

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF REVIEWING THE) CASE NO. GNR-T-26-03
ADMINISTRATOR’S 2025 ANNUAL)
REPORT AND ESTABLISHING THE)
FUNDING LEVELS TO SUPPORT THE) ORDER NO. 36981
IDAHO TELECOMMUNICATIONS)
SERVICE ASSISTANCE PROGRAM (ITSAP))
)

On February 17, 2026, the Administrator (“Administrator”), of the Idaho Telecommunication Service Assistance Program (“ITSAP”), filed the 2025 Annual Report detailing the activities and status of the program during the previous year, funding requirements for the following year, and recommended 2026 budget with the Idaho Public Utilities Commission (“Commission”).

Based on our review of the record, the Commission now issues this Final Order approving the Administrator’s 2025 Annual Report, adopting the Administrator’s 2026 Annual Budget, and approving the recommendation to suspend the \$0.03 surcharge per access line for the ITSAP program for 2026.

BACKGROUND

ITSAP provides eligible recipients with a reduction in the cost of a residential basic local exchange telephone service. The funding of the program is through a surcharge on all end-user business, residential, and wireless service lines not receiving an ITSAP credit. The Commission determines the statewide monthly surcharge, and the Idaho Department of Health and Welfare (“IDHW”) administers the program and grants limited federal “lifeline” contributions to low-income customers in Idaho. *Idaho Code* § 56-901(1). Idaho telephone companies assist in the form of a monthly discount of \$2.50 to eligible subscribers. *Idaho Code* § 56-902(1). To be eligible for ITSAP assistance, the applicant must be the head of a household and meet the eligibility criteria which are based solely on income or factors established by IDHW. *Idaho Code* § 56-903(1). To receive reimbursement for providing low-income benefits (ITSAP and federal lifeline assistance),

a company must be designated as an Eligible Telecommunications Carrier (“ETC”) by a state commission. 47 C.F.R. § 54.201(a)(1).

The ITSAP surcharge rate of \$0.01 per access line was suspended in 2017 by Order No. 33732 due to having an adequate balance to fund the program. ITSAP remained suspended through May 1, 2024, when the Commission instated a surcharge rate of \$0.05 per access line through Order No. 36180. In May of 2025, the rate was reduced to \$0.03 per access line. Order No. 36589.

THE 2025 ANNUAL REPORT

In 2025, the total number of monthly access lines, which included residential, business, and wireless, reported by telecommunication companies was 24,152,646.¹ Report at 4. ITSAP had a total of 60,110 participants annually who received assistance credits totaling \$150,270. *Id.* at 1. There was a decrease of approximately 33% in participation in the ISAP in 2025. *Id.* at 2. The decrease could be attributed to one company that historically received approximately 70% of the ITSAP assistance credits discontinuing services in Idaho. *Id.* at 3. However, other companies that have started providing services to eligible customers. *Id.*

2025 Expenses

At the beginning of 2025, ITSAP had a cash balance of \$633,525.91 and by the end of 2025 the fund had a cash balance of \$1,446,175.91. *Id.* at 2. During 2025, the ITSAP fund disbursed funds for assistance credits, ITSAP administrative expenses, and Administrator fees. *Id.* at 3. The financial institution did not assess the fund for banking fees during 2025. *Id.* at 2.

Proposed 2025 Budget and Funding Recommendations

The Administrator anticipated the ITSAP’s 2026 participation, recipient levels and administrative expenses to be consistent with 2025 levels. *Id.* at 3. The estimated budget for 2026 was the same expense and fund disbursement total as 2025. *Id.*

The Administrator indicated that if the program participation and administrative expenses stay consistent with 2025 levels, *ceteris paribus*, that the ITSAP fund could reach a balance of close to \$2,000,000 by the end of 2026. *Id.* at 3.

The Administrator recommended that the Commission either suspend the surcharge given the current fund balance of \$1,446,175.91 and decline in participation or reduce the surcharge to

¹ Each access line that is subject to the ITSAP surcharge is counted monthly.

\$0.01 per line which would likely create a fund balance of approximately \$1,600,000 by the end of 2026. *Id.* The Administrator believed that if participation and administrative expenses were to stay consistent in future years, the current balance could sustain the program well past 2026 without a surcharge. *Id.* The Administrator recommended that the surcharge be suspended. *Id.*

STAFF ANALYSIS AND FUNDING RECOMMENDATION

Staff reviewed the 2025 Annual Report, the proposed 2026 budget, and the funding recommendation. Staff Memo at 3. Staff supported the Administrator's assessment that the current fund balance could meet the projected 2026 expenses and maintain the ITSAP program without imposing a surcharge. *Id.*

COMMISSION DISCUSSION AND FINDINGS

Having reviewed the record, we find it appropriate to suspend the surcharge rate for all wireline and wireless access lines, effective May 1, 2026, and that doing so will not deplete the fund or jeopardize it retaining a sufficient balance even if unanticipated program changes occur. Accordingly, we accept the Administrator's 2025 Annual Report and we approve the Administrator's proposed 2026 budget. We further find that all reporting companies should continue to file regular reports with the Administrator. We direct the Administrator to notify all reporting companies that they must continue to report access line counts and that surcharge rates will be suspended for the budget year 2026, subject to further Commission order.

ORDER

IT IS HEREBY ORDERED that the Commission accepts the Administrator's 2025 Annual Report and 2026 budget.

IT IS FURTHER ORDERED that the monthly ITSAP surcharge rate shall be suspended, effective May 1, 2026, until the next annual budget review.

IT IS FURTHER ORDERED that the Administrator shall notify all reporting companies that their reporting requirements, including reporting access lines, are ongoing and that the surcharge rate has been suspended for budget year 2026, subject to further Commission order.

THIS IS A FINAL ORDER. Any person interested in this Order may petition for reconsideration within twenty-one (21) days of the service date of this Order. Within seven (7) days after any person has petitioned for reconsideration, any other person may cross-petition for reconsideration. *See Idaho Code* § 61-626.

DONE by Order of the Idaho Public Utilities Commission at Boise, Idaho this 30th day of March, 2026.


EDWARD LODGE, PRESIDENT


JOHN R. HAMMOND JR., COMMISSIONER


DAYN HARDIE, COMMISSIONER

ATTEST:


Monica Barrios-Sanchez
Commission Secretary
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