

When adopting a new permanent rule, the Commission must follow the rulemaking procedures set forth in the Oregon Administrative Procedures Act¹ and Commission rules OAR 860-001-0160 and OAR 860-001-0210 through OAR 860-001-0240. When opening a proposed permanent rulemaking, the Commission must give notice by publishing the notice in the Secretary of State's Oregon Bulletin at least 21 days before the effective date.² The Commission must also provide a copy of the proposed rule to "persons on the Commission's applicable rulemaking notification lists" at least 28 days prior the effective date and applicable legislators as specified in ORS 183.335(15) at least 49 days before the effective date.

Analysis

Background

In response to the June 1, 2024, sunset of the Federal Communications Commission's (FCC's) Affordable Connectivity Program (ACP),³ the 2025 Oregon Legislature enacted HB 3148, signed into law by Governor Tina Kotek on July 17, 2025.⁴ The ACP had provided monthly discounts on high-speed internet service to eligible households with low incomes, \$30 for non-Tribal households and \$75 for residents on federally recognized Tribal lands. The ACP also offered a one-time discount of up to \$100 towards the purchase of a laptop, desktop, or tablet, provided the eligible household contributed more than \$10, but less than \$50 towards the purchase price.

Scope of Rulemaking

To mitigate the impact of the ACP's expiration, HB 3148 establishes several key objectives. First, it modernizes the existing plan of assistance, Oregon Telephone Assistance Program (OTAP), by rebranding it as Oregon Lifeline, reflecting the program's expanded scope to include broadband internet access service.⁵ Oregon Lifeline serves as the state counterpart to the FCC's Lifeline program and currently provides \$10.00 of state support from the Residential Service Protection Fund per month in addition to the maximum support of \$9.25 available from the federal Universal Service Fund for voice service⁶ or broadband internet access service or both. The

¹ ORS 183.310 to 183.355

² ORS 183.335(1)(b); OAR 860-001-0210(1)(a).

³ See Federal Communications Commission, DA 24-23, Order, WC Docket No. 21-450 (rel. Jan. 11, 2024)

⁴ See Oregon State Legislature; *Oregon Legislative Information; 2025 Regular Session, HB3148 2025 Regular Session - Oregon Legislative Information System* (last visited December 1, 2025).

⁵ Or Laws 2019 c.91 §1.

⁶ See 47 C.F.R. § 54.403(a)(2)(iii). Federal Lifeline support for voice-only service is currently \$5.25 per month effective December 2020.

proposed rule amendments repeal the OTAP name and formally distinguish between federal Lifeline and Oregon Lifeline programs.

Second, the legislation increased the limitation of expenditures to allow the Commission to increase the Oregon Lifeline subsidy, currently \$10.00, to \$15.00 to help offset the loss of federal ACP support. The proposed rule amendments adjust the Oregon Lifeline subsidy to \$15.00 for customers who pay a monthly rate as provided in OAR 860-033-0035. In addition to available federal Lifeline support, eligible non-Tribal and Tribal households who pay a monthly rate for supported service in Oregon will receive a maximum combined discount of \$24.25 and \$49.25, respectively.

Finally, the provision of HB 3148 that introduces a one-time personal computing device benefit, up to \$100, for the purchase of a new or refurbished Internet-enabled desktop computer, laptop computer or computer tablet in addition to any ancillary devices such as a keyboard, mouse or assistive computer device or software will be addressed in Phase II of the rulemaking. Staff will engage stakeholders, including participants from Representative Pam Marsh's Broadband Affordability Workgroup who contributed to the development of HB 3148, as well as members of the public and other community partners to advise on rule development and implementation.

Unrelated to HB 3148, the proposed rule amendments also clarify that an Eligible Telecommunications Provider's "No Match" report is due within five (5) business days after the Commission's notice of customers' Lifeline eligibility approval. The amendment aligns the reporting timeline with that of the Order Activity Report, as both are addressed in the same section of OAR 860-033-0046.

Stakeholder Engagement

On October 31, 2025, Staff disseminated a working draft of the proposed rule amendments for purposes of discussion, informal comment, and to ascertain the fiscal impact, if any, to affected parties for compliance with the rules. One Eligible Telecommunications Provider recognized the five-day window for the "No Match" report was consistent with current expectations yet encouraged consideration of flexibility or grace periods because tight regulatory deadlines can pose operational challenges and strain internal resources on smaller companies. Staff then hosted an informal workshop on November 13, 2025, to provide an overview of the forthcoming proposal and to solicit stakeholder input on proposed changes. Workshop participants included the City of Portland, Eligible Telecommunications Providers, industry associations, Oregon Broadband Office, and wireless carriers.

Summary and Discussion of Proposed Draft Rules

Staff drafted the proposed rules in Attachment A to:

- (1) Change the program name from OTAP to Oregon Lifeline and clarify the distinction between the state and federal Lifeline programs;
- (2) Adjust the Oregon Lifeline subsidy to \$15.00 for eligible customers who pay a monthly rate; and
- (3) Clarify the timeline for submitting the “No Match” report.

The following contains a high-level summary of rule changes by section.

