

FCC Consumer Advisory Committee

Recommendation Regarding Modernization of the Lifeline Program

WHEREAS, since 1985 the Lifeline program has been a targeted means-tested Universal Service Fund program that plays a critical role in connecting millions of low-income consumers to essential voice service; and

WHEREAS, universal service is an evolving level of communications service; and

WHEREAS, the Federal Communication Commission, in its 2012 Lifeline Reform Order established a broadband service goal to ensure the availability of broadband service for low-income Americans; and

WHEREAS, in the 21st Century broadband service is essential for full participation in modern society including access to education opportunities, jobs, healthcare, commerce, government services, friends and family; and

WHEREAS, around 7 out of 10 teachers assign homework that requires the Internet, and around 5 million households with school-age children do not have home broadband service; and¹

WHEREAS, according to recent data, 59 percent of consumers earning less than \$20,000 year are not connected to home broadband service, along with similar low adoption rates for Latinos, African-Americans, American Indian/Alaskan Natives, seniors and people with disabilities; and²

WHEREAS, according to the Pew Research Center, there has been a drop in home broadband adoption by vulnerable populations from 2013 to 2015; and³

WHEREAS, according to recent independent research, cost is the major reason most people, especially low-income, do not have home broadband connections; and⁴

¹ Steven Haderlie and Danny Weiss, "The Benefits of Broadband Expansion to America's Economy, Education, and Health," A Policy Brief by Common Sense Kids Action (2015), available at www.common sense media.org/kids-action. See also, Grunwald Associates LLC Survey (2008), available at <http://www.multichannel.com/news/internet-video/77-teachers-assign-internet-required-homework-survey/298980> and John Horrigan, "The Numbers Behind the Broadband 'Homework Gap'," PewResearchCenter (April 20, 2015), available at <http://www.pewresearch.org/fact-tank/2015/04/20/the-numbers-behind-the-broadband-homework-gap/>.

² John Horrigan and Maeve Duggan, "Home Broadband 2015," PewResearchCenter (December 2015), available at <http://www.pewinternet.org/files/2015/12/Broadband-adoption-full.pdf>.

³ Id at 4 (December 2015), available at <http://www.pewinternet.org/files/2015/12/Broadband-adoption-full.pdf>. (African Americans experienced an 8% drop between 2015 and 2013; the drop for Hispanics was 6%; the drop for household with less than \$20,000 was 5%, and the drop for rural households was also 5% within this time frame).

⁴ John Horrigan and Maeve Duggan, "Home Broadband 2015," PewResearchCenter at 4 (December 2015), available at <http://www.pewinternet.org/files/2015/12/Broadband-adoption-full.pdf>. See also, Colin Rhinesmith,

WHEREAS, on June 22, 2015 the Federal Communications Commission released the Second Further Notice of Proposed Rulemaking on Lifeline Reform and Modernization that addresses the inclusion of broadband service in the Lifeline program;

THEREFORE BE IT RESOLVED that the Consumer Advisory Committee (CAC) recommends that the FCC act expeditiously to include robust broadband service in the Lifeline program; and

RESOLVED that the CAC recommends that in order to promote efficiency and program integrity the eligibility determination and renewals of eligibility be handled by a third party administrator(s); and

RESOLVED that the CAC recommends that the FCC reform the Lifeline program to promote competition and ensure robust consumer choice, including products for consumers with disabilities, and enable Lifeline consumers to change service providers and technology platforms at their discretion while still ensuring program participants face minimal barriers to participation, including accessibility for consumers with disabilities; and

RESOLVED that the CAC recommends that the FCC improve Lifeline enrollment and outreach through collaboration with community based organizations and anchor institutions and coordination with the federal anti-poverty programs including establishment of automated enrollment procedures, with priority attention paid to the programs conferring Lifeline eligibility. However, regardless of enrollment coordination and cooperation by federal agencies, the program must continue to accept participation in a wide variety of social service programs, or demonstration of income eligibility, as qualification criteria for the program; and

RESOLVED that the CAC recommends against the imposition of a program spending cap, or restrictive budget that results in the program not being able to serve all eligible households.

Adopted unanimously: February 5, 2016

Respectfully submitted:

Debra R. Berlyn, Chairperson

FCC Consumer Advisory Committee

