

**Before
The Ohio Senate
Finance General Government and Agency Review Subcommittee
Testimony on Sub. H.B. 49 - Lifeline Assistance for Low-Income Telephone Consumers**

By

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Hello Chair Jordan, Vice-Chair O'Brien and Members of the Finance General Government and Agency Review Subcommittee. Thank you for this opportunity to testify. We respectfully recommend a change in Substitute House Bill 49, lines 78047 to 78048, regarding financial assistance for low-income telephone consumers. Our proposed change would preserve existing law which ensures that flat rate telephone service (unlimited local calling) continues to be available to them. The consumers who take this service, known as Lifeline service, are the poorest of the poor among our fellow Ohioans and they should continue to have the required protection of unlimited local calling at a flat rate for this service. We therefore oppose the change to the law that is proposed in Substitute H.B. 49 regarding consumers' Lifeline service.

The Ohio Poverty Law Center is a statewide law office that pursues statewide advocacy to protect, enforce and expand the legal rights of low-income Ohioans. The Office of the Ohio Consumers' Counsel represents the interests of 4.5 million Ohio households regarding their

electric, natural gas, telephone, and water utility services. Pro Seniors was founded in 1975 as a non-profit organization dedicated to providing legal and long term help to Ohio seniors.

Communities United for Action is a nonprofit multi-issue community organization, based in Cincinnati, that brings together almost 50 local organizations and institutions representing a variety of cultural and ethnic backgrounds and economic levels, with particular emphasis on working class neighborhoods in Cincinnati's Millcreek Valley. Advocates for Basic Legal Equality is a nonprofit public interest law firm that represents low-income people in 33 Ohio counties.

Proposed language in H.B. 49 would amend Ohio Revised Code 4927.13(A)(1)(a), which describes the program for financial assistance to low-income telephone consumers. (Lines 78047 to 78048.) The current language in the Bill would remove the reference that phone companies in Ohio should offer Lifeline service to low-income consumers at a flat rate for unlimited local calling. Flat rate service for unlimited local calling is a traditional mainstay of residential voice service and should be especially assured for low-income consumers. Flat rate service means unlimited local calling without extra charges for usage. Allowing telephone companies to charge for local usage (such as by minutes of use) could adversely affect low-income Lifeline consumers in Ohio by increasing the amount they pay for local phone service.

Lifeline service helps make basic telephone service affordable to low-income Ohioans. In this regard, these consumers typically cannot afford the more expensive service offerings of local telephone companies. Consumers who qualify for Lifeline service often can afford little more than food and rent. But they, like many, need phone service for the various imperatives that are understood for 21st century communications. For information about low-income challenges in Ohio, please see the attachments to this testimony showing recent data about poverty and food

insecurity across our state.

We understand that an explanation for this change and another related change (presented in PUCO testimony to this Subcommittee) was that the changes would make Ohio law consistent with federal standards including low-income wireless service standards. But Ohio's current law (that H.B. 49 would alter on lines 78047 to 78048) is not inconsistent with the federal rule, as follows. The federal rules (47 C.F.R. §§54.400(m) and 54.401(a)(2)) require Lifeline service to be voice telephony, which includes "minutes of use for local service provided at no additional charge to end users." These words, for minutes of use at no additional charge, allow for flat rate service. Further, the current law and the proposed change in H.B. 49 regarding flat rate are about landline service, not wireless.

Accordingly, please see the proposed amendment, attached to this testimony, to H.B. 49. The proposed amendment would retain the existing Ohio law that is protective of flat rate service for low-income Ohioans using Lifeline.

Thank you again for this opportunity to address this utility consumer issue affecting Ohioans.

SC3577

Sub. H.B. 49
As Passed by the House

_____ moved to amend as follows:

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1      In line 78047, reinsert "Flat-rate, monthly, primary";
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2 delete "Monthly"
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3 In line 78048, reinsert "with touch-tone service,"

4 The motion was _____ agreed to.

5 SYNOPSIS

6 Lifeline telephone service

7 R.C. 4927.13

8 Removes the provision eliminating the requirements that
9 lifeline telephone service be touch-tone, flat-rate, and for a
10 primary access line.