OAR 860-033-0005, 860-033-0006, 860-033-0010, 860-033-0030, 860-033-0035, 860-033-0045, 860-033-0046, 860-033-0050, 860-033-0100 and 860-033-0100

These rule changes replace references to the OTAP with Oregon Lifeline and clarify the distinction between the state and federal Lifeline programs.

OAR 860-033-0035

This section is amended to prescribe \$15.00 in state support per month for eligible customers who pay a monthly service rate.

860-033-0046

This amendment specifies the timeline for Eligible Telecommunications Providers to submit a “No Match” report for administrative consistency and efficiency.

Conclusion

Opening a formal rulemaking and issuing a NOPR in Docket No. AR 675 is necessary to implement the 2025 Oregon Legislature’s enactment of HB 3148 to update the program name change to Oregon Lifeline and to accommodate the revised \$15.00 monthly discount rate. In addition, consideration of an amendment to the administrative rule governing the “No Match” report is warranted to promote consistency and improve the efficiency of program administration.

PROPOSED COMMISSION MOTION:

Open a formal rulemaking and issue a NOPR for amendments to OAR Chapter 860, Division 33 as outlined in Attachment A.

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860-033-0005

Definitions

For the purpose of this division:

- (1) "Basic Service" means "basic telephone service" as defined in OAR 860-032-0190. For qualifying low-income recipients, basic service also includes access to toll-limitation services.
- (2) "Broadband internet access service" has the same meaning as defined in OAR 860-250-0010.
- (3) "Competitive Provider" means a competitive telecommunications provider as defined in ORS 759.005(1) that provides services authorized under ORS 759.020.
- (4) "Cooperative" means a cooperative corporation or association that provides local exchange telecommunications service within its own exchanges, is organized under ORS Chapter 62, and is certified under ORS 759.025(2).
- (5) "Duplicate Support" means a customer is receiving ~~OTAP~~ **Federal** or **Oregon** Lifeline supported services on two or more single lines or single line equivalents concurrently, or two or more customers in a household are receiving ~~OTAP~~ **Federal** or **Oregon** Lifeline supported services concurrently.
- (6) "Economic unit" means all adult individuals, eighteen or older, contributing to and sharing in the income and expenses of a household, including adult individuals with minimal or no income who benefit from another individual's financial support. Children under the age of eighteen living with their parents or guardians are considered to be part of the same household as their parents or guardians.
- (7) "Eligible Telecommunications Carrier" means a provider of telecommunications service, including a cellular, wireless, or other radio common carrier, that is designated by order of the Commission as eligible to receive federal universal service support throughout a designated service area.
- (8) "Eligible Telecommunications Provider" means a provider of telecommunications service, including a cellular, wireless, or other radio common carrier, that is designated by order of the Commission as eligible to provide ~~OTAP~~ **Oregon Lifeline supported services** to its qualifying low-income customers throughout a designated service area.

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(9) “Household” means any individual or group of individuals, related or unrelated, who are living together at the same address as one economic unit.

(10) “Income” means gross income as defined under section 61 of the Internal Revenue Code, 26 USC § 61, for all members of the household from any source derived, unless specifically excluded by the Internal Revenue Code, Part III of Title 26, 26 USC § 101, et. seq.

(11) “Interconnected voice over internet protocol service” means a service that:

- (a) Enables a real-time, two-way voice communications;
- (b) Requires a broadband connection from the user’s location;
- (c) Requires internet protocol-compatible customer premises equipment; and
- (d) Permits users generally to receive calls that originate on the public switched telephone network and to terminate calls to the public switched telephone network.

(12) “Interconnected voice over internet protocol service provider” means a provider that offers interconnected voice over internet protocol service to retail subscribers.

(13) “**Federal** Lifeline” means a program established by the Federal Communications Commission as defined in 47 C.F.R. § 54 Subpart E (2016).

(14) “Lifeline Household Worksheet” means a form that the Commission sends to an applicant when the Commission is unable to determine if an applicant and a current ~~OTAP~~**Federal** or **Oregon** Lifeline customer are part of a separate economic unit or household.

(15) “Low-income customer” means an individual who demonstrates eligibility for **Federal or Oregon** Lifeline supported services or the ~~Oregon Telephone Assistance Program~~ in OAR 860-033-0030.

(16) “Marketing materials” means all media, including but not limited to print, audio, video, internet (including email, web, and social networking media), and outdoor signage, that describe the ~~OTAP~~**Federal** or **Oregon** Lifeline supported service offering.

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(17) "~~Oregon Telephone Assistance Program~~ **Lifeline**" or "OTAP" means a program established by the Commission that provides a discount on basic service, broadband internet access service, or both, for eligible low-income residential customers. ~~OTAP~~ **Oregon Lifeline** establishes the requirements for Eligible Telecommunications Carriers to offer **Federal** Lifeline supported services in Oregon and may provide benefits that are in addition to those offered in **by the Federal Lifeline program**.

(18) "Oregon Telecommunications Relay Service" or "OTRS" means a telephone transmission service that provides the ability for an individual who is deaf, hard of hearing, deaf-blind, or who has a speech disability to engage in communication by wire or radio with one or more individuals, in a manner that is functionally equivalent to the ability of a hearing individual who does not have a speech disability to communicate using voice communication services by wire or radio.

