

**STATE OF MISSOURI
PUBLIC SERVICE COMMISSION**

At a session of the Public Service
Commission held at its office in
Jefferson City on the 21st day of
November, 2019.

In the Matter of Proposed Modifications to)
the Missouri Universal Service Fund) **File No. TO-2019-0346**

**ORDER SUSPENDING ASSESSMENT RATE
AND INCREASING MONTHLY SUPPORT RATE**

Issue Date: November 21, 2019

Effective Date: December 3, 2019

Procedural History

On May 10, 2019, the Staff of the Commission (Staff), acting at the request of the Missouri Universal Service Board, filed a motion asking the Commission to consider altering the Missouri Universal Service Fund (USF) assessment rate.¹ Staff recommends that the Commission suspend the assessment, which funds the USF, effective January 1, 2020. Staff further recommends that the Commission increase USF support amounts from \$6.50 per subscriber to \$16.75 for Lifeline program subscribers, and \$24 for Disabled program subscribers.² Staff recommends that the Commission start this increase effective no sooner than 60 days from the effective date of the Commission's order.

The Commission solicited comments, and received them from Verizon, the Missouri Small Telephone Company Group (STCG), the Missouri Independent Telephone Company Group (MITG), AT&T, and the Missouri Cable Telecommunications Association (MCTA).

¹ Calendar references are to 2019 unless otherwise noted.

² Staff updated its recommendation on October 29, 2019, to inform the Commission of a \$2.00 per month federal Lifeline program support decrease. Thus, the Commission understand Staff's position to be that \$16.75, rather than \$14.75, is the amount of state support increase needed.

Those comments were largely in favor of Staff's request to suspend the assessment, and largely in favor of Staff's request to increase support to Lifeline and Disabled program subscribers. However, some commenters suggested that the Commission grant smaller support increases than the ones Staff requested.

Decision

Section 392.248.1, RSMo 2016 creates the Missouri Universal Service Board and charges it with the duty to "ensure just, reasonable, and affordable rates for reasonably comparable essential local telecommunications services throughout the state." That statute also creates a state Universal Service Fund that is funded through an assessment on all telecommunications companies in the state. The Commission is required to establish the level of funding needed to accomplish the purposes of the Universal Service Fund.

The Commission finds that the Universal Service Board's recommendation is reasonable. The Commission will suspend the assessment rate, and will further increase the amount of USF support in the amount that Staff requested. The total Lifeline support, state and federal combined, shall be \$24.00.

The Staff of the Commission shall file an annual update related to the suspension of the assessment with the Commission to determine if such suspension should continue, or an assessment should be reinstated. This assessment suspension shall last from January 1, 2020 until January 31, 2021, unless the Commission orders otherwise. This support amount shall continue until the Commission orders otherwise. The Commission will make this order effective on December 3, 2019, as requested by Staff, so that affected providers will have sixty days to make billing adjustments for the assessments and discounts resulting from this order.

THE COMMISSION ORDERS THAT:

1. The assessment for the Missouri Universal Service Fund is suspended, effective January 1, 2020, until January 31, 2021.
2. The monthly Missouri USF support rate is increased to \$16.75 for Lifeline program subscribers, and \$24.00 for Disabled program subscribers, so that total Lifeline support from federal and state programs shall be \$24.00, effective February 1, 2020.
3. Participating providers shall implement the assessment change and any change in the Lifeline and Disabled support amount no later than February 1, 2020.
4. The Commission's Data Center shall send a copy of this order to all interexchange carriers, competitive local exchange carriers, incumbent local exchange carriers and IVoIP providers doing business in Missouri.
5. The Missouri Universal Service Board, through the Staff of the Commission, shall report its position on Universal Service Fund assessment and support amounts to the Commission no later than November 30, 2020.
6. This order shall become effective on December 3, 2019.



BY THE COMMISSION

A handwritten signature in black ink that reads "Morris L. Woodruff".

Morris L. Woodruff
Secretary

Silvey, Chm., Kenney, Rupp, and
Coleman, CC., concur.

Pridgin, Regulatory Law Judge