used to provide service to these locations, if a provider cannot meet the Pilot's MSS requirements; (6) if applicable, any income-qualified, low-cost plans that do not meet the 100/20 Mbps standard, so long as the network is capable of delivering such service and the provider offers service tiers that meet or exceed the MSS; (7) typical notifications sent to customers (type, content, method); (8) number of potential eligible customers (TAM, SAM, and SOM);[126] and (9) an acknowledgement that the service provider shall be legally responsible for its affiliate's compliance with the California LifeLine rules and requirements in GO 153, or as described in this decision, if partnering with an affiliate to provide Pilot services.

Additional information may be requested by Staff as needed to implement the Pilot in accordance with this decision. Providers must file a Tier 1 Advice Letter whenever they make changes to the service plans, or range of plans, eligible for the Pilot.

To the extent providers, or their affiliates, do not have an operating authority with the Commission or do not currently participate in the California LifeLine program, these entities must apply for these authorities through the

[126] TAM (Total Addressable Market); SAM (Serviceable Available Market); SOM (Serviceable Obtainable Market).

existing Commission processes.[127] We encourage non-participating providers to apply for authority to participate in the California LifeLine program.

California LifeLine providers may partner with an ISP affiliate to offer fixed broadband services and fixed broadband services bundled with mobile or wireline voice services for the Pilot. Affiliates must comply with all California LifeLine program rules and requirements, relevant statutes, and reporting requirements. California LifeLine service providers are legally responsible for their ISP affiliates' compliance with these requirements. The California LifeLine service provider must submit reimbursement claims on behalf of the ISP affiliate. Reimbursements will be issued to the California LifeLine service provider, which will be responsible for passing on the reimbursement to the ISP affiliate.

4.12. Reporting

TURN asserts that data plays a crucial role in policymaking, particularly when there are no case studies available to assess the success of similar proposals.[128] As such, TURN suggests that the Pilot should collect monthly data.[129] Cal Advocates and the Independent Small LECs recommend that providers submit quarterly reports.[130] CETF suggests an annual reporting cycle, noting that requirements should maximize transparency while limiting the

---

[127] *See* California LifeLine Related Forms and Notices for Service Providers, *available as of this writing at* https://www.cpuc.ca.gov/consumer-support/financial-assistance-savings-and-discounts/lifeline/lifeline-related-forms-and-notices-for-service-providers.

[128] TURN Opening Comments at 18.

[129] *Ibid*.

[130] Cal Advocates Opening Comments at 5; Independent Small LECs Opening Comments at 13.

administrative burden on ISPs.[131] Although parties' responses varied regarding the optimal scope of data, many parties recommended that providers report subscriber counts by plan.[132] However, AT&T, CalBroadband, and CTIA recommend that the Commission avoid "unnecessarily burdensome" reporting requirements to encourage provider participation.[133]

We agree with parties' comments and find that while data is crucial to successful policymaking, reporting requirements are also a burden to providers. As such, we adopt reporting requirements for the Pilot as necessary to collect vital information without unnecessarily burdening providers. The Commission's Communication Division Staff may expand or modify reporting requirements, as needed, to assess the Pilot.

Initially, we require providers participating in the Pilot to submit biannual reports containing (i) data usage for each participant each month; (ii) the plan and plan prices subscribed to by each customer; (iii) number of subscribers disconnected for past due balance; (iv) the address of each subscriber that receives a service plan below the 100/20 Mbps speed threshold and the data speed provided to that subscriber; and (v) the prices and details of the voice plans (minutes, texts, data allowance, and copays) for providers offering bundled voice plans. This information is vital because it enables the Commission to

[131] CETF Opening Comments at 8, 18.

[132] Cal Advocates Opening Comments at 5; CETF Opening Comments at 18; Independent Small LECs Opening Comments at 13; TURN Opening Comments at 18.

[133] AT&T Opening Comments at 11; AT&T Reply Comments at 5; CalBroadband Opening Comments at 2-3; CTIA Opening Comments at 12.

assess whether the Pilot is providing affordable broadband services that meet eligible Californians' needs.

