



Press Statement

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MMTC and Lifeline Supporters: FCC Proposals Would ‘Eviscerate’ Lifeline Program; Harm Low-Income and Other Vulnerable Communities

Washington, DC (February 23, 2018): The Multicultural Media, Telecom and Internet Council, along with 12 other national civil rights, consumer advocate, social service, and professional organizations that represent millions of constituents across the country (collectively, “Lifeline Supporters”), have [filed Comments](#) in the Federal Communications Commission’s Lifeline proceeding. The Lifeline Supporters strongly oppose FCC proposals that would harm low-income minorities and seniors by deeply shrinking and ultimately eviscerating the Lifeline program. The Lifeline Supporters urge the Commission to ensure that the millions of Americans who rely on Lifeline are not left without access to phone and broadband service.

The Lifeline program was created by the Reagan Administration to provide relief to low-income consumers who could not afford basic telephone service. The program was expanded in the Bush II era to include wireless telephone service coverage, and again in 2016 to include access to broadband service. Today’s Commission proposes to severely reduce the companies eligible to provide Lifeline service, and to impose budget caps on a program that currently only serves 50% of those eligible for it.

Specifically, the NPRM suggests excluding resellers – smaller companies that serve over 70% of Lifeline subscribers – from the Lifeline program without providing incentives for facilities-based carriers to participate. The Commission also characterizes Lifeline as riddled with “waste, fraud, and abuse,” although these assessments are based on old, faulty data. Lifeline has a much lower improper payment rate than other similar programs, and the Commission already has addressed these concerns in its 2016 Lifeline Modernization Order.

The NPRM also attempts to transform the Lifeline program from one that focuses on affordability to one that focuses on buildout. However, Lifeline’s purpose has never been to fund the buildout of telecommunications networks, unless buildout is incidental to the promotion of affordability. Lifeline is the only Universal Service Fund (USF) program focused primarily on affordability, with funds that go directly to low-income and vulnerable consumers; but the NPRM proposes to reallocate Lifeline’s \$2.25 billion fund to cover broadband buildout, when buildout is already covered under the other three USF programs, which account for almost \$9 billion in universal service disbursements aimed at subsidizing the deployment of telecommunications networks.

“The purpose and goal of the Lifeline program has always been to provide access to essential communications services for vulnerable communities,” stated MMTC Acting President and CEO Maurita Coley. “MMTC and the Lifeline Supporters have found many of the Commission’s proposals to be out of touch with the genuine life concerns of people living at or below 135% of the federal poverty level. We urge the Commission to reconsider these proposals, which would deeply harm these communities.”

The Lifeline Supporters’ Comments are available online, [here](#).

The Lifeline Supporters:

African American Mayors Association
Asian Americans Advancing Justice | AAJC
Consumer Policy Solutions

Hispanic Technology and Telecommunications Partnership
Multicultural Media, Telecom and Internet Council
National Black Caucus of State Legislators
National Coalition on Black Civic Participation
National Congress of Black Women
National Organization of Black County Officials
National Organization of Black Elected Legislative (NOBEL) Women
National Puerto Rican Chamber of Commerce
National Urban League
U.S. Black Chambers, Inc.

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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.