



CITIZENS UTILITY BOARD

Fighting for Illinois Consumers

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CUB CALLS ON AT&T TO REINSTATE DISCOUNT FOR LOW-INCOME CUSTOMERS

The Citizens Utility Board (CUB) on Tuesday called on AT&T to reverse a decision to end a federal monthly discount for low-income callers—a move that could force thousands of its most vulnerable customers off of the landline service they have depended on for decades.

CUB asked Illinois consumers to sign a petition to AT&T at CUBActionCenter.com.

“This will be hard on low-income callers who depend on AT&T’s service,” said Bryan McDaniel, CUB’s director of governmental affairs. “AT&T is still obligated to offer landline phone service in Illinois, so it shouldn’t try to kick the customers who need that service most off its network. The phone discount should be reinstated immediately.”

In 2017, the Illinois General Assembly voted, over CUB’s opposition, to give AT&T the right to end landline phone service in the state—but only upon approval by the Federal Communications Commission (FCC). AT&T has not yet sought that approval and said in 2017 it could be years before landline service ends in Illinois.

But in September, CUB began to field calls from worried landline customers—including seniors on fixed incomes—who received a letter from AT&T with the blunt headline: “Your Lifeline discount ends November 20, 2018.”

The letter refers to the federal Lifeline program, which offers a monthly credit of up to \$11.75 for qualifying low-income customers who apply for the discount. The program is funded by the federal Universal Service Fund fee on phone bills.

In August, AT&T’s request to end the Lifeline credit in most areas of Illinois received state regulatory approval. That’s because federal law sets a low bar, saying state regulators shall permit a company to end the credit if it can show that at least one other carrier provides the discount. AT&T’s move could affect more than 5,300 customers.

The AT&T letter outlines the choices for customers: Stay with AT&T landline service, but without the credit, or seek another carrier that still participates in the Lifeline program. Most other Lifeline carriers are wireless companies.

CUB has long said that cellphones are not a perfect substitute for landlines, until 911 systems are fully upgraded across Illinois. Currently, 911 operators cannot always pinpoint the exact location of an emergency call from a cellphone, as they can a call from a landline. Traditional phone service doesn’t need to be charged, it doesn’t go out in an Internet or power outage, and it doesn’t leave 911 dispatchers guessing.

McDaniel said CUB plans to do everything it can to challenge AT&T when the company seeks permission from the FCC to end landline service. But until AT&T actually wins that approval, the Lifeline credit should be reinstated. “Some of AT&T’s most vulnerable customers depend on this credit,” he said.

CUB is Illinois’ leading nonprofit utility watchdog group. Created by the Illinois Legislature, CUB opened its doors in 1984 to represent the interests of residential and small-business utility customers. Since then, CUB has saved consumers more than \$20 billion by helping to block rate hikes and secure refunds. For more details, call CUB’s Consumer Hotline at 1-800-669-5556 or visit CUB’s award-winning website, www.CitizensUtilityBoard.org.

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