The biannual reports shall be due on January 1 and July 1 for the three-year term of the Pilot. Providers participating in the Pilot shall include "lessons learned" in their January 1 report to the Commission.

For claim reimbursement purposes, providers participating in the Pilot shall submit monthly reports including (i) the number of total subscribers to the Pilot program; (ii) the number of new enrollments each month; (iii) the number of subscribers by plan, including a breakdown by each subsidized plan; and (iv) the number of subscribers leaving the program monthly. The Commission's Communication Division Staff shall have the authority to expand or modify the reporting requirements for monthly reimbursement claims, as needed, for the integrity of the California LifeLine Program and Pilot assessment.

5. Summary of Public Comment

Commission Rule 1.18 allows any member of the public to submit a written comment in any Commission proceeding using the "Public Comment" tab of the online Docket Card for that proceeding on the Commission's website. Rule 1.18(b) requires that relevant written comments submitted in a proceeding be summarized in the final decision issued in that proceeding. There are no public comments pertinent to the Home Broadband Pilot on the Docket Card for this proceeding.

6. Conclusion

Because many California households struggle to afford adequate home broadband, the Commission will authorize a three-year, voluntary Home

Broadband Pilot on a technology-neutral basis. The Pilot will subsidize any approved standalone or bundled home broadband plan from a participating provider offering 100/20 Mbps service with at least 1280 GB data. This flexible approach respects consumer preferences and minimizes administrative costs while ensuring that low-cost plans provide the robust connectivity necessary for modern digital life.

7. Comments on Proposed Decision

The proposed decision of Commissioner Alice Reynolds in this matter was mailed to the parties in accordance with Section 311 of the Public Utilities Code and comments were allowed under Rule 14.3 of the Commission's Rules of Practice and Procedure. Comments were filed on August 14, 2025 by AT&T, Cal Advocates, CETF, Charter, CTIA, the Independent Small LECs, NaLA, and TURN, and reply comments were filed on August 19, 2025 by AT&T, CforAT, Charter, CTIA, the Independent Small LECs, TURN, and Verizon. NaLA disputes that the Home Broadband Pilot is technology-neutral and recommends that the Commission either cancel the Pilot or eliminate the MSS.[134] According to NaLA, no mobile service could meet the MSS set for the Home Broadband Pilot.[135]

NaLA's claim that mobile broadband providers may not meet the MSS speed and usage requirements does not mean the Pilot is not technology-neutral. The FCC has said that the principle of competitive neutrality does not preclude

[134] NaLA Opening Comments on Proposed Decision at 1-2.

[135] *Id*. at 4, 6.

the statutory requirement to ensure reasonably comparable service.[136] Moreover, the Commission has lawfully provided variation in the administration of the California LifeLine program for providers in different circumstances.[137]

Here, the MSS is designed to fulfill the Pilot's objective of making broadband services that reflect Californians' substantial data usage needs affordable. We set the MSS at 100/20 Mbps and 1280 GB to further this objective. The Pilot allows *any* provider, whether a fixed broadband or wireless provider, to participate voluntarily in the Pilot if they meet the MSS. Moreover, providers may be exempted from meeting the MSS of 100/20 Mbps if they offer service in an area where 100/20 Mbps is not feasible, or they offer an income-eligible low-cost plan that is approved by Communications Division Staff. Eliminating any MSS, as NaLA recommends, would subsidize providers without guaranteeing adequate service for Californians participating in the Pilot. We, therefore, find that the Pilot is technology-neutral and decline to adopt NaLA's recommendations.

We also agree with TURN's assertion that subscribers may already receive mobile broadband service through California LifeLine's existing combined state and federal subsidy of $28.25 a month.[138]

---

[136] In re Connect America Fund, 31 F.C.C. Rcd. 5949, 5963 (2016).

[137] D.14-09-014 at 5.

[138] TURN Reply Comments on Proposed Decision at 2-3.

