

Tom Crawford's GEORGIA REPORT

PSC delays action on Lifeline phone service until after the election

By Tom Crawford | Published: October 2, 2012

The Public Service Commission has decided to wait at least six more weeks before voting on a new rule that would impose a \$5 monthly service fee on low-income Georgians who receive subsidized “Lifeline” telephone service.

The new rule has been proposed by Commissioner Doug Everett to cut down on purported abuse of the reduced-cost cellphone service, but consumer advocates have warned that the monthly fee would cause a hardship for the low-income citizens who rely on this service.

The PSC was scheduled to adopt the new rule at Tuesday’s meeting, but held back at the request of Commissioner Chuck Eaton.

Eaton said he wanted more time to look at other alternatives for addressing fraudulent and abusive use of the reduced-price cellphones. Under the PSC’s administrative rules, these changes could not be adopted until 30 days after the next administrative meeting on Oct. 16.

That delays a final vote on this consumer assistance issue until after the Nov. 6 general election, where Eaton and Commissioner Stan Wise are both up for reelection.

“I was ready to vote,” Everett said of his proposed rule, but he went along with Eaton’s motion to delay final consideration of the issue.

“I think there are some other things we can look at, such as requiring photo IDs and minimizing the number of free minutes, which I think invites fraud,” Eaton said. “It’s a great idea to allow more comments.”

Lifeline phone service is offered to low-income consumers who otherwise would not be able to pay for telephone access. The service is subsidized by other phone users through a surcharge added to their monthly phone bills.

There have been complaints that some Lifeline users have several cell phones when they are only supposed to have one.

Former PSC member Bobby Baker, who now represents several companies involved in the Lifeline program, said a \$5 monthly fee would “impose an unnecessary financial burden on all Lifeline customers, adversely impact the intent of the Lifeline program and create additional expenses” for the companies providing the service.

“The Lifeline program provides valuable communications services to low-income and elderly customers who couldn’t afford a wireless phone without the program,” Baker said in a letter filed with the PSC.

The consumer organization Georgia Watch said that charging a \$5 monthly fee for Lifeline service “thwarts its very purpose.”

“Those who need the program the most – including low-income elderly, the disabled, and other qualified persons – may lose their Lifeline access solely because they do not have the funds to pay a Commission mandated monthly service fee,” Georgia Watch said in comments filed with the PSC.

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