

Press Statement

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FCC Announces Planned Expansion to Add Broadband to Lifeline Program; MMTC Suggests Lifeline Administrative Reform to Address Cost Inefficiencies for Benefit of Consumers

Washington, DC (April 1, 2016): The Federal Communications Commission (FCC) has announced its plans to modernize the Lifeline program subsidy for wireline and wireless service for low-income consumers; the Commission will begin offering broadband support this year and phase in a mobile broadband minimum service standard over the next five years.

The Multicultural Media, Telecom and Internet Council (MMTC) believes the Commission's action to modernize the Lifeline program will provide affordable voice and broadband services to eligible, low-income consumers. MMTC agrees with the Commission that streamlining program administration can only lead to a more innovative, effective, and robust program. MMTC supports the Commission's decision to forego implementing a cap on the Lifeline program, but rather impose a fiscally responsible budget.

"Today's action is a step forward to address the 21st century needs of all Americans. We will review the Order to ensure that it fully meets the needs of our nation's most vulnerable communities," stated MMTC President and CEO Kim Keenan. "While we are optimistic about today's actions, we hope that the program does not get lost in partisan debates. Lifeline must be available to close the digital divide for the benefit of low-income consumers."

Last week, MMTC released a White Paper titled, "A Lifeline to High-Speed Internet Access: An Economic Analysis of Administration Costs and the Impact on Consumers," focusing on the reform of the Lifeline program's administrative structure to shift responsibilities for eligibility verification and program administration from service providers to a more centralized government process, saving up to \$702 million per year. MMTC submits that the findings and recommendations made in the White Paper, if adopted by the FCC, will lead to increased efficiency, innovation, and benefits to consumers as the Commission transitions the program to include broadband.

MMTC's White Paper is available online, <u>here</u>.

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About MMTC:

The Multicultural Media, Telecom and Internet Council (MMTC) is a non-partisan, national nonprofit organization dedicated to promoting and preserving equal opportunity and civil rights in the mass media, telecommunications and broadband industries, and closing the digital divide. MMTC is generally recognized as the nation's leading advocate for minority advancement in communications.