AT&T and CTIA assert that the Pilot fails to meet the parameters outlined in D.18-12-019.[139] In D.18-12-019, the Commission set forth a framework for the Commission's consideration and approval of stakeholder-proposed pilot programs.[140] Here, the Pilot was developed from the Home Broadband Report, comments on the Home Broadband Report, and comments on the proposed decision. The Pilot was not proposed by a stakeholder and the framework established in D.18-12-019 does not apply.

AT&T, CTIA, and Verizon express concern about the lack of a Pilot budget.[141] The overall budget for the California LifeLine program is determined through the standard budget process of the state. Establishing a set budget for the Pilot at this stage would be speculative because the cost estimate for the Pilot depends on two key unknowns: (1) the level of participation by service providers, and (2) the number of eligible households that choose to enroll. Both factors are voluntary and cannot be confirmed until the Pilot launches.

Despite these unknowns, it is possible to estimate the administrative and operational costs of the Pilot using the California LifeLine Third-Party Administrator (TPA) contract data. The average per-customer operational cost for California LifeLine is $12.89. In addition, there is a one-time development

[139] AT&T Opening Comments on Proposed Decision at 6-8; CTIA Opening Comments on Proposed Decision at 10-13.

[140] D.18-12-019 at 12 (encouraging and inviting stakeholders to propose new and innovative pilots that satisfy the framework requirements adopted in the decision).

[141] AT&T Opening Comments on Proposed Decision at 7-8; CTIA Opening Comments on Proposed Decision at 2, 10-13; Verizon Reply Comments on Proposed Decision at 1-2.

cost of $150,000 for necessary system updates to support the Pilot during its first year.

Local assistance funding is based on actual provider participation, the volume of eligible household applications, and the number of subscribers participating at the $20-$30 subsidy per month. These factors are currently unknown, but the Communications Division Staff applies an average cost of $25 per household to estimate this component. The Communications Division Staff also analyzed data from the ACP to estimate subscriber participation. According to the most recent ACP data, 2,945,282 California households enrolled in the ACP, of which approximately 1,266,471 (or 43 percent) subscribed to home broadband services.

Charter argues that there is no record to apply GO 153's marketing and notice requirements;[142] the requirement to provide free, unlimited access to customer service representatives in the languages in which a provider markets its California LifeLine services;[143] the requirements for providers to submit a Tier 2 Advice Letter to participate in the Pilot and modify their service plans;[144]

[142] Charter Opening Comments on Proposed Decision at 10-11.

[143] *Id*. at 11-12.

[144] *Id*. at 12-13. To clarify, a Tier 2 Advice Letter is required when providers seek to participate in the Pilot or for service plan changes for which they seek an exception. Providers must file a Tier 1 Advice Letter when they make changes to service plans that comply with the MSS. While AT&T recommends that the Commission eliminate the requirement that providers file a Tier 1 Advice Letter when they make changes to the qualifying service plans, we find that this requirement is not overly burdensome and provides necessary regulatory oversight. (*See* AT&T Opening Comments on Proposed Decision at 10.)

reporting requirements;[145] and non-usage rules.[146] While we encourage the Communications Division Staff to assess the necessity of these and other requirements during the Pilot, we decline to eliminate them now. As CETF highlights, the success of the Pilot depends on effective public awareness and clear communication to eligible households.[147] Therefore, marketing and outreach in appropriate languages may further the Pilot's goal of increasing participation in the overall California LifeLine program. Requiring providers to submit a Tier 2 Advice Letter when they seek to participate in the Pilot or when they seek an exception to the MSS for their service plans provides necessary oversight. Reporting requirements allow the Communications Division Staff to track the Pilot's progress toward its goals. Finally, the application of the non-usage rules guards against waste.

AT&T and the Independent Small LECs oppose biannual reporting requirements.[148] While AT&T opposes the requirement to provide both data usage and California LifeLine subscriber address information,[149] the Independent Small LECs only oppose the requirement to provide data usage for each participant each month.[150] The Independent LECs state that neither they nor

[145] *Id*. at 13.

[146] *Id*. at 14.