(19) "~~OTAP~~ **Oregon Lifeline** Reimbursement Form 750" means the reporting form identified by that title that is available on the Commission's website at <https://www.oregon.gov/puc/Pages/default.aspx>.

(20) "Residential Service Protection Fund" or "RSPF" means a legislatively approved fund in the Oregon State Treasury that supports the Oregon ~~Telephone Assistance~~ **Lifeline** Program, the Telecommunication Devices Access Program and the Oregon Telecommunications Relay Service.

(21) "RSPF Surcharge" means a specified amount up to 35 cents per month collected from each paying retail subscriber who has telecommunications service with access to the telecommunications relay service, except as provided in OAR 860-033-0006(2).

(22) "RSPF Surcharge Remittance Form 751" means the reporting form identified by that title that is available on the Commission's website at <https://www.oregon.gov/puc/Pages/default.aspx>.

(23) "Service Initiation Date" means the date the low-income customer began receiving the ~~OTAP~~ **Federal** or **Oregon** Lifeline benefit.

(24) "Service Type" means the following type of **Federal or Oregon** Lifeline supported service to which the low-income customer may subscribe pursuant to the minimum service standards defined in 47 C.F.R. § 54 Subpart E (2019):

(a) Voice telephony service only;

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(b) Voice telephony service with broadband internet access service — (broadband internet access service does not meet the minimum service standards);

(c) Broadband internet access service only;

(d) Broadband internet access service with voice telephony service — (voice telephony service does not meet the minimum service standards); or

(e) Bundle — both voice telephony and broadband internet access service meet the minimum service standards.

(25) “Telecommunication Devices Access Program” or “TDAP” means a program established by the Commission that provides Assistive Telecommunication Devices or Adaptive Equipment at no additional cost beyond telephone service for customers who are deaf, hard of hearing, speech-impaired, deaf-blind or have a disability.

(26) “Telecommunications provider” includes competitive providers, cooperatives and telecommunications utilities.

(27) “Telecommunications service” means the offering of telecommunications as defined in 47 C.F.R. 54.5 (2012) for a fee directly to the public, or to such classes of users as to be effectively available directly to the public, regardless of the facilities used.

(28) “Telecommunications utility” means a person who is not a competitive provider and is designated as a telecommunications utility under OAR 860-032-0010.

(29) “Toll Limitation Service” means a service provided by an Eligible Telecommunications Provider that allows an ~~OTAP~~ **Oregon Lifeline** recipient to choose to block the completion of outgoing toll calls (toll blocking) or to specify a certain toll usage that may be incurred per month or per billing cycle (toll control).

(30) “Tribal Lifeline” means a Lifeline service for eligible residents of Tribal lands as defined in 47 C.F.R. § 54 Subpart E (2019).

(31) “Tribal Link Up” means a federal assistance program for eligible residents of Tribal lands as defined in 47 C.F.R. § 54 Subpart E (2013).

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(32) “Universal Service Administrative Company” means an independent, not-for-profit corporation designated by the Federal Communications Commission as the administrator of the universal service fund.

860-033-0006

Monthly RSPF Surcharge

(1) The Commission reviews the surcharge rate and the balance in the RSPF annually. The Commission may adjust the amount of the surcharge to ensure the fund has adequate resources but does not exceed six months of projected expenses. A rate adjustment ordered by the Commission following the annual review becomes effective January 1 of the year following the review.

(2) The surcharge does not apply to entities upon which the state is prohibited from imposing the surcharge by the Constitution or laws of the United States or the Constitution or laws of the State of Oregon including, but not limited to:

(a) Counties and political subdivisions.

(b) Federal, state and municipal government bodies or public corporations. For purposes of this rule, "public corporation" means a corporation formed by a state or local government authority for the public's benefit or for a public purpose. A regional housing authority qualifies as a public corporation.

(c) Federally chartered corporations specifically exempt from state excise taxes by federal law.

(d) Federally recognized Native-American Tribes, and tribal members who live within federally recognized Indian country and are enrolled members of the tribe with sovereignty over that Indian country.

(e) Foreign government offices and representatives that are exempt from state taxation by treaty provisions.

(f) Interconnection between telecommunications utilities, telecommunications cooperatives, competitive telecommunications services providers certified under ORS 759.020, radio common carriers and interexchange carriers.

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(g) Any other agency, organization or person claiming an exemption is required to identify the authority for its claim to a provider. If a telecommunications provider or interconnected voice over internet protocol service provider is unable to determine the status of a subscriber the Commission will determine whether the subscriber is exempt.

(3) Collection of RSPF Surcharge.

(a) Each telecommunications provider must collect the RSPF surcharge by charging the specified amount to each retail subscriber with access to the telecommunications relay service, including ~~OTAP~~ **Federal** or **Oregon** Lifeline eligible subscribers. The RSPF surcharge is applied on a telecommunications circuit designated for a particular subscriber.

(A) One subscriber line is counted for each circuit that is capable of generating usage on the line side of the switched network regardless of the quantity of customer premises equipment connected to each circuit.

(B) For providers of central office based services, the surcharge is applied to each line that has unrestricted connection to the telecommunications relay service. For central office based service lines that have restricted access to the OTRS, the surcharge is charged based on software design.

