

Colorado Legislative Council Staff Fiscal Note

STATE
FISCAL IMPACT

Drafting Number: LLS 11-0037

Date: January 18, 2011

Prime Sponsor(s): Sen. Carroll
 Rep. Kerr J.

Bill Status: Senate Business, Labor & Technology
Fiscal Analyst: Clare Pramuk (303-866-2677)

TITLE: CONCERNING THE LOW-INCOME TELEPHONE ASSISTANCE PROGRAM.

Fiscal Impact Summary	FY 2011-2012	FY 2012-2013
State Revenue		
State Expenditures		
FTE Position Change		
Effective Date: The bill takes effect August 10, 2011, if the General Assembly adjourns on May 11, 2011, as scheduled, and no referendum petition is filed.		
Appropriation Summary for FY 2011-2012: None required.		
Local Government Impact: None.		

Summary of Legislation

As recommended by the Legislative Audit Committee, this bill specifies that only the individual telephone subscriber is eligible for the Low-income Telephone Assistance Program (LITAP). Under current law, all adult members of the household are eligible for the LITAP. Under this bill, to be eligible for the LITAP a person must be:

- a citizen and legal resident of the U.S. and a resident of Colorado;
- a current or prospective subscriber to basic phone service; and
- certified by the Department of Human Services (DHS) to receive financial assistance.

Background

The LITAP is a state-administered program that helps low-income individuals obtain access to basic local telephone services by providing a subsidy of \$6.50 per month for primarily land line phones. The Public Utilities Commission (PUC) administers the program and the DHS certifies the program eligibility of applicants. LITAP is funded through a monthly access line fee (currently set at \$0.07) on residential and business land lines. The PUC adjusts the rate accordingly on an annual basis to pay for changing costs. There are currently approximately 19,000 people receiving LITAP subsidies in Colorado.

State Expenditures

This bill is assessed at minimal fiscal impact. DHS will modify outreach materials to clarify that only telephone subscribers can receive the subsidy. These costs will not require an additional appropriation. The change to eligibility may result in a minimal decrease in caseload. The PUC will adjust the LITAP rate to respond to changes in caseload that affect program costs.

Departments Contacted

Human Services

Regulatory Agencies