**Before the**
**Federal Communications Commission**
**Washington, D.C. 20554**

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| In the Matter of | ) | |
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| Lifeline and Link Up Reform and Modernization | ) | WC Docket No. 11-42 |
| | ) | |

**ORDER**

**Adopted: November 20, 2025** **Released: November 20, 2025**

By the Chief, Wireline Competition Bureau:

# I. INTRODUCTION

1. The Wireline Competition Bureau (Bureau) exercises its authority to (1) revoke the exemption that enabled the California Public Utilities Commission (CPUC) to opt out of the use of the National Lifeline Accountability Database (NLAD) for the federal Lifeline program, and (2) adjust the federal Lifeline National Eligibility Verifier (National Verifier) processes in California to end reliance on California state eligibility results for enrollment in the federal Lifeline program.[1] A recently-passed California law has made it effectively impossible for the CPUC to comply with Lifeline operations and program integrity obligations placed on opt-out states. Going forward, federal processes will be used to conduct eligibility verifications and perform duplicate checks for federal Lifeline program applicants in California.

# II. BACKGROUND

## A. Lifeline Program

2. The federal Lifeline program provides support for communications services provided by eligible telecommunications carriers (ETCs) to qualifying low-income consumers,[2] who must meet the eligibility standards defined in program rules.[3] California, among other states, operates its own state LifeLine program that provides additional support for communications services for low-income consumers.[4]

3. The National Verifier and NLAD are integrated, complementary components of a single electronic system designed to protect the integrity of the federal Lifeline program, which is administered

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[1] *See* Assem. Bill 1303, 2025–2026 Reg. Sess. (Cal. 2025), https://leginfo.legislature.ca.gov/faces/billStatusClient.xhtml?bill_id=202520260AB1303 (amending Cal. Pub. Util. Code § 2891 and adding a new Cal. Pub. Util. Code § 876.5) (California AB 1303).

[2] *See* 47 U.S.C. § 254(b)(1), (3); 47 CFR § 54.400(a).

[3] *See* 47 CFR § 54.409(a).

[4] Cal. Pub. Util. Code §§ 871–880. The federal program is traditionally styled as "Lifeline" whereas the California program is typically styled as "LifeLine." *Compare* California Public Utilities Commission, California LifeLine Program, https://www.cpuc.ca.gov/consumer-support/financial-assistance-savings-and-discounts/lifeline (last visited Nov. 20, 2025) (referring to California state program as "LifeLine") *with* FCC, Lifeline Program for Low-Income Consumers, https://www.fcc.gov/general/lifeline-program-low-income-consumers (last visited Nov. 20, 2025) (referring to federal program as "Lifeline"). The federal and state programs have separate statutory authority, funding sources, and program rules, including key differences in qualifying services and support amounts.

by the Universal Service Administrative Company (USAC).[5] In 2012, the Commission adopted rules establishing the NLAD to prevent, detect, and eliminate duplicative Lifeline support provided to individuals and households.[6] Because some states had developed their own processes for eliminating duplicative support, the Commission permitted states meeting specified conditions to "opt-out" of the use of the NLAD and instead use their own systems to detect and eliminate duplicative support.[7] To opt out, a state was required to validly certify that it had a comprehensive system in place to check for duplicative federal Lifeline support that was at least as robust as the Commission's process and that incorporated information from all subscribers in their state to opt out of the use of NLAD.[8] In 2013, the Bureau granted the CPUC's request to opt out of the use the NLAD, finding that the CPUC demonstrated that, at the time, its duplicate detection system was at least as robust as the NLAD.[9] The grant of opt-out status was conditioned on the CPUC's adoption of a third-party identity verification service.[10]