(b) Each interconnected voice over internet protocol service provider must remit the specified RSPF surcharge amount to the Commission for each retail subscriber with access to the telecommunications relay service, including ~~OTAP~~ or **Federal** or **Oregon** Lifeline eligible subscribers.

(c) Each cellular, wireless, or other radio common carrier must remit the specified RSPF surcharge for each retail subscriber with access to the telecommunications relay service, including ~~OTAP~~ **Federal** or **Oregon** Lifeline eligible subscribers. The surcharge is applied on a per-instrument basis.

(d) Each telecommunications public utility must identify the surcharge on each retail customer's bill, or if no amount is due, on a monthly statement, as a separate line item named "RSPF Surcharge."

(4) A telecommunications provider, interconnected voice over internet protocol service provider, or a cellular, wireless, or other radio common carrier may remit surcharges due to the Commission by electronic transfer or by mail.

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(5) The Remittance Report and surcharges are due to the Commission on or before the 21st calendar day after the close of each month and must be received in the Commission's offices no later than 5 p.m. Pacific Standard Time on the due date. A Remittance Report or surcharge postmarked on the due date does not meet the requirements of this section and will not be considered as timely submitted.

(6) For each billing period that a telecommunications provider, interconnected voice over internet protocol service provider, or a cellular, wireless, or other radio common carrier fails to submit the surcharge on or before the due date required by these rules, the telecommunications provider, interconnected voice over internet protocol service provider, or the cellular, wireless, or other radio common carrier must pay a late payment fee in accordance with OAR 860-001-0050.

(7) If the telecommunications provider, interconnected voice over internet protocol service provider, or the cellular, wireless, or other radio common carrier fails to remit the surcharge on or before the due date, the telecommunications provider, interconnected voice over internet service provider, or the cellular, wireless, or other radio common carrier must pay interest in accordance with OAR 860-001-0050.

(8) If a telecommunications provider, interconnected voice over internet protocol service provider, or a cellular, wireless, or other radio common carrier fails to file a Remittance Report as required by these rules, the telecommunications provider, interconnected voice over internet protocol service provider, or the cellular, wireless, or other radio common carrier must pay a late report fee in accordance with OAR 860-001-0050.

(9) The Commission may waive the late report fee, the late payment fees and the interest on the unpaid surcharge fees, or any combination thereof, if the telecommunications provider, interconnected voice over internet protocol service provider, or the cellular, wireless, or other radio common carrier files a written waiver request and provides evidence showing that the telecommunications provider, interconnected voice over internet protocol service provider, or the cellular, wireless, or other radio common carrier submitted the Remittance Report and surcharge fees late due to circumstances beyond its control. The request must be filed in accordance with OAR 860-001-0140 and 860-001-0170.

(10) The telecommunications provider, interconnected voice over internet protocol service provider, or the cellular, wireless, or other radio common carrier must pay a fee in accordance with OAR 860-001-0050 for each payment returned for non-sufficient funds.

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(11) A telecommunications provider, interconnected voice over internet protocol service provider, or a cellular, wireless, or other radio common carrier must submit any revisions to a Remittance Report no later than three years from the due date of the Remittance Report. If the Commission concludes that a telecommunications provider, interconnected voice over internet protocol service provider, or cellular, wireless, or other common carrier remitted an excessive amount and that refunding the excess amount would have a material and adverse financial impact on the RSPF, the Commission may enter into an agreement with the telecommunications provider, interconnected voice over internet protocol service provider, or the cellular, wireless, or other radio common carrier to spread payments of the refunds over a period not to exceed three years.

860-033-0010

~~Oregon Telephone Assistance Program (OTAP) and~~ **Federal and Oregon Lifeline Applicability**

(1) ~~The Oregon Telephone Assistance~~ **Lifeline** Program (~~OTAP~~) is designed to provide a reduced rate or discount for an Eligible Telecommunications Provider's broadband internet access service, basic service, or both, whether sold separately or in combination with other services, to low-income customers who meet eligibility requirements.

(2) An Eligible Telecommunications Provider must offer to all low-income customers who meet eligibility requirements ~~OTAP~~ **Oregon Lifeline** discounts with all service offerings that include broadband internet access service or basic telephone service. Reduced rates or discounts apply to the single line, or service that is functionally equivalent to a single line, serving the eligible customer's principal residence in Oregon. An Eligible Telecommunications Provider may not decline to provide the ~~OTAP~~ **Federal** and ~~the~~ **Oregon** Lifeline discount to an eligible customer for wireless service on the basis the customer has an out-of-state telephone number.

(3) Eligible Telecommunications Providers and the Commission must treat ~~OTAP~~ **Federal** and **Oregon** Lifeline data as confidential information, to the extent allowed by law, and ~~OTAP~~ **Federal** and **Oregon** Lifeline data may be used only for ~~OTAP~~ **Federal** and **Oregon** Lifeline purposes.

