

TO: New Jersey Board of Public Utilities

5/17/2023

RE: Universal Service Fund & Fresh Start Programs

Docket No. [AO20060471](#)

Thank you for giving me the opportunity to submit comments.

Background:

1. The cost of living in the New Jersey area is much higher than most other places in the US. This makes it much harder for poor people to survive.
2. The USF program is good, because it provides much-needed financial help to poor people.
3. The Federal Poverty Guidelines do not properly adjust for family size. The cost for a one-person household is not significantly different than a two-person household. Housing expenses (rent, real estate taxes, insurance, etc.) and utilities (gas and electric) do not vary by the number of people in the home. Food and clothing do vary by the number of people.

Social Security benefits are reduced when the breadwinner dies. The benefits transfer to the surviving spouse, but are reduced by 50%. This places an additional financial burden on the survivor.

4. COVID-19 caused financial hardship to many due to businesses closing and stay-at-home orders to reduce infection spread. However, COVID is now reduced (not gone), vaccine is available, and many employers are looking for good workers.
5. The current economy is going into a recession, and many firms are reducing their employees.

Comments:

- Q1. USF Income Ceiling: The income guidelines for a two-person household should be applied to both a one-person and two-person household. (See item 3 above.)
- Q2. USF Benefit Cap: Revert to \$150 per month. This will encourage reductions in electricity and gas consumption.

Q3&Q4. USF Affordability Threshold: Keep the 2% and 4% levels.

USF and Fresh Start: Continue with the Pandemic Expansions for 2023 and the first half of 2024. Then a two-step reduction to 185% (pre-pandemic levels) in 2026.

Q5. Minimum USF Benefit: Make the \$5.00 permanent.

Q6. USF-Fresh Start: Enrollment:

- a. No
- b. Yes
- c. Yes – household size and income
- d. Once each 5 years, unless we have a recession or other catastrophe
- e. none.

Q7. USF-Fresh Start: Monthly Cap on Forgiveness: Keep the 1/12 of the overdue balance permanently.

Q8. Application of Federal Dollars to Fresh Start Customers: Use Federal LIHEAP funds, and supplement with local funding as required.

Question:

How is the USF program enforced, to verify the income and number of people living in the household?

New Jersey Resident