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**SENATE COMMITTEE ON ENERGY, UTILITIES AND  
COMMUNICATIONS**

**Senator Josh Becker, Chair  
2025 - 2026 Regular**

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<b>Bill No:</b>	AB 1303	<b>Hearing Date:</b>	6/17/2025
<b>Author:</b>	Valencia		
<b>Version:</b>	5/1/2025 Amended		
<b>Urgency:</b>	No	<b>Fiscal:</b>	Yes
<b>Consultant:</b>	Sarah Smith		

**SUBJECT:** Communications: lifeline telephone service program

**DIGEST:** This bill prohibits entities involved in the administration of the California Lifeline Program from sharing applicant or subscriber information to government agencies or immigration authorities without a court-ordered subpoena or judicial warrant. This bill clarifies that this prohibition extends to any applicant or subscriber information collected for a Lifeline subprogram or pilot program.

**ANALYSIS:**

Existing law:

- 1) Establishes the following Universal Service Funds at the California Public Utilities Commission (CPUC) to support the state's universal telecommunications service goals:
  - a) California High Cost Fund – A
  - b) California High Cost Fund – B
  - c) The Universal Lifeline Telephone Service Trust Administrative Committee Fund
  - d) Deaf and Disabled Telecommunications Program
  - e) California Teleconnect Fund
  - f) California Advanced Services Fund (Public Utilities Code §270)
- 2) Requires the CPUC to designate a class of Lifeline service necessary to meet minimum communications needs and set rates and eligibility criteria for that service. Existing law establishes requirements for setting Lifeline telephone rates. (Public Utilities Code §§873, 874, 877, 879)
- 3) Existing law permits only one Lifeline subscription per household and defines a household as any group of individuals, including the subscriber, who are living together at the same address and as one economic unit. A household may include related and unrelated persons. If an adult has no, or minimal, income

and lives with someone who provides financial support to that adult, both persons shall be part of the same household. A child under 18 years of age and living with a parent or guardian shall be part of the same household as the parent or guardian. Existing law allows multiple Lifeline subscriptions at the same address if those subscribers are not part of the same household. (Public Utilities Code §878)

- 4) Prohibits telephone corporations from disclosing certain customer data without obtaining a customer's express consent. Existing law specifies certain exemptions from this prohibition, including, but not limited to, information provided to a law enforcement agency in response to lawful process and information provided to an emergency services agency responding a 911 call or any other call regarding an imminent threat to life or property. (Public Utilities Code §2891)
- 5) Prohibits electrical and gas corporations from sharing customer electrical or gas consumption data with any immigration authority without a court-ordered subpoena or judicial warrant. (Public Utilities Code §8380)

This bill:

- 1) Prohibits the following entities from sharing, disclosing or making accessible any information provided by an applicant or subscriber to the Lifeline program without a court ordered subpoena or judicial warrant:
  - a) The CPUC.
  - b) The Third-Party Administrator (TPA) for the California Lifeline Program.
  - c) Lifeline service providers.
  - d) Contractors, agents, successors, or assignees.
- 2) Specifies that this bill's prohibition on customer information sharing extends to information collected for a Lifeline subprogram or pilot program.
- 3) Clarifies that this bill does not prohibit the CPUC, service providers and the TPA from using aggregated subscriber or applicant data for program administration as long as the aggregated data cannot be used to identify subscribers or applicants.
- 4) Prohibits the CPUC, service providers, and the TPA from requiring applicants and subscribers to provide their social security numbers (SSNs) in order to apply to or participate in the Lifeline program.

- 5) Makes legislative findings and declarations that Lifeline is a program for which the state can provide assistance to individuals without SSNs in the event that federal law prohibiting the provision of public assistance to non-citizens also applies to Lifeline benefits.

**Background**

*The Lifeline programs: federal and state.* Prior to the 1984 break-up of the Bell telephone system, long-distance services helped subsidize local telephone costs. Following AT&T’s divestment of the Bell Operating Companies, long-distance and local telephone services were separated. The Reagan Federal Communications Commission (FCC) established the Lifeline program to address concerns about the affordability of local telephone service for after this separation.

Lifeline is one of several universal service programs addressing the affordability of communications services. California Lifeline subscribers can participate in both the federal Lifeline program and a California Lifeline program. The federal Lifeline program is regulated by the FCC, and the state Lifeline program is regulated by the CPUC. Both programs are funded through surcharges on telephone bills.