4. When the Commission adopted rules in 2016 implementing the use of the National Verifier to facilitate Lifeline program eligibility determinations, it recognized potential benefits to coordinating with states that have existing state eligibility verification processes.[11] Within this framework, in 2019, the Bureau decided to offer flexibility to California and two other states that had opted out of the NLAD and had existing eligibility determination processes in place for their own state low-income subsidy programs.[12] The Commission required that any state processes "promote[] the objections of the National Verifier . . . and prevent waste, fraud and abuse"[13] and the Bureau's decision to use the eligibility processes of these states was "contingent on the continued good faith cooperation by the states in providing necessary data and information" to the National Verifier regarding the state's eligibility and duplicate checks.[14] The Bureau also made clear that it could revoke a state's NLAD opt-out status and rely exclusively on the federal National Verifier process for both eligibility and duplicate checks if it determined that the state's approach no longer served the objectives of ensuring accurate

[5] *See* 47 CFR § 54.400(i), (o). *See also* Universal Service Administrative Company, National Verifier Annual Report and Data, Report, WC Docket No. 11-42, at 4, https://www.fcc.gov/ecfs/document/10131105999178/1 ("NLAD existed prior to the National Verifier but was integrated with the National Verifier as part of the National Verifier implementation.").

[6] *Lifeline and Link Up Reform and Modernization et al.*, WC Docket No. 11-42 et al., Report and Order and Further Notice of Proposed Rulemaking, 27 FCC Rcd 6656, 6734, para. 179 (2012) (*2012 Lifeline Report and Order*). *See also* 47 CFR §§ 54.400(i), 54.404.

[7] *2012 Lifeline Report and Order*, 27 FCC Rcd at 6752, para. 221.

[8] *Id*. *See also* 47 CFR § 54.404.

[9] *See Lifeline and Link Up Reform and Modernization*, WC Docket No. 11-42, Order, 28 FCC Rcd 2012, 2014, para. 5 (WCB 2013) (*2013 California NLAD Opt-Out Order*).

[10] *Id.* (stating that California's processes without identity verification would be lacking compared to systems in other opt-out states and that databases in other opt-out states "often provide an additional means of preventing consumers from falsifying their identity because they generally require that a name be associated with another piece of identifying information in the database, such as a social security number, address and/or the qualifying benefit.").

[11] *Lifeline and Link Up Reform and Modernization et al.*, WC Docket No. 11-42, Third Report and Order, Further Report and Order, and Order on Reconsideration, 31 FCC Rcd 3962, 4014, para. 142 (2016) (*2016 Lifeline Report and Order*).

[12] *See Wireline Competition Bureau Announces the Next National Lifeline Eligibility Verifier Launch in Three States*, WC Docket No. 11-42, Public Notice, 34 FCC Rcd 12302 (WCB 2019) (*National Verifier Launch Public Notice*).

[13] *2016 Lifeline Report and Order*, 31 FCC Rcd at 4014, para. 142.

[14] *National Verifier Launch Public Notice*, 34 FCC Rcd at 12303.

eligibility determinations, improving efficiency and minimizing consumer confusion, and minimizing the contribution burden on Universal Service Fund (USF) ratepayers.[15]

5. The Commission's rules for the federal Lifeline program mandate that USAC or, for opt-out states, the state administrator, collect certain identifying fields for each prospective subscriber, including the full name, address date of birth, and last four digits of the subscriber's social security number (or, for Tribal consumers, the Tribal Identification Number).[16]

### B. California Public Utilities Act Amendments

6. On October 6, 2025, California Governor Gavin Newsom signed California AB 1303 into law.[17] AB 1303 amended the California Public Utilities Code effective immediately to prohibit the CPUC, CPUC staff, the CPUC's state LifeLine administrator, and LifeLine service providers from (1) disclosing information provided by LifeLine program applicants or subscribers to the federal government without a subpoena or warrant, and (2) requiring applicants to submit social security numbers or parts of social security numbers with LifeLine applications.[18] The data sharing prohibition has the effect of making it impossible for the CPUC and its administrator to share the necessary information with USAC and the Commission for federal Lifeline program operations, including verifying Lifeline enrollment and reimbursement claims, program audits and quality assurance reviews, and enforcement investigations. The law's social security number restrictions seem likely to either prevent the CPUC from requiring the last four digits of federal Lifeline applicants' social security numbers, as required by federal rules, or to