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860-033-0030

OTAP Federal and Oregon Lifeline Eligibility

- (1) A low-income customer demonstrates eligibility for OTAP Federal and Oregon Lifeline by application to the Commission on a Commission-approved form demonstrating compliance with this rule.
- (2) To be eligible, the customer, one or more of the customer's dependents or the customer's household must:
 - (a) Receive benefits from one of the following public assistance programs: Medicaid under Title XIX and XXI of the Social Security Act; Supplemental Nutrition Assistance Program; Supplemental Security Income; Federal Public Housing Assistance (Section 8); or Veterans and Survivors Pension Benefit; or
 - (b) Have income that is at or below 135 percent of the applicable Federal Poverty Guidelines for a household of that size.
- (3) A low-income customer who resides on federally recognized Tribal lands is eligible for OTAP Oregon Lifeline if the customer, one or more of the customer's dependents or the customer's household:
 - (a) Meets the requirements of section (2) of the rule; or
 - (b) Receives benefits from one of the following Tribal-specific federal assistance programs: Bureau of Indian Affairs General Assistance; Tribally administered Temporary Assistance for Needy Families; Head Start (only those households meeting its income qualifying standard); or the Food Distribution Program on Indian Reservations.
- (4) The Commission may require a low-income customer to submit documentation demonstrating that he or she qualifies under the program or income based eligibility requirements.
 - (a) Acceptable documentation of program eligibility includes the current or prior year's statement of benefits from a public assistance program, a notice or letter of participation in a public assistance program, program participation documents, or another official document demonstrating that the customer, one or more of the customer's dependents or the customer's household receives benefits from a qualifying assistance program.

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(b) Acceptable documentation of income eligibility includes the prior year's state, federal, or Tribal tax return; current income statement from an employer or paycheck stub; a Social Security statement of benefits; a Veterans Administration statement of benefits; a retirement or pension statement of benefits; an Unemployment or Workers' Compensation statement of benefit; federal or Tribal notice letter of participation in General Assistance; or a divorce decree, child support award, or other official document containing income information. If the customer presents documentation of income that does not cover a full year, such as current pay stubs, the customer must present the same type of documentation covering three consecutive months within the previous twelve months.

(5) The customer may be required to furnish his or her social security number and the social security number of the member of the customer's household upon whom eligibility is based before **OTAP Federal** and **Oregon** Lifeline eligibility can be determined or verified. Failure to do so may result in denial of benefits.

(6) The customer must sign a written authorization on a Commission-approved form permitting the Commission to release necessary information to an Eligible Telecommunications Provider and, as necessary, to the following: Federal Communications Commission, Universal Service Administrative Company, Department of Human Services, and the applicant's personal representative or legal guardian.

(7) An applicant or customer may not use a post office box as his or her residential address. The Commission may accept a P.O. Box or General Delivery address as a billing address, but not a residential address.

(8) The **OTAP Federal** or **Oregon** Lifeline benefit is limited to one single line, or single line equivalent, per economic unit at the customer's principal residence in Oregon.

(a) If the Commission is unable to determine that an applicant and a current **OTAP Federal** or **Oregon** Lifeline customer are part of a separate household, the applicant must complete and submit to the Commission the Lifeline Household Worksheet.

(b) The Commission may verify annually that the customer continues to be part of a separate household.

(c) If the customer fails to respond within 30 days of the Commission's attempts to verify that the customer continues to be part of a separate household, the Commission will

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notify the Eligible Telecommunications Provider to de-enroll the customer from OTAP~~the Federal~~ and the~~the~~ Oregon Lifeline program.

(9) The name of the OTAP~~the~~ Federal or Oregon Lifeline applicant must appear on the billing statement or account for the telecommunications service in order for that for that applicant to qualify for OTAP~~the~~ Federal or Oregon Lifeline benefits.

(10) The Commission may require an Eligible Telecommunications Provider to provide up to three months of OTAP~~the~~ Federal or Oregon Lifeline benefits credited to the customer's account if the customer does not receive benefits after applying for benefits and demonstrating eligibility. The qualifying customer may be required to submit documentation demonstrating that he or she qualified under the program or income based eligibility requirements in section (2) or (3) of this rule.

(11) The Commission will verify a customer's continuing eligibility every 12 months, as measured from the customer's OTAP~~the~~ Federal or Oregon Lifeline service initiation date.

(a) The Commission will allow a customer 30 days following the date of the notice of termination or de-enrollment to demonstrate continued eligibility. A customer may be required to submit proof of continued eligibility to the Commission.

(b) The Eligible Telecommunications Provider must de-enroll the customer from the OTAP~~the~~ Federal and Oregon Lifeline program within five business days of notice from the Commission that the customer is no longer eligible for OTAP~~the~~ Federal and the Oregon Lifeline program.

(c) After the Commission determines that the customer is not eligible or no longer eligible, the customer may submit a written request for a hearing to appeal the determination as specified in the notice of determination.

(d) At the hearing, the customer must provide to the Commission documentation demonstrating that he or she qualifies under the program or income based eligibility requirements listed in section (2) or (3) of this rule.

(12) If the Commission identifies that a customer or household is receiving duplicate support from more than one Eligible Telecommunications Provider, the Commission will attempt to contact the customer to determine the customer's preferred provider and thereafter, based on the available information, select which Eligible Telecommunications Provider must de-enroll the customer.