The CPUC generally administers the federal and state Lifeline programs together to maximize participants’ discounts and streamline eligibility determinations. When California Lifeline and the federal Lifeline subsidies are aligned, participants can receive a \$28 per month deduction in the cost of their service (with deeper deductions for tribal participants). While the CPUC seeks to align these programs as much as possible, the federal and state programs are separately established in law and include several key differences. The table below shows several of these key differences:

	<b>Federal Lifeline</b>	<b>California Lifeline</b>
<b>Subsidy Amount</b>	Up to \$9.25	\$19
<b>Income Eligibility</b>	135% of the Federal Poverty Level (FPL)	150% of the FPL
<b>Regulatory Agency</b>	FCC	CPUC

*Why does the Lifeline program currently require SSNs?* Starting in 2012, the FCC adopted a series of orders aimed at modernizing and reforming the federal Lifeline program. These orders encouraged the growth of broadband in the Lifeline program and set eligibility verification requirements to address allegations of waste, fraud, and abuse of the federal Lifeline subsidy. As part of its implementation of these orders, the FCC implemented the National Verifier, which

cross-references data from Lifeline applicants and participants to prevent duplicative and fraudulent enrollments. Federal regulations (47 CFR §54.404) establish requirements for verifying Lifeline subscribers' eligibility for the federal subsidy. Under existing law, federal lifeline subsidies are only provided for subscribers for which certain information has been submitted to the National Verifier, including the last four digits of the subscriber's SSN or tribal identification number (in circumstances when the tribal participant lacks a SSN). Under existing federal rules, a state may use an enrollment system other than the national verifier if the state submits a specific certification to the FCC indicating that the state has developed a comprehensive system that is at least as robust the National Verifier. The FCC maintains discretion to approve or deny a state's certification to use an alternative Lifeline verification system. As of 2020, the FCC required all participants to use the National Verifier unless the participant is from a state for which the FCC has approved a certified alternative to the National Verifier. The FCC has approved these certifications for only three states: California, Oregon and Texas. While both Oregon and Texas process verifications using systems wholly separate from the National Verifier, California uses the National Verifier for participants that receive the federal subsidy for standalone broadband service.

*Bill's customer information protections are more narrow than those for the electric and natural gas utilities.* This bill prohibits various parties involved in the administration of the Lifeline program from sharing, disclosing or making accessible any information provided by an applicant or subscriber to the Lifeline program without a court ordered subpoena or judicial warrant. This bill's narrow limitation on sharing of customer information for Lifeline subscriptions may increase some consumers' confidence in participating in Lifeline; however, it is unlikely to fully protect even those households that enroll in Lifeline. A Lifeline subscription applies to only one communications line per household. As a result, households enrolled in Lifeline may still have their information shared with government agencies and immigration officials for other telecommunications lines, to the extent allowed under existing law. Additionally, those Californians who are not enrolled in Lifeline would not experience similar protections.

This bill's prohibition is similar to a limitation on customer information sharing established by AB 2788 (Gloria, Chapter 188, Statutes of 2020) for electrical and gas corporations. While AB 2788 prohibited customer information sharing by the entire investor-owned gas and electrical utility sector, this bill narrowly prohibits customer information sharing by those parties involved in the administration of the California Lifeline program. By narrowly prohibiting the Lifeline program from sharing customer information with government and immigration agencies without

a subpoena or judicial warrant, this bill may narrowly provide enhanced privacy protections for information used for a Lifeline application or subscription.

*Bill's protections against Lifeline subscriber data appear to narrowly focus on federal requests for data and the use of administrative warrants.* The CPUC has broad authority to set rules for the Lifeline program under existing law. To the extent that the CPUC believes that the entities engaged in the administration of the Lifeline program cannot refuse a federal request for subscriber information or decline to respond to an administrative warrant, this bill may provide the CPUC with greater authority to limit disclosure of Lifeline subscribers' data under those circumstances. However, it is not clear that this bill's prohibition on information sharing would sufficiently limit federal agencies' ability to target undocumented individuals or ultimately access information from telecommunications providers. Additional legislation would likely be necessary to more fully limit the extent to which telecommunications subscriber information is protected from disclosure, including disclosure by governmental agencies.