[15] *Id.* at 12303. Using the same language, the Bureau reiterated that it could revoke California's opt out status when it announced that the National Verifier would facilitate eligibility verifications for broadband-only services in California. *Wireline Competition Bureau Announces the Launch of the National Lifeline Eligibility Verifier in California*, Public Notice, 35 FCC Rcd 13029, 13031 (WCB 2020) (*California Broadband-Only National Verifier Public Notice)*. The Bureau previously revoked the opt-out status of two states at their request. *See Lifeline and Link Up Reform and Modernization*, WC Docket No. 11-42, Order, 32 FCC Rcd 5797 (WCB 2017) (*Vermont Opt-In Order*) (granting petition from Vermont Department of Public Service to rescind Vermont's NLAD opt-out designation); *Lifeline and Link Up Reform and Modernization*, WC Docket No. 11-42, Order, 35 FCC Rcd 5396 (WCB 2015) (*Puerto Rico Opt-In Order*) (granting petition from the Telecommunications Regulatory Board of Puerto Rico to rescind Puerto Rico's NLAD opt-out designation).

[16] *See* 47 CFR § 54.410(d)(2)(vi).

[17] *See* California Legislative Information, AB 1303 Communications: lifeline telephone service program, https://leginfo.legislature.ca.gov/faces/billStatusClient.xhtml?bill_id=202520260AB1303 (Oct. 6, 2025).

[18] *See* California AB 1303. We read the references to "lifeline" in AB 1303 to refer to the California state LifeLine program. This reading is consistent with the use of the term "lifeline" throughout California's Public Utilities Act. *See* Cal. Pub. Util. Code §§ 277, 871.5, 871.7, 873, 874, 875, 876, 878, 878.5, 878.6 (distinguishing between the state "lifeline" program and the "federal lifeline program"), 879, 879.5. Accordingly, the exception permitting the furnishing of applications, records, and data to other public agencies to verify an applicant's eligibility for "lifeline" service would permit the CPUC and its administrator to, for example, run automated eligibility checks for the state LifeLine benefit but would not permit activity that supports the administration of the federal Lifeline benefit. *See* California AB 1303 § 1 (codified at Cal. Pub. Util. Code § 876.5(b)). Such a prohibition would prevent the CPUC or its administrator from operating a system as robust as USAC's, and therefore violate the basic conditions on which the CPUC had been granted opt-out status. Conversely, if AB 1303's reference to "lifeline" is instead interpreted to include the federal subsidies overseen by the Commission, AB 1303 would be inconsistent with federal law because the newly added section 876.5(d) of the California Public Utilities Act prohibits the state commission and service providers from requiring any part of an applicant's social security number, while federal rules require either the last four digits of a Lifeline applicant's social security number or their Tribal identification number, if applicable. *Compare* California AB 1303 § 1 *with* 47 CFR § 54.410(d)(2)(vi). In that alternative reading, the Bureau would still need to revoke California's NLAD opt-out status and cease relying on state eligibility determinations due to the inconsistency between state and federal law, and the program integrity risks introduced by failing to require at least the last four digits of an applicant's social security number.

create confusion as to whether that information is required for federal Lifeline applicants. Criminal penalties apply to violations of the California Public Utilities Code.[19]

## III. DISCUSSION

7. We decline to continue relying upon California state LifeLine eligibility processes and data to verify providers' federal Lifeline reimbursement claims in California, and revoke California's status as an NLAD opt-out state. The recent change in California law prevents the CPUC and its administrator from providing the information necessary for the National Verifier to rely upon the CPUC's state LifeLine eligibility determinations to confirm eligibility for the federal Lifeline benefit. Additionally, the recent change to California state law to no longer require the submission of the social security numbers for California LifeLine applicants impairs the efficacy of California eligibility verification and duplicate detection procedures to the point where they no longer meet the standard of being as robust as the Commission's processes. California was granted NLAD opt-out status on the condition that its processes would be at least as "robust" as federal processes.[20] In addition, and separate from the recent changes in California state law, the Bureau has concerns about the processes and procedures that California has been using to protect against waste, fraud, and abuse, and thus views those issues as a separate and independent basis for today's action.