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(13) If a customer does not use the ~~OTAP~~**Federal** or **Oregon** Lifeline supported service that the Eligible Telecommunications Provider offers at no charge per the usage requirements defined in 47 C.F.R. § 54 Subpart E (2016) for 30 consecutive days, the Eligible Telecommunications Provider must provide the customer 15 days' notice, using plain language, that the customer's failure to use the ~~OTAP~~**Federal** or **Oregon** Lifeline supported service within the 15-day notice period will result in de-enrollment from ~~OTAP~~**Federal** or the **Oregon** Lifeline program. If the customer uses the ~~OTAP~~**Federal** or the **Oregon** Lifeline supported service within the 15-day notice period, the Eligible Telecommunications Provider may not terminate the customer's ~~OTAP~~**Federal** or **Oregon** Lifeline supported service.

(14) When the customer switches to a different Eligible Telecommunications Provider, the customer must submit to the Commission an application for ~~OTAP~~**Federal** or the **Oregon** Lifeline program **benefits** on a Commission-approved form.

(15) If, in a span of 30 days, the customer disconnects and reconnects service with the same Eligible Telecommunications Provider, the customer is not required to reapply for the ~~OTAP~~**Federal** or **Oregon** Lifeline benefits.

860-033-0035

~~OTAP~~Federal** and **Oregon** Lifeline Benefits**

(1) A residential customer qualifying for the ~~OTAP~~**Federal** and **Oregon** Lifeline benefit pays a reduced monthly rate, as established by the Commission, for broadband internet access service or basic service, or both, whether sold separately or in combination with other services, provided by an Eligible Telecommunications Provider. The monthly ~~OTAP~~ benefit includes:

(a) The federal Lifeline program support in accordance with 47 C.F.R. §54.403, if available; and

(b) For a customer paying a monthly rate, the State of Oregon support of up to ~~\$10.00~~**15.00**. The customer may not receive a monthly ~~OTAP~~**Federal and Oregon Lifeline** benefit in excess of the customer's monthly rate; or

(c) For a customer that receives the ~~OTAP~~**Oregon Lifeline** supported service at no charge, the State of Oregon support of \$10.00. If an Eligible Telecommunications Provider that offers ~~OTAP~~**Oregon Lifeline** supported service at no charge to the low-

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income customer demonstrates to the Commission that it provides unlimited voice minutes for basic service and unlimited data for any broadband internet access service provided to the customer, the Commission may authorize a State of Oregon support amount up to \$10.00.

(d) The Commission may reduce the State of Oregon support by order of the Commission when sufficient funding is not available to sustain the current level of support.

(2) ~~OTAP~~**Federal** and **Oregon** Lifeline benefits become effective on the date the Commission notifies the Eligible Telecommunications Provider of approval unless otherwise specified in the notice of approval.

(3) An Eligible Telecommunications Provider that offers ~~OTAP~~**Federal** or **Oregon** Lifeline supported service at no charge to the low-income customer must require the customer to contact the Eligible Telecommunications Provider to activate the ~~OTAP~~**Federal** or **Oregon** Lifeline supported service. The Eligible Telecommunications Provider must require the low-income customer to provide the last four digits of his or her social security number or Tribal identification number before activating the ~~OTAP~~**Federal** or **Oregon** Lifeline supported service.

860-033-0045

~~OTAP~~Oregon Lifeline** Compensable Expenses**

(1) The Eligible Telecommunications Provider may be compensated for the State of Oregon benefit provided to each customer enrolled in ~~OTAP~~**the Oregon Lifeline program** by the Commission. If an Eligible Telecommunications Provider offers ~~OTAP~~**Oregon Lifeline** supported service at no charge to the low-income customer, the Commission may authorize compensation for the basic service and broadband internet access service provided to each eligible customer.

(a) An Eligible Telecommunications Provider offering ~~OTAP~~**Oregon Lifeline** supported service at no charge to the low-income customer that is authorized to seek compensation must provide detailed information on the basic service and broadband internet access service provided to each eligible customer for which it seeks compensation.

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(b) An Eligible Telecommunications Provider must report the average monthly usage of voice minutes and data by its **OTAP Oregon Lifeline** customers to the Commission in an electronic format that is accessible to the public.

(2) To receive compensation as described in section (1) of this rule, an Eligible Telecommunications Provider must submit a monthly **OTAP Oregon Lifeline** Reimbursement Form on or before the eighth calendar day after the close of the month. The Eligible Telecommunications Provider must provide a listing of all **OTAP Federal** and **Oregon** Lifeline customers for which the Eligible Telecommunications Provider seeks compensation in an electronic format accessible by the Commission. The listing must include the account number, residential address, service type, service initiation date and Commission-assigned **OTAP Oregon Lifeline** Identification Number.

(3) An Eligible Telecommunications Provider must submit any revisions to a previously filed **OTAP Oregon Lifeline** Reimbursement Form no later than three years from its date. If the Commission concludes that refund is due to an Eligible Telecommunication Provider based on the revised **OTAP Oregon Lifeline** Reimbursement Form and that the refund would have a material adverse financial impact on the RSPF, the Commission may enter into an agreement with the Eligible Telecommunications Provider to spread payment of the refund over a period of time not to exceed three years.

(4) If the Commission overcompensates an Eligible Telecommunications Provider, the Eligible Telecommunications Provider must immediately return the excess RSPF funds once it notifies the Commission or is notified by the Commission of the overcompensation.

