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NEWS RELEASE

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Programs for Low-income Telephone Customers to Change ***PSC brochure provides updated information; federal policy change ends subsidy for initial telephone service***

FRANKFORT, Ky. (March 26, 2012) – Changes being made by the Federal Communications Commission (FCC) mean an end to a program that subsidizes the cost of telephone service for low-income consumers.

“Although the Link-Up program will end April 2, 2012, the Lifeline program, which helps pay the cost of monthly phone bills for eligible consumers, will continue,” Kentucky Public Service Commission (PSC) Chairman David Armstrong said. “We encourage eligible Kentuckians to continue to avail themselves of that program.”

The end of the Link-Up program, which has provided subsidies of as much as \$30 for the initial cost of telephone service, is part of an FCC effort to overhaul low-income assistance programs. The FCC is shifting the focus away from voice telephone service and toward broadband (high-speed) internet service.

In order to help qualifying Kentuckians obtain assistance, the PSC has updated its brochure, *A Guide to Telephone Service Programs for Low-Income Consumers*. The brochure is available at <http://psc.ky.gov/agencies/psc/consumer/lifeline.pdf>.

The Lifeline program contributes up to \$12.75 per month for eligible Kentucky households to maintain a single telephone line, which may be either landline or wireless.

Eligibility is determined by participation in one of several other assistance programs such as Medicaid or the Low-Income Home Energy Assistance Program (LIHEAP), or (as of June 1, 2012) by having a household income at or below 135 percent of the federal poverty level.

More than 250,000 Kentucky households participate in the Lifeline program, a lower proportion of households than in many neighboring states, Armstrong said. That indicates that there are many eligible Kentuckians who do not participate in the program, he said.

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“Anyone who is not participating in Lifeline and who thinks their household may be eligible should consult our brochure and contact their local phone company for details on how to apply,” Armstrong said.

Other changes being made by the FCC are intended to reduce waste or abuse in the subsidy programs and to begin shifting subsidies to the provision of broadband service. The Lifeline program will continue to be funded through a small surcharge on all telephone bills.

The FCC’s news release on the changes can be found here:

http://transition.fcc.gov/Daily_Releases/Daily_Business/2012/db0131/DOC-312210A1.pdf

The FCC’s online guide to the Lifeline program is here:

<http://www.fcc.gov/encyclopedia/lifeline-program-low-income-consumers>

The PSC is an independent agency attached for administrative purposes to the Energy and Environment Cabinet. It regulates more than 1,500 gas, water, sewer, electric and telecommunication utilities operating in Kentucky and has approximately 90 employees.

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