### A. Incompatibility with Federal Law

8. *Prohibition on sharing state eligibility data.* For states where the state commission currently handles applications for the federal Lifeline benefit and a state-funded subsidy for low-income households, the National Verifier collects and uses the data from those states' eligibility determinations to verify Lifeline service providers' reimbursement claims.[21] Additionally, the National Verifier collects and reviews state eligibility determination data to ensure that state processes and eligibility determinations comply with the federal Lifeline rules.[22] Neither of these functions is possible if the state commission is prohibited by state law from providing "any information provided by an applicant or subscriber" to the federal government.[23]

9. However, the California legislature's decision to stop supporting federal Lifeline applications does not mean that eligible households in California cannot apply for and receive the federal Lifeline benefit. The National Verifier will accept and process federal Lifeline applications from consumers in California, as it does in the vast majority of states.[24] Those applications will benefit from the National Verifier's use of automated eligibility data sources for certain qualifying programs, resulting in an application process that is, if anything, more convenient for Lifeline applicants than the CPUC process they previously used.

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[19] Cal. Pub. Util. Code §§ 2110 (criminal penalty for violations committed by public utility officers and agents), 2111 (criminal penalty for violations committed by persons or corporations that are not public utility officers or agents).

[20] *See* 47 CFR § 54.404(a).

[21] *National Verifier Launch Public Notice*, 34 FCC Rcd at 12302.

[22] *Id.*

[23] As discussed above, the state law's exception on this data sharing for "the furnishing of applications, records, and data to other public agencies to the extent required for verifying an applicant's or subscriber's eligibility for lifeline service" does not apply to the federal Lifeline benefit, because the statute otherwise uses the term "lifeline" to refer to the state benefit program. *See* Cal. Pub. Util. Code § 876.5(b). There is therefore no exception for data sharing for the purpose of verifying an applicant's eligibility for the *federal* Lifeline benefit. The prohibition against disclosure, however, applies to "any information provided by an applicant or subscriber to the lifeline program" regardless of the program for which it was provided. *See* Cal. Pub. Util. Code § 876.5(a).

[24] *See* 47 CFR § 54.400(o).

10. *Prohibition on requiring social security number data.* The Commission's rules for the federal Lifeline program require that USAC and NLAD opt-out state administrators collect the last four digits of the applicant's social security number.[25] This information is key to several program integrity controls, including identity theft prevention, eligibility verification, duplicate detection, and ensuring that the information submitted on the Lifeline application reflects a real person.[26] To ensure that all data necessary to confirm eligibility was provided to the National Verifier, the Commission specifically rejected the collection of only *some* of that data.[27] Because multiple consumers could have the same name and date of birth, having the last four digits of the social security is necessary to confirm the applicant's identity for eligibility verifications and duplicate checks.

11. Even though AB 1303's references to "lifeline" may be best read as referring to the California state LifeLine benefit, the law raises the significant risk that the CPUC and its administrator, in amending their processes to comply with the new state law, will be unable to require the last four digits of the social security number for consumers seeking to apply for the federal Lifeline benefit. At a minimum, the differences between the state and federal application requirements could result in substantial consumer confusion about whether applicants must provide the last four digits of the social security number, undermining the purpose of avoiding consumer confusion that the Bureau identified when it first decided to leverage the state application process for the National Verifier.[28]

12. Further, the record shows that the Bureau would not have granted California NLAD opt-out status if the provisions of AB 1303 that make optional the collection of the last four digits of the social security number had been in place at that time. Because California did not yet have a third party identity verification process that included the collection of the last four digits of the social security number in place when the Bureau granted opt-out status, the grant of opt-out status was conditioned on adoption of an identity verification process.[29] The Bureau explained that, without an identity verification process, "it may be possible for prospective subscribers to receive duplicative support by intentionally or inadvertently providing incorrect information in their Lifeline applications" and highlighted a social security number as an essential data point for confirming that the applicant is not falsifying their identity.[30] If California had not implemented an identity verification process that uses a social security number, its opt-out request would have been denied. Now that its identity verification process may no longer use a social security number, its opt-out status must be revoked.