Ohio

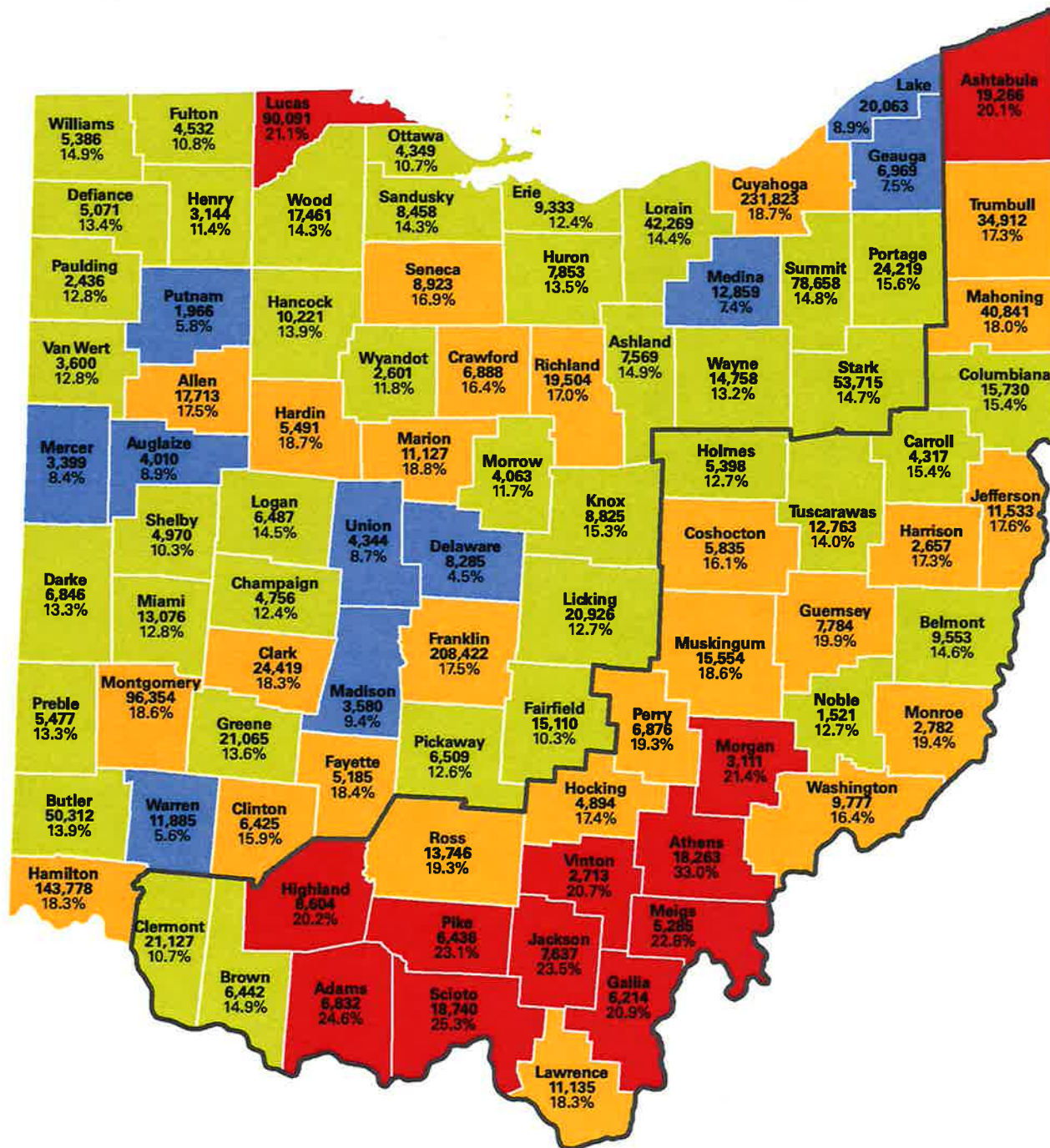
Poverty in Ohio by County 2011-2015 American Community Survey

Statewide Poverty
1,775,836
15.8%

**Percentage
County Population
in Poverty**

- 4.5% - 9.9%
- 10.0% - 15.8%
- 15.9% - 19.9%
- 20.0% - 33.0%

Appalachian Ohio



This map shows the 2011-2015 American Community Survey estimates of the number and percentage of persons in poverty by county

Source:
2011-2015 American Community Survey,
U.S. Census Bureau

Prepared by:
Office of Research
Ohio Development Services Agency
January 2017



Map the Meal Gap 2016:

Overall Food Insecurity in Ohio by County in 2014 ¹



County	Population	Food insecurity rate	Estimated number food insecure individuals (rounded)	Likely Income Eligibility for Federal Nutrition Assistance ²		
				% below 130% poverty SNAP, WIC, free school meals, CSFP, TEFAP	% between 130% and 185% poverty WIC, reduced price school meals	% above 185% poverty Charitable Response
Adams	28,342	18.1%	5,140	80%	6%	14%
Allen	105,562	16.5%	17,470	59%	13%	29%
Ashland	53,202	14.2%	7,550	59%	11%	30%
Ashtabula	100,346	15.7%	15,750	65%	12%	23%
Athens	64,840	19.8%	12,810	69%	4%	27%
Auglaize	45,867	11.8%	5,410	46%	19%	35%
Belmont	69,793	14.8%	10,300	51%	15%	34%
Brown	44,464	14.3%	6,370	62%	14%	24%
Butler	371,154	14.0%	52,060	50%	10%	41%
Carroll	28,539	13.7%	3,920	60%	14%	26%
Champaign	39,628	13.2%	5,220	52%	12%	36%
Clark	137,303	16.3%	22,410	61%	14%	25%
Clermont	199,450	12.3%	24,590	48%	9%	44%
Clinton	41,871	16.3%	6,840	56%	12%	32%
Columbiana	106,622	15.0%	15,960	59%	13%	28%
Coshocton	36,768	15.5%	5,700	66%	12%	22%
Crawford	43,036	15.1%	6,510	61%	13%	26%
Cuyahoga	1,267,513	19.4%	245,660	53%	14%	33%
Darke	52,537	13.7%	7,190	57%	17%	27%
Defiance	38,795	12.3%	4,750	58%	15%	27%
Delaware	181,821	9.0%	16,440	29%	11%	60%
Erie	76,416	15.0%	11,450	49%	15%	36%
Fairfield	148,067	13.2%	19,510	47%	12%	41%
Fayette	28,875	16.1%	4,660	64%	11%	25%
Franklin	1,197,592	17.9%	214,500	54%	13%	34%
Fulton	42,541	11.6%	4,920	51%	12%	37%
Gallia	30,763	16.1%	4,950	69%	12%	20%
Geauga	93,819	10.3%	9,680	43%	12%	45%
Greene	163,313	14.5%	23,650	48%	8%	44%
Guernsey	39,794	15.4%	6,140	65%	11%	24%
Hamilton	803,272	18.6%	149,740	53%	12%	36%
Hancock	75,290	12.9%	9,730	57%	10%	33%
Hardin	31,826	15.1%	4,800	61%	10%	29%
Harrison	15,698	14.5%	2,280	62%	15%	23%
Henry	28,074	12.1%	3,390	51%	9%	40%
Highland	43,266	16.5%	7,130	73%	12%	15%
Hocking	29,111	14.6%	4,250	62%	10%	28%
Holmes	43,176	12.4%	5,360	64%	24%	11%
Huron	59,186	14.2%	8,410	55%	14%	31%
Jackson	32,952	17.7%	5,840	73%	8%	19%
Jefferson	68,510	16.7%	11,410	57%	13%	29%
Knox	61,063	14.0%	8,520	56%	12%	32%
Lake	229,602	12.4%	28,410	41%	14%	46%
Lawrence	62,100	15.1%	9,350	61%	16%	23%
Licking	167,911	13.3%	22,330	49%	12%	39%
Logan	45,564	13.9%	6,330	65%	6%	30%
Lorain	302,465	14.3%	43,130	51%	10%	39%
Lucas	438,167	18.3%	80,260	60%	12%	28%
Madison	43,326	13.5%	5,850	44%	11%	45%
Mahoning	235,809	16.9%	39,790	56%	15%	29%
Marion	66,171	15.9%	10,520	61%	8%	31%
Medina	174,091	11.1%	19,280	38%	11%	51%
Meigs	23,564	16.9%	3,970	70%	12%	18%
Mercer	40,789	11.1%	4,530	42%	19%	39%
Miami	103,145	13.7%	14,090	52%	12%	35%
Monroe	14,590	17.1%	2,490	58%	14%	28%
Montgomery	534,801	18.4%	98,470	55%	14%	31%