[147] CETF Opening Comments on Proposed Decision at 2.

[148] AT&T Opening Comments on Proposed Decision at 11; the Independent Small LECs at 5-6.

[149] AT&T Opening Comments on Proposed Decision at 11.

[150] Independent Small LECs Opening Comments on Proposed Decision at 5.

their affiliates impose data caps on broadband plans.[151] Moreover, according to the Independent Small LECs, the requirement results in "an enormous expenditure of resources to collect this data on a user-by-user basis" because their "systems are not currently configured to measure and track usage at specific locations" and "usage tracking does not generally occur today."[152] To the extent the Commission believes this is a relevant metric, the Independent Small LECs recommend that it only apply to those providers that impose data caps.[153] AT&T recommends that the Commission allow the submission of aggregated data or not require any participating provider to report on data usage.[154] In reply comments, TURN recommends that the Commission grant waivers for providers who demonstrate no means to track data consumption.[155]

We decline to make these changes. Assessing participants' monthly data usage at a granular level is necessary to ensure that the Pilot is providing access to affordable broadband services that meet Californians' needs. This data is critical even when the provider does not impose data caps. However, we encourage the Communications Division Staff to assess the necessity of this reporting requirement, as written, during the Pilot. Through this decision, the

[151] *Ibid*.

[152] *Ibid*.

[153] *Id*. at 6.

[154] AT&T Opening Comments on Proposed Decision at 11; AT&T Reply Comments on Proposed Decision at 5.

[155] TURN Reply Comments on Proposed Decision at 4.

Staff is authorized to revise the Pilot's requirements as needed to address provider participation.

8. Assignment of Proceeding

Alice Reynolds is the assigned Commissioner and Robyn Purchia is the assigned ALJ in this proceeding.

Findings of Fact

1. The Moore Act established the California LifeLine Program.
2. Pub. Util. Code Section 871.7(c) directs the Commission to "promote equity to access to high-speed communications networks, the Internet, and other services to the extent those services provide social benefits."
3. Through R.20-02-008, the Commission is following the Legislature's direction by considering access to broadband services.
4. California households and providers participated significantly in the ACP.
5. Fixed home broadband services provide abundant data and bandwidth and enable numerous users and devices to connect.
6. Mobile home broadband connections enable access for only a single user, and the amount of bandwidth and data is typically limited.
7. The current American household's data usage needs are between 400 and 700 GB each month, and rising.
8. Home broadband is a necessary service for California households.
9. Affordability is a significant barrier to home broadband for many California LifeLine-eligible households.
10. The broadband affordability gap impacts the ability of low-income Californians to participate in telework, telelearning, telehealth, public safety,

civic engagement, social media, website browsing, and streaming activities at the same level as higher-income Californians.

11. There is an immediate need for the California LifeLine program to expand to offer access to affordable home broadband for low-income Californians.

12. There is an immediate need for the California LifeLine program to authorize a pilot that minimizes burdens on providers and customers to participate, while retaining protections to guard against waste, fraud, and abuse.

13. The Commission's resolution process offers providers, customers, and the public with notice of and the opportunity to be heard regarding revisions necessary to address successful Pilot implementation, such as changes that impact provider participation, participants' access, and/or waste, fraud, and abuse, while also giving Staff flexibility to adapt the Pilot to new information.

14. A three-year Pilot duration creates long-term stability for California LifeLine participants.

15. A scheduled Pilot review within 18 months after launch allows the Commission to make any necessary refinements to the Pilot through the Commission's resolution process.

16. GO 153, Section 5 describes the current LifeLine eligibility criteria.

17. Pub. Util. Code Section 878(d)(3) defines "household" as "any group of individuals including the subscriber, who are living together at the same address and as one economic unit."

18. The Commission must balance the need to make home broadband affordable and accessible to low-income Californians with its obligation to ensure that public costs are minimally burdensome and evenly distributed.

19. By carrying over the established eligibility criteria from the current California LifeLine program, the Commission will streamline implementation of the Pilot, reduce its administrative costs and timeline, and simplify the application process to maximize customer and provider participation.

