



California Public Utilities Commission
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PRESS RELEASE

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CPUC Updates California LifeLine to Increase Support for Low-Income Households While Reducing Program Costs

SAN FRANCISCO, Oct. 8, 2026 – The California Public Utilities Commission (CPUC) today approved updates to the California LifeLine Program to ensure it meets the voice and broadband connectivity needs of low-income households, including by more than doubling the amount of wireless broadband data provided by the program.

Today’s decision updates the methodology used to determine the amount of subsidy support provided to participating service providers in exchange for providing service that meets the minimum voice and broadband standards to eligible low-income households. The standards adopted today were developed after an exhaustive review of service plans in the telecommunications marketplace and will be updated annually to ensure service offered to low-income households continues to meet consumer needs.

“California LifeLine plays an important role in helping eligible households stay connected to essential communications services,” said CPUC President John Reynolds, who is assigned to the proceeding. “Today’s decision ensures California LifeLine offers services that are reflective of today’s marketplace. By providing higher mobile data allowances, meaningful choices among service tiers, and stronger safeguards for program funds, we are strengthening the program while remaining focused on affordability and reliable access for Californians who depend on this program.”

Under the previous methodology, the maximum subsidy amount for wireless and wireline California LifeLine providers was set at 55 percent of the highest basic residential rate among California landline telephone service providers. AT&T has consistently had the highest basic residential rate, which increased from \$27 in 2019 to \$34.50 in 2024, when the CPUC froze the subsidy amount at \$19. Since

then, AT&T has increased its basic service rate to \$50 in most of the areas it serves. This contributed to increases in the subsidy amount while program service standards, including data allowances, remained unchanged. Today's decision establishes separate methodologies for wireless and wireline California LifeLine services.

Wireless California LifeLine Changes

The decision establishes three wireless service tiers, each with a \$20 monthly subsidy amount, offered at no cost to the California LifeLine participant:

- **Tier 1:** Unlimited talk and text, 8 GB of monthly data, and a 24-hour portability freeze
- **Tier 2:** Unlimited talk and text, 15 GB of monthly data, and a 60-day portability freeze
- **Tier 3:** Unlimited talk and text, 20 GB of monthly data, and a 90-day portability freeze

The tiered structure provides consumers with options for higher data allowances in exchange for longer portability freeze periods. Consumers selecting Tier 1 will retain a 24-hour portability freeze while receiving a higher level of service than under the previous 6 GB monthly standard.

The decision more effectively leverages federal support by requiring participating wireless service providers to offer an additional 4.5 GB of monthly data to subscribers who also receive the \$9.25 federal Lifeline benefit. Once implemented, the 1.46 million California households currently participating in both the state and federal lifeline programs will receive more than twice as much data, 12.5 GBs, with the option of receiving as much as 24.5 GBs if offered by their service provider.

Wireline California LifeLine Changes

For wireline services, today's decision ends the Carrier of Last Resort-based methodology and establishes a subsidy framework based on each wireline service provider's individual rates. The basic subsidy amount is set at 55 percent of a wireline service provider's combined basic rate and end-user common line charge, or \$19, whichever is lower. The methodology maintains access to internet and voice bundled service options that meet minimum voice service standards. The existing wireline service activation charge remains unchanged.

Wireless Activation and Connection Reimbursement Changes

The decision adjusts wireless activation and connection reimbursements to one \$15 reimbursement per year per participant. This is consistent with the lower activation fees charged in the general wireless marketplace. A 2025 analysis of activation charges among three major wireless carriers found that T-Mobile charges a \$25 activation fee, Verizon does not charge an activation fee, and AT&T charges \$15 but waives the fee for customers who enroll in a prepaid plan. Previously, the program reimbursed providers up to \$39 per customer twice per year. The approved changes are intended to promote prudent and responsible use of ratepayer funds while maintaining communications service options for eligible California LifeLine consumers.

About California LifeLine

The California LifeLine Program provides subsidies that reduce the cost of qualifying communications services for eligible low-income households and foster youth. The program supports qualifying voice and bundled voice-and-broadband services for eligible California consumers. Consistent with current statutory requirements, the program provides subsidies to services customers received, it does not provide subsidies for equipment and devices.

More Information

- [Proposal Approved](#)
- [California LifeLine Website](#)
- [Docket Card](#)

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