ATTACHMENT 3

County	Population	Food insecurity rate	Estimated number food insecure individuals (rounded)	Likely Income Eligibility for Federal Nutrition Assistance ²		
				% below 130% poverty SNAP, WIC, free school meals, CSFP, TEFAP	% between 130% and 185% poverty WIC, reduced price school meals	% above 185% poverty Charitable Response
Morgan	14,977	16.2%	2,420	65%	13%	22%
Morrow	34,991	12.6%	4,410	53%	12%	35%
Muskingum	85,947	16.7%	14,360	63%	15%	22%
Noble	14,561	14.8%	2,160	47%	21%	33%
Ottawa	41,304	12.6%	5,210	43%	16%	41%
Paulding	19,293	12.8%	2,470	56%	16%	28%
Perry	36,000	15.5%	5,590	65%	13%	22%
Pickaway	56,279	13.5%	7,620	47%	12%	41%
Pike	28,504	17.9%	5,100	74%	11%	15%
Portage	161,553	14.8%	23,930	54%	7%	39%
Preble	41,887	13.1%	5,510	56%	16%	29%
Putnam	34,256	9.6%	3,300	40%	14%	46%
Richland	122,813	16.2%	19,920	55%	14%	31%
Ross	77,552	16.1%	12,480	62%	10%	28%
Sandusky	60,498	12.9%	7,820	62%	12%	26%
Scioto	78,520	18.2%	14,280	70%	8%	23%
Seneca	56,100	14.2%	7,950	56%	11%	33%
Shelby	49,165	13.0%	6,380	51%	12%	38%
Stark	375,090	15.2%	57,080	53%	13%	34%
Summit	541,464	16.2%	87,480	50%	12%	38%
Trumbull	207,596	16.3%	33,820	56%	12%	33%
Tuscarawas	92,616	13.7%	12,690	58%	13%	29%
Union	53,090	11.2%	5,920	40%	13%	47%
Van Wert	28,612	12.7%	3,620	55%	19%	26%
Vinton	13,319	16.6%	2,220	72%	17%	11%
Warren	217,623	10.7%	23,290	30%	11%	59%
Washington	61,473	14.5%	8,880	61%	9%	30%
Wayne	114,978	13.0%	14,990	56%	16%	28%
Williams	37,493	13.3%	4,990	63%	18%	19%
Wood	128,139	13.7%	17,610	53%	7%	40%
Wyandot	22,535	12.5%	2,810	48%	17%	35%
State Total⁶	11,594,163	16.8%	1,943,340	52.3%	12.9%	34.7%

For additional data and maps by county, state, and congressional district, please visit www.feedingamerica.org/mapthegap.

Gundersen, C., A. Dewey, A. Crumbaugh, M. Kato & E. Engelhard. *Map the Meal Gap 2016: Food Insecurity and Child Food Insecurity Estimates at the County Level*. Feeding America, 2016. This research is generously supported by the Howard G. Buffett Foundation and The Nielsen Company.

¹Map the Meal Gap's food insecurity rates are determined using data from the 2001-2014 Current Population Survey on individuals in food insecure households; data from the 2014 American Community Survey on median household incomes, poverty rates, homeownership, and race and ethnic demographics; and 2014 data from the Bureau of Labor Statistics on unemployment rates.

²Numbers reflect percentage of food insecure individuals living in households with incomes within the income bands indicated. Eligibility for federal nutrition programs is determined in part by these income thresholds which can vary by state.

⁶Population and food insecurity data in the state totals row do not reflect the sum of all counties in that state. The state totals are aggregated from the congressional districts data in that state. All data in the state totals row pertaining to the cost of food or the "Meal Gap" reflect state-level data and are not aggregations of either counties or congressional districts.



Map the Meal Gap 2016:

*Overall Food Insecurity in Ohio by Congressional District in 2014*¹



Congressional District	Population	Food insecurity rate	Estimated number food insecure individuals (rounded)	Likely Income Eligibility for Federal Nutrition Assistance ²		
				% below 130% poverty SNAP, WIC, free school meals, CSFP, TEFAP	% between 130% and 185% poverty WIC, reduced price school meals	% above 185% poverty Charitable Response
1	729,726	19.3%	141,100	46%	12%	42%
2	724,587	15.9%	115,490	54%	10%	36%
3	755,499	23.0%	173,550	58%	18%	24%
4	709,882	15.4%	109,310	54%	11%	36%
5	730,503	13.0%	94,820	49%	13%	38%
6	713,457	15.9%	113,270	59%	10%	31%
7	725,548	14.4%	104,790	54%	11%	35%
8	722,889	15.0%	108,730	50%	12%	38%
9	709,813	19.4%	137,500	62%	14%	24%
10	720,794	19.0%	137,130	53%	11%	36%
11	699,736	29.8%	208,290	59%	17%	24%
12	755,978	12.4%	93,470	43%	9%	49%
13	707,940	18.0%	127,520	56%	14%	30%
14	722,474	12.2%	88,270	41%	12%	46%
15	740,854	14.3%	105,730	45%	12%	43%
16	724,483	11.6%	84,370	37%	13%	50%

For additional data and maps by county, state, and congressional district, please visit www.feedingamerica.org/mapthegap.

Gundersen, C., A. Dewey, A. Crumbaugh, M. Kato & E. Engelhard. *Map the Meal Gap 2016: Food Insecurity and Child Food Insecurity Estimates at the County Level*. Feeding America, 2016. This research is generously supported by the Howard G. Buffett Foundation and The Nielsen Company.

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