

Lifeline:

What Is It and Who Does It Help?



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Lifeline is a federal program that provides a discount on monthly telephone service for eligible low-income households.

Lifeline Modernization

In June 2015, the Federal Communications Commission (FCC) requested comments on a proposal to modernize the Lifeline program to include access to broadband for low-income households. According to a report from the Pew Research Center, low-income households with children are four times more likely not to have broadband than their middle- or upper-income counterparts.¹ The proposed modernization would allow customers to use the existing Lifeline discount for broadband access; establish minimum standards for both voice and broadband service; encourage more state participation; and encourage more competition from service providers to improve price and service, among other things.

Resources

For additional information about Lifeline, visit www.all4ed.org/lifeline and these other resources:

- "Lifeline Consumer Guide" (FCC):
<https://transition.fcc.gov/cgb/consumerfacts/llu.pdf>
- "Lifeline Program for Low-Income Consumers" (FCC):
<https://www.fcc.gov/general/lifeline-program-low-income-consumers>
- "What Is the Lifeline Program?" (USAC):
<http://www.lifelinesupport.org/lis/>

Lifeline Subscribers

Who is eligible for Lifeline?

Lifeline subscribers must meet one of the following eligibility criteria: (1) have an income that is at or below 135 percent of the federal poverty guidelines as determined by the U.S. Department of Health & Human Services (HHS); or (2) participate in one of a number of federal assistance programs such as Medicaid, Supplemental Nutrition Assistance Program (SNAP or food stamps), Federal Public Housing Assistance (Section 8), or the National School Lunch Program (free-lunch recipients only).

What is the Lifeline discount?

The Lifeline discount reduces the rate for (1) landline or (2) wireless telephone service for eligible subscribers by \$9.25 per month. In some cases, that reduction equals the full cost of phone service and eliminates all service expenses for subscribers. Eligible subscribers can receive only one discounted rate per household (either landline or wireless, but not both).

How do eligible subscribers participate in Lifeline?

Eligible subscribers must apply for the Lifeline discount through a participating telephone company of the subscriber's choice in their area. The Lifeline program is available in every state, territory, commonwealth, and on Tribal lands. Before an eligible subscriber can receive a Lifeline discount, the telephone company must verify the subscriber's identity. Subscribers must certify every year that they still are eligible to receive a Lifeline discount.

Lifeline Providers

How is Lifeline administered?

The Telecommunications Act of 1996 requires telecommunications companies to contribute to the Universal Service Fund (USF) to help fulfill the principle that all Americans should have access to a baseline level of telecommunications services. To implement the Telecommunications Act of 1996, the FCC established four universal service programs, one of which is Lifeline. The Universal Service Administrative Company (USAC), an independent not-for-profit corporation, is designated by the FCC to collect and disburse universal service funds. USAC provides Lifeline support to eligible telecommunications carriers (ETCs) from the USF. ETCs then offer a reduced rate to eligible Lifeline subscribers on their monthly home or cell phone bill.

How do telephone companies participate in Lifeline?

State regulatory commissions and the FCC designate landline and wireless telephone companies as ETCs to participate in Lifeline. Once designated as eligible, ETCs must meet all program requirements, such as verifying consumer eligibility, reporting program data annually, and recertifying consumers.



Endnotes

¹ J. B. Horrigan, *The Numbers Behind the Broadband Homework Gap* (Washington, DC: Pew Research Center, 2015), <http://www.pewresearch.org/fact-tank/2015/04/20/the-numbers-behind-the-broadband-homework-gap/> (accessed February 4, 2016).

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