Existing federal and state law establishes restrictions on telecommunications providers' ability to share consumers' personal information without first containing those consumers' consent. Under existing law, telephone corporations generally cannot share a customer's calling, financial, service, or demographic information except in certain circumstances, including "...to a law enforcement agency in response to lawful process." Existing public utilities code does not clarify the extent to which "lawful process" extends to departmental warrants. Additionally, its restrictions apply only to telephone corporations. For more expansive protections, Californians generally rely on an overlapping series of rules in state and federal law. However, even these restrictions have not prevented federal agencies from exploiting consumers' utility data. Increasingly, federal Immigration and Customs Enforcement (ICE) is accessing consumers' information and seeking to detain individuals without warrants or via the use of "administrative warrants," which are not issued by a judge and may not be sufficient to authorize entry into private property without consent or probable cause.

In 2021, reports emerged that ICE was using a Thompson Reuters database known as Consolidated Lead Evaluation and Reporting (CLEAR) to target certain individuals for immigration enforcement. This database includes a variety of consumer data, including information from more than 80 electric, gas, water, and telecommunications companies. CLEAR obtained this utility data through Equifax, which manages the National Consumer Telecom and Utilities Exchange (NCTUE) database. After reports of ICE's usage of this database became public, NCTUE utility members directed Equifax to cease stop selling its data to CLEAR. ICE's use of these databases shows that even in circumstances where the utility

does not directly share information with a government or agency, these bodies can still use third-party entities like credit agency databases to obtain consumers' personal information.

*Bill is not the first attempt to address the use of SSNs in the Lifeline program.*

Following the FCC's adoption of the 2012 regulations requiring SSNs for Lifeline enrollment and re-certification, the CPUC received input from stakeholders indicating that the use of SSNs would negatively impact enrollment of otherwise eligible low-income Californians. In 2014, the CPUC adopted a decision (D.14-01-036) modifying Lifeline program rules. As part of this decision, the CPUC required its Communications Division to cease requiring the use of SSNs for participation in the state Lifeline program. The decision also directed CPUC staff to continue efforts to obtain a waiver from the FCC that would allow the CPUC to verify a federal Lifeline participant's eligibility without the use of SSNs. The CPUC filed request for this waiver in 2015. In 2016, the FCC declined to provide this waiver, stating that it no longer wished to provide exemptions to Lifeline program rules on a state-by-state basis. Between 2016 and 2023, the FCC did not adopt any broader rules to allow states to cease using SSNs, and the CPUC did not take any steps to implement its 2014 decision.

In 2023, the CPUC received multiple requests from the Neighborhood Legal Services of Los Angeles requesting immediate implementation of the CPUC's orders in D.14-01-036 to extend California Lifeline eligibility without requiring a SSN. In July 2024, the CPUC published an Assigned Commissioner Proposed Decision ordering the creation of an application process that enabled enrollment in the California Lifeline program without the use of a SSN. The Proposed Decision also required the California Lifeline Fund to make-up for any federal subsidies lost by participants who enroll in Lifeline without a SSN. While the CPUC received comments on this proposed decision, it has not yet adopted the Assigned Commissioner's Proposed Decision.

*Bill's Relationship to federal immigration law.* This bill contains legislative declarations about the bill's relationship to a provision of federal immigration law (Title 8 U.S.C. §1621). Congress approved this section of federal law as part of the Debt Collection Improvement Act of 1996. While the federal act primarily addressed collections of delinquent debt owed to the federal government, it also included clauses restricting state and local governments' ability to provide benefits for undocumented residents. The law states that a restricted state or local benefit includes the following:

“...any retirement, welfare, health, disability, public or assisted housing, postsecondary education, food assistance, unemployment benefit, or any other

similar benefit for which payments or assistance are provided to an individual, household, or family eligibility unit by an agency of a State or local government or by appropriated funds of a State or local government.”

This section of federal law allows states to provide these benefits to otherwise eligible undocumented residents only through enacting a state statute that affirms the eligibility of undocumented individuals for that assistance. While this bill provides the affirmation required under federal law, it is not clear that this section of federal immigration law is applicable to the California Lifeline program. Unlike many public assistance programs, the Lifeline program does not provide payments or assistance directly to an individual. Instead, the program provides subsidies to participating telecommunications providers, which enables those providers to offer services at lower rates. While the California Lifeline budget is subject to annual legislative appropriation, the program is not funded through state taxpayer funds. California’s Lifeline program is funded through ratepayer moneys, which are collected outside the state budget process. Additionally, many low-income Californians that are not undocumented may choose, if given the option, to cease using their SSNs for Lifeline subscriptions and enrollment solely based on concerns about identity theft and privacy. Moreover, the California Lifeline program is a wholly state-created program that pre-dates the Debt Collection Improvement Act of 1996.

