

March 18, 2025

The Honorable Matt Klein, Chair Commerce and Consumer Protection Committee Minnesota Senate 2105 Minnesota Senate Building St. Paul, MN 55155 The Honorable Gary Dahms, Ranking Minority Leader Commerce and Consumer Protection Committee Minnesota Senate 2219 Minnesota Senate Building St. Paul, MN 55155

Re: SF 2224 – A-2 Amendment (Lumen Deregulation Bill)

Dear Chair Klein, Ranking Minority Leader Dahms, and Members of the Committee:

The Legal Services Advocacy Project (LSAP) writes in opposition to SF 2224, a bill that would remove regulation and consumer protections from Minnesota's more than 150,000 legacy telecommunications households. LSAP is a statewide division of Mid-Minnesota Legal Aid, providing policy, legislative, and administrative advocacy on behalf of Legal Aid statewide. Legal Aid's clients include Minnesotans who have low incomes, elderly Minnesotans and Minnesotans with disabilities.

It is true that the percentage of customers using legacy (copper) services is declining every year. We understand these services are often in rural communities that are expensive to serve, and that the company prefers not to spend money on maintenance there, but rather to invest in broadband services in more lucrative service areas. But this bill in effect involuntarily disconnects hundreds of thousands of Minnesotans, forcing them off the system they rely on and, for some, have paid for many times over. The primary argument for deregulation is that customers have options, but options imply an affirmative customer act of choice; this bill gives the legacy customers no choice but to unwillingly find another carrier.

Regardless of the constant technological changes that have taken place – and continue to take place – regarding the *methodology* of completing a voice communication, the *service* – what people are paying for – is still the same. Nobody pays for cable, fiber, copper, VOIP, or any other acronym. They pay to make calls. And no matter the technological wizardry involved in completing that communication, its purpose has not changed: to call your family, your friends, your doctor, or your local business. Regardless of *how* it is provided, the *what* is what it has always been: an essential (utility) service.

The highest percentage of those who still rely on this essential service are elders. According to most recent *Wireless Substitution: Early Release of Estimates from the National Health Interview Survey* conducted by the Centers for Disease Control and Prevention (CDC), fully 54% of elders 65 and older have not cut the cord, while nearly 10% (and nine times more than any other demographic) are landline-only customers.¹

Both the underlying language and the A-2 Amendment fall woefully short and are far from providing the necessary consumer protections to allow deregulation of this essential service and to protect the public interest.

SF 2224 does nothing to ensure that:

- (1) there is in fact a comparable and reliable alternative available to the customer being jettisoned;
- (2) any handoff to an alternative carrier is actually accomplished and the customer has a "safe landing";
- (3) a customer being involuntarily forced to another carrier is not forced to pay an unaffordable monthly charge to obtain essential telecommunications service. Just the opposite; this proposal appears to allow increased costs to the consumer of 135%, not to mention other hidden costs, such as installation charges for the new carrier, that a customer would likely incur. This is especially harsh for low-income customers receiving the basic service that Lumen agreed to continue provide in its agreement with Legal Aid and AARP in 2016 under Minnesota Statutes, section 237.025; and
- (4) adequate customer protections are included to address the areas of repeated customer frustration for example, long wait times to get through to a customer service representative, long wait times for service restoration after an outage. None of these elements is contained in A-2 amendment to SF 2224.

Though it may be beneficial to the company, SF 2224 is harmful to hundreds of thousands of Minnesota households who still rely on the regulated service.

To be fair, SF 2224 takes a different approach from previous deregulation proposals. And, Legal Aid appreciates the fact that the author and company have reached out to identify our concerns. As always, Legal Aid is open to discussions on this issue.

Thank you for the opportunity to share our views on SF 2224.

Sincerely,

Ron Elwood

Supervising Attorney

Ron Elward

¹ Stephen J. Blumberg, Ph.D., and Julian V. Luke, Division of Health Interview Statistics, National Center for Health Statistics, *Wireless Substitution: Early Release of Estimates from the National Health Interview Survey, July-December 2023*, U.S. Department of Health and Human Services, Centers for Disease Control and Prevention, National Center for Health Statistics (June 2024).