



Media Release

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FCC RECOGNIZES OREGON PUC FOR REPORTING POTENTIAL SPRINT LIFELINE SUBSIDY ISSUE

SALEM, Ore. – Earlier today, the Federal Communications Commission (FCC) issued a press release recognizing the diligence of the Lifeline Program staff of the Oregon Public Utility Commission (PUC). The PUC’s staff played an integral part in the FCC’s findings that Sprint received tens of millions in Lifeline subsidies, but provided no service in support on behalf of the Lifeline Program.

“I thank the Oregon Public Utility Commission for its work,” said FCC Chairman Pai in their press release. “States are an important partner with the FCC in both helping low-income consumers get access to affordable communications through Lifeline and cracking down on waste, fraud, and abuse in the program.”

Lifeline is a nationwide program that provides discounted voice and broadband service to qualifying low-income residents with federal and state funding, where available. The PUC manages the Lifeline program to ensure Oregonians stay connected and have access to local emergency services, jobs, healthcare, education and other vital resources.

The PUC’s Lifeline Program staff launched an investigation after receiving multiple complaints by active Lifeline customers that their phone was defective and unusable.

“After receiving conflicting information from Sprint that defective phones were active and in use, the PUC requested a defective phone from a customer, which was secured and not used for at least 45 days,” reported Jon Cray, Lifeline Program Manager with the PUC. “We then requested usage reports from Sprint, which showed usage of Lifeline services on that specific phone. This customer should have been de-enrolled from the program as a result, and Sprint should not have claimed reimbursement. This spurred notification to Sprint and the FCC of the discrepancy.”

According to the FCC’s press release, “Sprint Corp. claimed monthly subsidies for serving approximately 885,000 Lifeline subscribers, even though those subscribers were not using the service. This represents nearly 30 percent of Sprint’s Lifeline subscriber base and nearly 10 percent of the entire Lifeline program’s subscriber base.”

“Our staff here at the PUC work hard on a daily basis to protect the Lifeline program to ensure affordable access to voice and broadband service for low-income Oregonians,” Cray added. “The efforts of our team helps ensure the integrity of the Lifeline program for customers in Oregon and across the country.”

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Oregon Lifeline is a federal and state government program that provides a discount of up to \$12.75 on monthly phone or high-speed internet service from select companies for qualifying low-income households. For additional information about the Oregon Lifeline program, visit <https://www.oregon.gov/puc/Pages/Oregon-Lifeline.aspx>.

View the FCC's press release at <https://www.fcc.gov/document/sprint-received-lifeline-subsidies-885000-inactive-subscribers>

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The Oregon Public Utility Commission (PUC) regulates customer rates and services of the state's investor-owned electric, natural gas and telephone utilities, as well as select water companies. The PUC mission is to ensure Oregon utility customers have access to safe, reliable, and high quality utility services at just and reasonable rates, which is accomplished through thorough analysis and independent decision-making conducted in an open and fair process.