13. *Failure to timely and responsibly implement federal Lifeline requirements.* This is not the first instance in which California's procedures for administering the federal Lifeline program have failed to comply with program rules. For example, in 2019, the Commission strengthened eligibility re-verification rules by requiring subscribers undergoing annual re-certifications who were originally verified as eligible by a database but could no longer be verified by a database to submit documentation

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[25] *See* 47 CFR § 54.410(d)(2)(vi) ("The form provided by the entity enrolling subscribers must *require* each prospective subscriber to provide. . . [t]he last four digits of the subscriber's social security number, or the subscriber's Tribal identification number, if the subscriber is a member of a Tribal nation and does not have a social security number . . . ."). *See also 2016 Lifeline Report and Order*, 31 FCC Rcd at 4122, para. 437 (rescinding rules on reconsideration related to temporary addresses because "other subscriber data (*e.g.* address at time of application, name, last four digits of social security number and date of birth) collected by USAC has been sufficient to verify subscriber's identity and check for duplicative support.").

[26] *See, e.g.*, *2016 Lifeline Report and Order*, 31 FCC Rcd at 4010-11, para. 134.

[27] *Id.* at 4012, para. 137 ("The National Verifier will populate the [Lifeline Eligibility Database] with all necessary subscriber records after determining the subscriber is eligible.").

[28] *See National Verifier Launch Public Notice*, 35 FCC Rcd at 12304.

[29] *2013 California NLAD Opt-Out Order*, 28 FCC Rcd at 2014, para. 6.

[30] *Id.*

demonstrating eligibility, rather than merely self-certifying eligibility.[31] Nonetheless, for the next six years, the CPUC continued to accept self-certifications in these circumstances, in direct violation of the Commission's rules. It finally came into compliance when it adopted a resolution on August 14, 2025, to align its renewal process with federal law.[32]

14. The CPUC also has a history of repeatedly requiring rule waivers from the Commission because it did not comply with the Commission's rules and orders for the Lifeline program. For example, after the *2016 Lifeline Report and Order* adopted new uniform and expanded eligibility criteria for the program, the CPUC required 18 months to add the Veterans Pension and Survivors Benefit as a qualifying program to its application.[33] As a result of California's delay, otherwise eligible veterans in that state were unable to access the Lifeline benefit during its lengthy transition period. The CPUC asked for even more time for other changes made in *2016 Lifeline Report and Order*, seeking a total delay of two years and nine months from the adoption of the order, to implement basic application and eligibility changes and improvements.[34] Prior to that, when the CPUC was granted NLAD opt-out status on the condition that it adopt a third party identification verification system, it missed the Bureau's deadline for adoption and sought a waiver of that deadline, which the Bureau granted.[35] Although the Bureau granted the CPUC opt-out status despite the need for these waivers, these repeated missed deadlines, coupled with the fact that the CPUC left the federal Lifeline program exposed to potential waste, fraud, and abuse for six years after the Commission enhanced its re-certification procedures, provides further evidence that the CPUC's disregard for or inability to achieve compliance with federal law makes the National Verifier's continued reliance on CPUC processes untenable.

### B. Implementation

15. Starting on February 1, 2026, ETCs in California will be required to use the National Verifier's eligibility determination process for all consumers applying for Lifeline service, must cease using the CPUC's eligibility processes for federal Lifeline applications, and must enroll qualified subscribers in the NLAD in order to claim those subscribers for reimbursement from the federal Lifeline program. This transition period will allow ETCs with sufficient time to prepare to use federal processes, which will include enrollment of sales agents in USAC's Representative Accountability Database,[36] establishing application programming interfaces (APIs) with USAC for eligibility checks,[37] and updating

[31] *See Lifeline and Link Up Reform and Modernization et al.*, WC Docket No. 11-42 *et al.*, Fifth Report and Order, Memorandum Opinion and Order and Order on Reconsideration, and Further Notice of Proposed Rulemaking, 34 FCC Rcd 10886, 10926, para. 96 (2019). *See also* 47 CFR § 54.410(f)(3)(iii).

