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ADVOCATES URGE U.S. HOUSE TO HOLD OFF ON CHANGES TO LIFELINE
Reasonable Timeline Is Needed to Evaluate Important Reforms for Low-Income Program

(WASHINGTON, D.C.) Today, the U.S. House Energy and Commerce Communications and Technology Subcommittee is [holding a hearing on Lifeline](#), the federal program that provides modest, affordable, essential phone service to low-income households. Advocates at the National Consumer Law Center (NCLC) and a dozen other nonprofit organizations [urged the Subcommittee](#) to allow recent reforms to Lifeline to take hold before considering altering the program. “The Lifeline program is an essential service needed to allow poor households to connect with employers, emergency service, medical care, childcare, schools, social service agencies, family, and community,” said National Consumer Law Center attorney Olivia Wein. “The recent reforms made to Lifeline should be evaluated for effectiveness rather than gutting a vital program that is a literal lifeline for more than 16 million struggling households in the United States.”

The Lifeline program provides no-frills basic phone service to households at or below 135% of poverty (around \$26,400 a year for a family of 3) and households participating in needs-based assistance programs, such as Medicaid, SNAP, Supplemental Security Income (SSI), or the National School Lunch Free Lunch Program. Recent surveys of wireless Lifeline customers show that Lifeline participants are:

- Older adults (About 50% of customers are over 45 to 50 years of age, with a substantial percent more than 60 years old)
- Veterans
- Consumers with disabilities
- The unemployed or underemployed, who use their Lifeline service to find work

Low-income households are especially in need of the basic service that Lifeline offers. The poor have been hit especially hard during the worst economic downturn since the Great Depression, resulting in an 11.4% increase in the number of people doubling up between 2007 and 2010 (affecting 22 million households).¹ Lifeline service is vital for self-sufficiency with 70% of customers using the Lifeline service to look for work or stay in touch with their employer.

The recent 2012 overhaul of Lifeline has put the program on more secure footing and made it more uniform between states. The FCC eliminated or adjusted services that were proving barriers to enrollment, tightened enrollment procedures for consumers, and created new requirements for telecommunications companies to prevent waste, fraud, and abuse. These reforms should address the weaknesses in the pre-reform program.

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Since 1969, the nonprofit National Consumer Law Center[®] (NCLC[®]) has used its expertise in consumer law and energy policy to work for consumer justice and economic security for low-income and other disadvantaged people, including older adults, in the United States. www.nclc.org.

¹ Michael Fletcher, “Census Bureau: Millions More Americans Shared Households in Face of Recession,” *Washington Post* (June 20, 2012).