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**For Immediate Release****STATEMENT OF FCC CHAIRMAN AJIT PAI**  
*On the Future of Broadband in the Lifeline Program*

WASHINGTON, March 29, 2017 - Federal Communications Commission Chairman Ajit Pai issued the following statement today:

“I support including broadband in the Lifeline program to help provide affordable, high-speed Internet access for our nation’s poorest families. Indeed, I worked hard to get a bipartisan agreement in place last year that would have expanded Lifeline to include broadband, but the agreement was undone by those who preferred a party-line vote.

“Going forward, I want to make it clear that broadband will remain in the Lifeline program so long as I have the privilege of serving as Chairman. And we will continue to look for ways to make the program work even better.

“Right now, over 3.5 million Americans are receiving subsidized broadband service through the Lifeline program from one of 259 different Eligible Telecommunications Carriers (ETCs). And according to the latest available figures, the number of customers receiving subsidized broadband service has increased by over 16 percent during my Chairmanship.

“But as we implement the Lifeline program—as with any program we administer—we must follow the law. And the law here is clear: Congress gave state governments, not the FCC, the primary responsibility for approving which companies can participate in the Lifeline program under Section 214 of the Communications Act. This is how the program worked over two decades, over three Administrations, and over eight Chairmanships.

“However, the FCC last year rejected this bipartisan consensus, snatching this legal responsibility away from states and deciding to create its own federal ‘Lifeline Broadband Provider’ designation process. At the time, I explained why the Commission lacked the authority to do this.

“Twelve states, from Vermont to Wisconsin, are currently challenging the legality of the FCC’s order in the U.S. Court of Appeals for the District of Columbia Circuit. In my view, it would be a waste of judicial and administrative resources to defend the FCC’s unlawful action in court. I am therefore instructing the Office of General Counsel to ask the D.C. Circuit to send this case back to the Commission for further consideration. And the FCC will soon begin a proceeding to eliminate the new federal designation process.

“In the meantime, we must consider the Lifeline Broadband Provider applications that are pending at the FCC. In last year’s order, the Commission delegated to the Wireline Competition Bureau the authority to address such applications.

“I do not believe that the Bureau should approve these applications. Here’s why.

“Hundreds of companies have been approved to participate in the Lifeline program through a lawful process. Indeed, over 99.6 percent of Americans currently participating in the broadband portion of the program receive service from one of those companies. New companies can enter the program using this process, and I encourage them to continue to do so. Given this context, it would be irresponsible for the Bureau to allow companies to sign up customers for subsidized broadband service through an unlawful federal authorization process that will soon be withdrawn. This would force many consumers to switch broadband providers in a relatively short period of time, which wouldn’t be fair to them.

“Congress established our universal service programs as a joint federal-state partnership. And through the years, many states have helped consumers and protected taxpayers by enforcing the rules of the road. As Senator Tom Udall (D-N.M.) recently observed in introducing bipartisan Lifeline legislation with Senator Deb Fischer (R-Neb.), we need to ‘return the role of state utility commissions in determining Lifeline eligibility. State utility commissions are key to policing against fraud and harmonizing federal and state initiatives that will help us close the digital divide.’ By letting states take the lead on certification as envisioned by Congress, we will strengthen the Lifeline program and put the implementation of last year’s order on a solid legal footing. This will benefit all Americans, including those participating in the program.”

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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).*