

**STATEMENT OF
COMMISSIONER MICHAEL J. COPPS**

Re: *In the Matter of Lifeline and Link Up Reform and Modernization*, WC Docket No. 11-42;
Federal-State Joint Board on Universal Service, CC Docket No. 96-45; *Lifeline and Link Up*,
WC Docket No. 03-109

Connecting all Americans to the wonders of communications is at the core of our agency's responsibilities. The Lifeline program is a central part of this important mission, connecting low-income Americans who may not otherwise be able to afford phone service. I support efforts to strengthen this critical program by ensuring that program dollars are put to their best use so that benefits can flow to as many low-income consumers as possible. As such, I approve the modification we adopt today, which makes clear to eligible telecommunications carriers (ETCs) and individual consumers that they are entitled to receive just one single Lifeline subsidy.

This Order proposes a path forward to address those instances where consumers are receiving duplicate support today. This process has been structured to preserve consumer choice while at the same time to ensure that eligible recipients continue to receive one, but only one, Lifeline-supported telephone service. However, I would have welcomed more specific measures in this Order to protect consumers—to give recipients more ample time to select the single Lifeline-supported service they want, and to ensure that participants fully understand their options and that they realize in the absence of response they could actually incur a higher phone bill after their de-enrollment.

As we implement this Order, it will be incumbent upon the Commission to coordinate extensively with USAC, the states, and participating ETCs during the duplicate resolution process. I am concerned that unintended consequences could accompany implementation of this Order and I urge the Commission to be keenly aware of any problems that arise. The Commission and USAC must monitor closely the initial phase of this process, especially, and should analyze the results and feedback we receive from this first group of states, revising our efforts accordingly, before the Order is applied to additional states. And let us be ever-mindful, as we go about this task, of the needs of low-income consumers.

Finally, it is my hope that today's Order is a preamble to more comprehensive reform of the Lifeline program by the end of the year. The Commission issued a Notice of Proposed Rulemaking earlier this year which included proposals to revise the certification and verification procedures for Lifeline and set up a database of participating consumers—proposals with the potential to address the cause of the symptoms that we address on an interim basis here. And as the Commission continues to work on reorienting our Universal Service mission to the realities of the 21st century, we simply must act to expand Lifeline to support broadband. Low-income consumers cannot and should not wait any longer for the benefits of broadband—which for millions of Americans may be out of reach because of affordability. One analyst recently noted that those with incomes in the bottom 40% of U.S. households have virtually zero discretionary spending power after they pay for food, shelter, transportation and healthcare. Any savings to the program that are recovered through the duplicate resolution process should be used to bring the tools of the Digital Age to low-income consumers.