



## **Oregon Cable Telecommunications Association**

### **Public Comments on AR 675 Rulemaking/HB 3148 Implementation**

#### **Docket No. AR 675**

The Oregon Cable Telecommunications Association (OCTA) appreciates the opportunity to provide comments on the proposed rules implementing HB 3148. Our members are committed to connecting Oregonians with affordable broadband and telecommunications services, and we offer the following feedback to improve the clarity and administrative ease of the proposed rules.

#### **Clarity on the Terms Federal Lifeline and Oregon Lifeline**

The proposed rules define "Federal Lifeline" and "Oregon Lifeline" in OAR 860-033-0005(13) and (17), but do not consistently use these defined terms throughout the rule text. Instead, the rules frequently reference "Federal and/or Oregon Lifeline" without using the specific defined terms. OCTA recommends revising the rules to consistently state "Federal Lifeline and/or Oregon Lifeline" to improve clarity and reduce potential confusion in implementation.

#### **Clarification Needed Regarding Oregon Lifeline Support Amounts**

The proposed rule text for OAR 860-033-0035(1)(c) contains an apparent drafting inconsistency. The first sentence states that for a customer receiving Oregon Lifeline supported service at no charge, "the State of Oregon support of \$15.00." The second sentence then provides that if an Eligible Telecommunications Provider demonstrates it provides unlimited voice minutes and unlimited data, "the Commission may authorize a State of Oregon support amount up to \$10.00."

This creates confusion: if the base support amount is \$15 and the conditional authorization is for "up to \$10.00," what amount applies when the conditions in the second sentence are not met? Is the \$15 amount the default, with \$10 as a reduced amount for providers meeting certain criteria? Or was the intent to cap support at \$10 for no-charge services while allowing up to \$15 for customers paying a monthly rate?

OCTA requests clarification on the Commission's intent and correction of any drafting errors in this subsection.

#### **Implementation Concerns with Variable Credit Amounts Based on Payment Status**

If the Commission intends to establish different state Lifeline credit amounts based on whether a customer pays anything for their Lifeline-supported service, OCTA has significant concerns about practical implementation.

Consider this scenario: A customer subscribes to internet service priced at \$20 per month. Applying the \$9.25 federal credit and a state credit sufficient to bring the customer's cost to zero would appear to reclassify them as a customer "not paying anything", potentially reducing their state credit under subsection (c). If the state credit is then reduced, the customer would owe a small amount, which would seemingly re-qualify them for the higher credit under subsection (b) as a customer "paying a monthly rate."

This circular logic creates an unworkable compliance situation for providers attempting to calculate the correct credit amount.

OCTA requests either:

- Clear guidance on how to calculate and apply credits when a customer's out-of-pocket cost approaches or reaches zero, or
- Consistent state credit amounts regardless of payment status to avoid implementation complications.

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