



NEWS

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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action.
See MCI v. FCC, 515 F.2d 385 (D.C. Cir. 1974).

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FCC PROPOSES COMPREHENSIVELY REFORMING AND MODERNIZING LIFELINE/LINK UP

Washington, D.C. – The Federal Communications Commission today proposed a set of reforms that will modernize and drive tougher accountability measures into the Lifeline/Link Up program. The reforms will set the program on a firmer footing, ensuring that millions of low-income Americans continue to receive affordable phone service while using savings from reforms to fund pilot programs for broadband.

Lifeline/Link Up, which is part of the Universal Service Fund, has provided low-income households with discounts on monthly phone bills and initial installation charges since 1985. But program rules and administration have not kept pace with significant changes in technology, markets, and regulations, which have put increasing pressure on the program.

A Notice of Proposed Rulemaking adopted unanimously by the FCC today takes steps to comprehensively reform and modernize the programs for 21st century communications needs. Building on recommendations of the Federal-State Joint Board on Universal Service, the Government Accountability Office, and the National Broadband Plan, proposals include:

- Strengthening protections against waste, fraud, and abuse, including through creation of a National Accountability Database to verify consumer eligibility;
- Taking immediate steps to create a uniform national framework for validating ongoing eligibility;
- Ensuring Lifeline only supports services consumers are actually using;
- Allowing discounts to be used for bundled voice-broadband service plans;
- Launching pilot programs to test strategies for supporting broadband service; and
- Evaluating a cap on the program, either temporary or permanent, in light of recent, rapid growth.

Lifeline provides discounts of approximately \$10 per month on telephone service for low-income households, while Link Up provides discounts of up to \$30 on connection charges. Discounts are available for one connection, either wired or wireless, per household.

Action by the Commission March 3, 2011, by Notice of Proposed Rulemaking (FCC 11-32). Chairman Genachowski, Commissioners Copps, McDowell, Clyburn, and Baker. Separate statements issued by Chairman Genachowski, Commissioners Copps, McDowell, Clyburn, and Baker.

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