(a) If the Commission overcompensates the Eligible Telecommunications Provider as a result of Commission error and the Eligible Telecommunications Provider upon notification of the overcompensation immediately returns the excess RSPF funds, the Eligible Telecommunications Provider is not required to pay interest on the excess RSPF funds.

(b) If the Commission overcompensates the Eligible Telecommunications Provider as a result of Commission error and upon notification the Eligible Telecommunications Provider does not immediately return the excess RSPF funds, the Eligible Telecommunications Provider must pay interest on the excess RSPF funds at the rate set forth in OAR 860-001-0050.

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(c) If the Commission overcompensates the Eligible Telecommunications Provider as a result of actions by the Eligible Telecommunications Provider, including, but not limited to, the filing of an incorrect reimbursement form, then upon notification the Eligible Telecommunications Provider must immediately return the excess RSPF funds and pay interest on the excess RSPF funds at the rate set forth in OAR 860-001-0050.

(5) Notice of Proposed Assessment:

(a) If the Eligible Telecommunications Provider is overcompensated and does not timely return the excess RSPF funds as described in section (4) of this rule, the Commission may issue a notice of proposed assessment for the amount due.

(b) To request a hearing on the notice of proposed assessment, the Eligible Telecommunications Provider must submit a written request for a hearing. The request for hearing must include a written response that admits or denies all factual matters alleged in the notice of proposed assessment, and alleges any and all affirmative defenses and the reasoning in support thereof. Factual matters not denied will be considered admitted, and failure to raise a defense will be a waiver of the defense. The Commission must receive the request for hearing within 30 days of the date that the notice of proposed assessment was mailed.

(c) If the Eligible Telecommunications Provider timely files a written request for a hearing under subsection (b) of this section, the Commission will grant the Eligible Telecommunications Provider a hearing and provide at least 10 days' notice of the time and place of the hearing. The Commission will conduct the hearing under its rules governing hearings and proceedings.

(6) If the Commission does not receive a written request for hearing within 30 days, the Commission will enter an order on default based on information in the Commission's files. Any amount assessed by the Commission in an order on a notice of proposed assessment is due and payable ten days after the issue date of the order.

(7) The Commission may suspend or cancel a telecommunications provider's certificate of authority to provide telecommunications service or suspend or revoke an eligible telecommunications provider's designation for failure to timely return excess RSPF funds.

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860-033-0046

OTAPFederal and Oregon Lifeline Accounting, Reporting and Auditing

- (1) Based upon accounting procedures approved by the Commission, Eligible Telecommunications Providers and must maintain accounting records so that costs associated with OTAPFederal and Oregon Lifeline can be separately identified. The Eligible Telecommunications Provider must provide records to the Commission upon request.
- (2) Order Activity Report: The Order Activity Report is a listing of all OTAPFederal or Oregon Lifeline customers whose phone service or broadband internet access service was disconnected, who voluntarily de-enrolled or were de-enrolled for failure to use the OTAPFederal or Oregon Lifeline supported service that the Eligible Telecommunications Provider offers at no charge, and a listing of all OTAPFederal or Oregon Lifeline customers whose telephone numbers, addresses, or service initiation dates and service types have changed. The listing must include the customer's first and last name and Commission-assigned OTAPOregon Lifeline Identification Number. Except as specified in section (4) of this rule, each Eligible Telecommunications Provider must submit weekly to the Commission in an electronic format accessible by the Commission an Order Activity Report.
- (3) No Match Report: When the Commission notifies the Eligible Telecommunications Provider of customers who meet eligibility criteria, the Eligible Telecommunications Provider must submit an electronic No Match Report **within five business days** in a format accessible by the Commission that contains the following:
 - (a) Any discrepancy that prevents a customer from receiving the OTAPFederal or Oregon Lifeline benefit; and
 - (b) The Commission-approved low-income customer's service initiation date and service type.
- (4) When the Commission issues an order designating a provider of telecommunications service as an Eligible Telecommunications Provider and thereby adopts the terms of a stipulation setting specific requirements for reporting Order Activity and No Match that are different from sections (2) and (3) of this rule, the Eligible Telecommunications Provider may report Order Activity and No Match in a manner consistent with the terms of the stipulation approved by the Commission.

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(5) The Commission reserves the right to audit the records of an Eligible Telecommunications Provider that provides ~~OTAP~~**Federal** or **Oregon** Lifeline benefits.

(6) OTAP and Lifeline Records: Each Eligible Telecommunications Provider must keep all ~~OTAP~~**Federal** and **Oregon** Lifeline records and supporting documentation for three years, or if a Commission review or audit is pending, until the review or audit is complete, whichever is later.

(a) An Eligible Telecommunications Provider must produce for inspection or audit upon request of the Commission or its authorized representative all ~~OTAP~~**Federal** and **Oregon** Lifeline records and supporting documentation.

(b) In addition to any other penalty allowed by law, the Commission may suspend or cancel an Eligible Telecommunications Provider's certificate of authority to provide telecommunications service or suspend or revoke an Eligible Telecommunications Provider's designation for failure to produce for inspection or audit the records required by this rule.