20. Allowing bundled services offered through the Pilot to apply to any wireline or wireless voice plan simplifies the administration of the California LifeLine program and enables participants to access critical voice services, such as 911.

21. Connection charges and device/equipment expenses may be a barrier to subscribing to plans that are otherwise affordable.

22. The federal broadband speed benchmark used by the FCC to evaluate national progress towards universal service is 100/20 Mbps.

23. The federal Lifeline minimum service standard for fixed broadband data usage is 1280 GB per month beginning December 1, 2025.

24. Governor Newsom's Executive Order N-73-20 directed California state agencies to pursue a minimum broadband speed goal of 100 Mbps download speed to guide infrastructure investments and program implementation to benefit all Californians.

25. GO 153 requires the Commission to monitor how providers promote and advertise the Pilot program to evaluate its success and inform strategies for increasing customer participation effectively.

26. Administrative requirements, including employee training and complex advertising and notification mandates, may raise the Pilot's implementation costs and disincentivize providers from participating.

27. Imposing an ETC designation requirement on Pilot providers may limit the participation of providers.

28. ETC-designated providers may receive federal Lifeline reimbursement for broadband services provided by affiliates, such as the ISP affiliates of the Independent Small LECs.

29. The federal Lifeline program allows ETC-designated providers to receive federal universal service support "using its own facilities or a combination of its own facilities and resale of another carrier's services."

30. Making up the federal subsidy for non-ETC providers may significantly inflate the Pilot's cost.

31. ETC-designated providers seeking to add, remove, or modify California LifeLine services must submit a Tier 2 Advice Letter.

32. Providers, or their affiliates, that do not have an operating authority with the Commission or do not currently participate in the California LifeLine Program may apply to the Commission for operating authority.

33. While data is crucial to successful policymaking, reporting requirements are also a burden to providers.

Conclusions of Law

1. It is reasonable to authorize a three-year, technology-neutral Home Broadband Pilot that addresses the immediate need for affordable home broadband for low-income Californians and minimizes burdens on providers and customers to participate, while retaining protections to guard against waste, fraud, and abuse.

2. It is reasonable to adopt the following goals for the Pilot: (1) achieve a provider participation rate similar to the ACP, and (2) achieve an increase in participation in the overall California LifeLine program.

3. It is reasonable to permit the Commission's Communications Division Staff to propose changes to the Pilot requirements needed to address successful Pilot and California LifeLine implementation, including provider participation, California LifeLine participants' access, budgetary limitations, and/or waste, fraud, and abuse, through a draft resolution.

4. It is reasonable for the Commission's Communication Division to review the Pilot within 18 months after the launch and present its analysis and recommendations within 20 months after launching the Pilot through a workshop or a ruling in the docket of this Rulemaking or a successor Rulemaking.

5. It is reasonable for Staff's analysis to include: (1) an assessment of the usage patterns of Pilot participants; (2) an assessment of consumer preferences regarding standalone broadband versus bundled service offerings; (3) an evaluation of the lessons learned; and (4) an identification of waste, fraud, and abuse incidents and trends.

6. It is reasonable for Staff to notify parties to this Rulemaking, or a successor Rulemaking, when the Pilot is operational, and give participating providers advanced notice before the Pilot launches. The three-year period will begin upon this notification being issued. Staff will provide an update and target date for the Pilot's commencement to parties to this Rulemaking, or a successor Rulemaking, and participating providers.

7. It is reasonable to apply all the rules, procedures, and criteria of California LifeLine and GO 153 to the Pilot with the following exceptions: (1) a voice offering for bundled service that meets Pilot requirements is exempt from the GO 153 requirements and need not be applied to an approved California LifeLine plan; (2) the MSS for bundled voice and broadband plans; and (3) GO 153, Sections 8.1.1.3 and 8.1.3.2, and the provision of other rules that permit more than one connection reimbursement per year per provider per household.