*With or without you: bill may increase reliance on state ratepayer monies in lieu of federal funds.* This bill prohibits the CPUC from requiring Lifeline subscribers and applicants to provide SSNs to gain or obtain a Lifeline subsidy. While California can establish rules for the California Lifeline program that differ from the federal Lifeline program, California may not be able to change federal eligibility requirements set by the FCC for the federal Lifeline subsidy. Since 2012, the FCC has required Lifeline applicants to submit SSNs to obtain the federal subsidy. Implementing this bill may necessarily require the CPUC to relinquish a greater amount of federal Lifeline subsidies, including subsidies for standalone broadband service.

The CPUC’s 2014 final decision and 2024 proposed decision regarding the use of SSNs in Lifeline acknowledged that obtaining the federal subsidy without a SSN is likely infeasible. As a result, these decisions proposed using ongoing Lifeline ratepayer revenue collections to make up for the loss in federal subsidy monies. Currently, federal Lifeline subsidies contribute between \$100 million and \$150 million annually to Lifeline services for California subscribers. To the extent that this bill enables a larger number of Californians to enroll in and renew participation in Lifeline without SSNs, this bill may increase the state’s reliance on state-level ratepayer revenues to cover any lost federal subsidies.

*Need for amendments.* As currently written, this bill's prohibitions on data sharing for the Lifeline program may be inconsistent with provisions of Public Utilities Code that allows telephone corporations to share consumer information with law enforcement agencies as part of lawful process. *To the extent that the author and committee wish to more fully align existing state law regarding telephone corporations' use of customer data with this bill's prohibition on data sharing, the author and committee may wish to amend this bill to clarify the definition of "lawful process" for the purpose of existing limitations on telephone corporations ability to share customer data with law enforcement and immigration officials to specify that "lawful process" means a court-ordered subpoena or judicial warrant.*

*Dual Referral.* Should this bill be approved by this committee, it will be re-referred to the Senate Judiciary Committee.

### **Prior/Related Legislation**

SB 716 (Durazo) of 2025, requires the CPUC to include broadband internet as a class of Lifeline service eligible for the state Lifeline subsidy. The bill would establish requirements for internet service providers (ISPs) participating in Lifeline and require each participating ISP to offer at least one plan through Lifeline that provides internet access at speeds of at least 100 megabits per second (Mbps) downstream and 20 Mbps upstream for no more than \$30 per month, per subscriber. The bill is currently pending in the Assembly.

AB 1840 (Arambula) of 2024, would have prohibited the Home Purchase Assistance Fund from denying eligibility for applicants on the basis of their immigration status. The bill contained a provision regarding the Debt Collection Improvement Act of 1996 that was similar to the one in this bill. The bill was vetoed.

AB 1588 (Wilson) of 2024, would have required the CPUC to establish an expedited process by which an existing regulated telephone service provider that offers broadband services or has an affiliate that offers broadband services can become an eligible telecommunications carrier for the purposes of providing Lifeline services. The bill was held in the Senate Appropriations Committee.

SB 394 (Hueso, Chapter 765, Statutes of 2021) modified the definition of a "household" for the purposes of the Lifeline program to conform California's definition to the definition adopted by the FCC for the federal Lifeline program.



AB 2788 (Gloria, Chapter 188, Statutes of 2020) prohibited electrical and gas corporations from sharing customer data with immigration authorities without a court-ordered subpoena or judicial warrant.

AB 523 (Irwin) of 2019, would have prohibited wireless telephone providers and their affiliates from disclosing customer cell site location without obtaining a customer's express consent except in circumstances needed for the operation of the 911 system and in response to particularized court-ordered warrant. The bill died on the Senate Inactive File.

**FISCAL EFFECT:** Appropriation: No Fiscal Com.: Yes Local: Yes

**SUPPORT:**

The Utility Reform Network (Sponsor)  
California Latino Legislative Caucus  
Media Alliance  
Oakland Privacy

**OPPOSITION:**

None received

**ARGUMENTS IN SUPPORT:** According to the author:

AB 1303 will help increase participation for eligible undocumented Californians, and ensures they can access essential communication services without fear of unnecessary government overreach. This bill reinforces our commitment to protecting the privacy of residents who rely on the Lifeline Program

**-- END --**