860-033-0050

Tribal Lifeline and Tribal Link-Up

(1) The Commission must determine if a prospective Tribal Lifeline or Tribal Link Up recipient who has executed a certification pursuant to 47 C.F.R. § 54 Subpart E (2013) has previously received a Tribal Lifeline or Tribal Link Up benefit at the residential address provided by the prospective subscriber to prevent duplicative support. An eligible resident of Tribal lands may receive the benefit of the Tribal Link Up program for a second or subsequent time only for otherwise qualifying commencement of telecommunications service at a principal place of residence with an address different from the address for which Tribal Link Up assistance was previously provided.

(2) Within five business days of a request for Tribal Lifeline or Tribal Link Up benefit, the Eligible Telecommunications Provider must submit to the Commission in an electronic format accessible by the Commission the Tribal Lifeline or Tribal Link Up applicant's first and last name, residential address, date of birth, telephone number or broadband internet access service account number associated with the application for Tribal Lifeline or Tribal Link Up benefit, and last four digits of his or her social security number or Tribal identification number. Each Eligible Telecommunications Provider must obtain, from each new and existing subscriber, consent to transmit the information as specified in this section of this rule. Prior to obtaining consent, the Eligible Telecommunications

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Provider must describe to the subscriber, using plain language, the specific information being submitted, that the information is being submitted to the Commission to ensure proper administration of the Tribal Lifeline and Tribal Link Up program, and that failure to provide consent will result in the subscriber being denied the Tribal Lifeline or Tribal Link Up benefit.

(3) If the Commission notifies the Eligible Telecommunications Provider that a prospective subscriber is receiving a Tribal Lifeline benefit or has received a Tribal Link Up benefit at the residential address provided by the subscriber, the Eligible Telecommunications Provider may not seek universal service support reimbursement for duplicate service.

(4) If the Commission notifies the Eligible Telecommunications Provider that a prospective subscriber is not receiving a Tribal Lifeline benefit or has not received a Tribal Link Up benefit at the residential address provided by the subscriber, the Eligible Telecommunications Provider must provide the customer's service initiation date and service type.

(5) When two or more Eligible Telecommunications Providers submit the information required in section (2) of this rule for the same subscriber, only the Eligible Telecommunications Provider whose information was received and processed by the Commission first, as determined by the Commission, will be entitled to reimbursement from the universal service fund for that subscriber.

(6) Tribal Lifeline and Tribal Link Up Order Activity Report: The Tribal Lifeline and Tribal Link Up Order Activity Report is a listing of all Tribal Lifeline and Tribal Link Up customers whose phone service or broadband internet access service was disconnected, who voluntarily de-enrolled or were de-enrolled for failure to use the Tribal Lifeline service which the Eligible Telecommunications Provider offers at no charge and a list of all Tribal Lifeline and Tribal Link Up customers whose telephone numbers, addresses, or service initiation dates and service types have changed. The listing must include the customer's first and last name and Commission-assigned **OTAP Oregon Lifeline** Identification Number. Each Eligible Telecommunications Provider must submit this report weekly to the Commission in an electronic format accessible by the Commission.

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860-033-0100

Toll Limitation Service and Prohibited Charges

(1) Upon request and availability, an ~~OTAP~~**Federal** or **Oregon** Lifeline customer is entitled to Toll Limitation Service from an Eligible Telecommunications Provider at no additional charge.

(2) An Eligible Telecommunications Provider may not charge the ~~OTAP~~**Federal** or **Oregon** Lifeline customer:

- (a) The federal universal service fund fee on the local service portion of the phone bill;
- (b) The local number portability fee; or
- (c) The access recovery fee.

860-033-0110

Advertising, Marketing and Outreach

(1) An Eligible Telecommunications Provider may not conceal or misstate a material fact about ~~OTAP~~**the Federal** or **the Oregon** Lifeline program in advertising, marketing materials or other outreach to Oregon consumers.

(2) An Eligible Telecommunications Provider must explain in plain language and disclose in ~~OTAP~~**Federal** and **Oregon** Lifeline marketing materials:

(a) That the Eligible Telecommunications Provider's offering is an ~~OTAP~~**Federal** and **Oregon** Lifeline supported service;

(b) That ~~OTAP~~**the Federal** and **Oregon** Lifeline **programs** are government assistance programs. This disclosure must be conspicuous;

(c) The name of the Eligible Telecommunications Provider ~~or~~ offering the ~~OTAP~~**Federal** and **Oregon** Lifeline supported service;

(d) That only eligible low-income customers may enroll in ~~OTAP~~**Federal** and **Oregon** Lifeline supported programs;

(e) That proof of eligibility may be necessary for enrollment;

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- (f) That ~~OTAP~~**Federal** and **Oregon** Lifeline supported services are limited to one benefit per household, consisting of either wireline or wireless basic service, a bundle of basic service and broadband internet access services, or broadband internet access service; and
 - (g) That ~~OTAP~~**Federal** and **Oregon** Lifeline supported services are non-transferable.
- (3) The Eligible Telecommunications Provider must provide to the Commission copies of ~~OTAP~~**Federal** and **Oregon** Lifeline marketing materials to be released in the State of Oregon at least five business days prior to release.