8. It is reasonable to authorize the Pilot to subsidize one standalone fixed broadband service for $20.00 or a bundle of fixed broadband and voice service for $30.00 ($20.00 for broadband service and $10.00 for voice service), on the condition that the bundled fixed broadband and voice service are from the same provider or offered in partnership with an affiliate.

9. It is reasonable to limit a household's eligibility to only one subsidy from California LifeLine.

10. It is reasonable to provide a reimbursement for a connection charge up to $39.00 but limit it to one per household per year per provider, and make the reimbursement unavailable for households that switch plans with the same provider.

11. It is reasonable to require participating providers to make equipment necessary for the provision of internet services available to customers participating in the Pilot, such as a modem and router.

12. It is reasonable to disallow participating providers' reimbursement for device-related expenses.

13. It is reasonable to adopt a technology-neutral MSS of 100/20 Mbps with 1280 GB usage per month.

14. It is reasonable to exempt providers from the MSS in areas where the 100/20 Mbps is not feasible, subject to Staff review and approval.

15. It is reasonable to allow service plan tiers that are income-eligible, low-cost broadband plans that do not meet the 100/20 Mbps standard, subject to Staff review and approval, so long as the network is capable of delivering such service and the provider offers service tiers that meet or exceed the Pilot MSS.

16. It is reasonable to require providers to notify households of all affordable internet service options and any associated promotional pricing that results in a price increase after a specified period of service.

17. It is reasonable to require providers to submit a marketing plan, including examples of marketing material for eligible customers, for Staff review and approval.

18. It is reasonable to require marketing material to satisfy the standards in GO 153.

19. It is reasonable to require providers to inform customers that a standalone broadband plan does not include voice service for making 911 calls.

20. While subscribers may switch providers at any time, it is reasonable to require providers to inform subscribers that each household is eligible for only one $39 service connection discount per year per provider, in addition to complying with the other customer notification requirements of GO 153.

21. It is reasonable to allow non-ETC providers to participate in the Pilot.

22. It is reasonable to allow providers with existing ETC-designation that do not currently leverage federal Lifeline reimbursement for broadband offered by affiliates to do so.

23. It is reasonable not to make up the federal subsidy difference for providers and California-only subscribers participating in the Pilot.

24. It is reasonable to require providers with existing authorization to participate in the California Lifeline program, directly or through an affiliate, to seek authorization to participate in the Pilot through filing a Tier 2 advice letter, or Pilot Election

Advice Letter, and file a Tier 1 Advice Letter whenever they make changes to the service plans, or range of plans, eligible for the Pilot and a Tier 2 Advice Letter for service plan changes for which they seek an exception.

25. It is reasonable to require providers' affiliates to comply with all California LifeLine program rules and requirements, relevant statutes, and reporting requirements.

26. It is reasonable to hold California LifeLine service providers legally responsible for their affiliates' compliance.

27. It is reasonable to issue reimbursement claims to the California LifeLine service providers and hold California LifeLine service providers responsible for passing on the reimbursement to the affiliate.

28. It is reasonable to require each service provider to provide Pilot participants at least 30 days' notice before disconnecting or transitioning Pilot participants to standard California Universal Telephone Service Program service plans at the conclusion of the Pilot.

29. It is reasonable to adopt the biannual reporting requirements containing (i) data usage for each participant each month; (ii) the plan and plan prices subscribed to by each customer; (iii) number of subscribers disconnected for past due balance; (iv) the address of each subscriber that receives a service plan below the 100/20 Mbps speed threshold and the data speed provided to that subscriber; and (v) the prices and details of the voice plans (minutes, texts, data allowance, and copays) for providers offering bundled voice plans.

30. It is reasonable to require providers to report on "lessons learned" once a year on January 1.

31. It is reasonable to require providers to submit their biannual reports to the Communications Division Staff on January 1 and July 1 for the three-year term of the Pilot.

32. It is reasonable to require providers participating in the Pilot and seeking reimbursement to submit monthly reports including (i) the number of total subscribers to the Pilot program; (ii) the number of new enrollments each month; iii) the number of subscribers by plan, including a breakdown by each subsidized plan; and (iv) the number of subscribers leaving the Pilot monthly.