[32] *See* Public Utilities Commission of the State of California, Communications Division, Resolution T-17889, at 4 (adopted Aug. 14, 2025), https://docs.cpuc.ca.gov/PublishedDocs/Published/G000/M576/K510/576510057.PDF. The California PUC directed its Communications Division to update General Order 153, its Lifeline program procedures, to implement this change. *See id.* at 12. To date, the procedures have not yet been updated to reflect this change. *See* California Public Utilities Commission, CPUC General Orders, https://www.cpuc.ca.gov/Home/Proceedings-and-Rulemaking/CPUC-general-orders (linking a version of General Order 153 revised September 23, 2021) (last visited Nov. 20, 2025).

[33] *See* Motion for Extension of Time of the California Public Utilities Commission, WC Docket No. 11-42, at 2 (filed Sept. 5, 2017) (confirming implementation of the addition of the Veterans Pension and Survivors Benefit to the list of qualifying programs for Lifeline in September 2017).

[34] *See id.* at 1. The Bureau granted the CPUC a partial extension of those deadlines and had to direct USAC to be prepared to handle subscriber recertifications if CPUC failed to implement the necessary changes in time. *See Lifeline and Link Up Reform and Modernization*, Order, 32 FCC Rcd 7684, 7686, paras. 7-8 (WCB 2017).

[35] *See Lifeline and Link Up Reform and Modernization*, Order, 28 FCC Rcd 11188, 11189, para. 4 (WCB 2016).

[36] *See* 47 CFR § 54.406(a).

[37] *See* USAC, Eligibility Check API, https://www.usac.org/lifeline/national-verifier/how-to-use-nv/eligibility-check-api/ (last visited Nov. 20, 2025). *See also 2016 Lifeline Report and Order*, 31 FCC Rcd at 4012, para. 138.

policies and procedures to reflect federal processes.[38] The Bureau directs USAC to work with, as necessary, the CPUC and ETCs to ensure successful integration of the California Lifeline subscriber data into NLAD. USAC may use data from the Lifeline Claims System to populate subscriber data into NLAD. USAC will be responsible for conducting eligibility recertification for California subscribers beginning in calendar year 2026.

16. These actions are necessary to preserve the Commission's ability to provide the Lifeline benefit to qualifying and legally present households in California despite the newly enacted California law. This change will protect the USF from waste, fraud, and abuse, while offering a consumer-friendly experience for qualified low-income applicants in California. Consumers in California, like consumers in almost all other states and territories, will have access to the National Verifier online and paper applications, and service providers may integrate the federal Lifeline application with their own processes using the APIs that the National Verifier makes available for that purpose. The CPUC and some ETCs serving California are familiar with the National Verifier process because it is already used for eligibility determinations and duplicate checks in California for broadband-only services and we have allocated sufficient transition time for those that do not currently have connections to the National Verifier established.[39] Finally, today's decision has no impact on how California manages its own state LifeLine program.[40]

FEDERAL COMMUNICATIONS COMMISSION

Joseph S. Calascione
Chief
Wireline Competition Bureau

[38] *See* 47 CFR §§ 54.410(a), 54.416(a)(1).

[39] *See California Broadband-Only National Verifier Public Notice*, 35 FCC Rcd at 13029 (adopting the federal National Verifier for standalone broadband services in California because ETCs verified eligibility for standalone broadband services in California before adoption of the National Verifier).

[40] *2016 Lifeline Report and Order*, 31 FCC Rcd at 4039, para. 215 ("[A] state maintaining its own Lifeline fund will still be free to adopt any eligibility requirements it deems necessary.").