33. It is reasonable for the Commission's Communication Division Staff to expand or modify the reporting requirements for the monthly reimbursement claims.

O R D E R

IT IS ORDERED that:

1. California Universal Telephone Service Program (California LifeLine) service providers may elect to participate in the Home Broadband Pilot (Pilot)

authorized by this decision by filing a Tier 2 Advice Letter (Pilot Election Advice Letter). Each service provider shall include in its Pilot Election Advice Letter (1) relevant Commission licenses and approvals, including for any affiliates that will be involved in providing service; (2) affiliate business structure and role of affiliates, if relevant; (3) all internet service plans and bundles that meet the minimum service standards including details of any promotional plan pricing that is scheduled to increase at a set interval; (4) an overview of the providers' network's ability to provide service that meets the Pilot requirements; (5) if applicable, a map of the areas where service is available but cannot meet or exceed the Pilot minimum service requirements and the technology used to provide service to these locations, if the service provider cannot meet or exceed the Pilot's minimum service requirements; (6) if applicable, any income-eligible, low-cost broadband plans that do not meet the 100/20 megabytes per second standard, so long as the network is capable of delivering such service and the provider offers service tiers that meet or exceed the Pilot minimum service standards; (7) typical notifications sent to customers (type, content, method); (8) number of potential eligible customers (Total Addressable Market, Serviceable Available Market, and Service Obtainable Market); and (9) an acknowledgement that the wireline service provider shall be legally responsible for its affiliate's compliance with the California LifeLine rules and requirements in General Order 153, or as described in this decision, if partnering with an affiliate to provide Pilot services. Additional information may be requested by Staff as needed to implement the Pilot in accordance with this decision. Providers must file a Tier 1 Advice Letter whenever they make changes to the service plans, or

range of plans, eligible for the Pilot or a Tier 2 Advice for service plans for which the provider seeks an exception, as described herein.

2. Each California Universal Telephone Service Program (California LifeLine) service provider that elects to participate in the Home Broadband Pilot (Pilot) authorized by this decision shall submit Pilot data reports to the Commission every six months on January 1 and July 1, for the three-year term of the Pilot, starting six months after the date of approval of the provider's Pilot Election Advice Letter. Initial reporting requirements will include (i) data usage for each participant each month; (ii) the plan and plan prices subscribed to by each customer; (iii) number of subscribers disconnected for past due balance; (iv) the address of each subscriber that receives a service plan below the 100/20 megabits per second service speed threshold and the data speed provided to that subscriber; and (v) the prices and details of the voice plans (minutes, texts, data allowance, and copays) for providers offering bundled voice plans. On January 1 of each year, each California LifeLine service provider shall include "lessons learned" in the Pilot data report.

3. Each service provider that participates in the Home Broadband Pilot authorized by this decision shall be eligible for one standalone fixed broadband monthly subsidy of $20.00, or a bundle of fixed broadband and voice service subsidy of $30.00 ($20.00 for broadband service and $10.00 for voice service). Bundled fixed broadband and voice service must be from the same provider or offered in partnership with an affiliate.

4. Each service provider that participates in the Home Broadband Pilot (Pilot) authorized by this decision shall provide Pilot participants at least 30 days'

notice before disconnecting or transitioning Pilot participants to standard California Universal Telephone Service Program service plans at the conclusion of the Pilot.

5. Commission Staff may expand or modify the reporting requirements as necessary to monitor and assess the Home Broadband Pilot.

6. Commission Staff are authorized to propose modifications to the Home Broadband Pilot requirements via a draft resolution.

7. Commission Staff must provide notice of any draft resolution to the service list of this proceeding.

8. Rulemaking 20-02-008 remains open.

This order is effective today.

Dated August 28, 2025, at San Francisco, California.

ALICE REYNOLDS
President
DARCIE L. HOUCK
JOHN REYNOLDS
KAREN DOUGLAS
Commissioners

Commissioner Matthew Baker recused himself from this agenda item and was not part of the quorum in its consideration.