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September 15, 2025

The Honorable Deb Fischer Chair U.S. Senate Telecommunications and Media Subcommittee Washington, DC 20515

The Honorable Ben Ray Luján Ranking Member U.S. Senate Telecommunications and Media Subcommittee Washington, DC 20515

Dear Chair Fisher and Ranking Member Luján,

On behalf of The Leadership Conference on Civil and Human Rights, and the undersigned civil rights groups, we write to share our input with the bicameral Universal Service Fund (USF) Working Group. For over 25 years, USF has played a vital role in closing the digital divide by expanding broadband access to all of your constituents, including low-income, rural, and Tribal communities, communities of color, schools and libraries, and rural health care providers. To lose this program would decimate the Federal Communication Commission's (FCC) ability to expand broadband access, hurting not just the affected communities, but our nation's economy, educational system, and national competitiveness in a rapidly developing technological ecosystem. Right now, if people lack reliable access to the internet, they cannot participate in all the benefits of modern day life, especially in the midst of a growing need for AI literacy. The Leadership Conference and coalition partners are long-time supporters of the USF and the programs it sustains.

Our nation's communications policy is based on the fundamental principle of universal service for good reason: people need affordable communications services to access job opportunities, medical services, educational advancement, 911 emergency response, and civic participation. As far back as 2004 our country has set out goals for universal, affordable access for broadband technology. In the information age, home broadband is essential for children to do their homework and for workers to be competitive in a global economy. Each of the programs funded through USF serves these important needs, working together to bridge the digital divide.

#### **Need for Universal Service Programs**

NTIA's latest Internet Use Survey shows adoption gaps persist among various demographic groups, including those in rural areas, those with less education attainment and less income, and racial and ethnic minorities. In 2023, the share of U.S citizens reporting a home broadband subscription was 85 percent nationally, but 81 percent in rural areas; 71 percent

Sikh Coalition

UnidosUS

National Urban League

People for the American Way Religious Action Center of Reform Judaism

Service Employees International Union

<sup>&</sup>lt;sup>1</sup> Letter from the Leadership Conference on Civil and Human Rights to the U.S. Senate (Sept. 13, 2017), <a href="https://civilrights.org/resource/protect-lifeline-program/">https://civilrights.org/resource/protect-lifeline-program/</a> (in support of the Lifeline program).



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among households earning less than \$25,000; 69 percent among those without a high school diploma; and about 83 percent for African American and Hispanic households – which leaves about 7.8 million Black households and 11 million Latino households without internet.<sup>2</sup>

Other surveys corroborate these gaps. In contrast to NTIA's findings, Pew Research Center found 73 percent of Hispanic and Black adults, respectively, report having home broadband, compared with 83 percent of white adults.<sup>3</sup> Further, 22 percent of Latino adults and 19 percent of Black adults rely on a smartphone to access the internet, compared with 12 percent of white adults.<sup>4</sup> Without both reliable, full access devices and stable, affordable internet at home, millions of families struggle to apply for jobs, complete schoolwork, or access health care online — tasks that increasingly define modern economic participation and overall wellbeing.

# Effectiveness and potential reforms for programs serving low-income households

## Lifeline

As of June 2025, Lifeline supported 8.12 million households with more than 97 percent receiving broadband.<sup>5</sup> Unfortunately, the benefit remains at only \$9.25 per month and has not risen at a rate comparable to the cost of voice or internet service.<sup>6</sup> The benefit should be increased. Despite this, Lifeline remains a vital program and has helped millions of people access critical communications networks — including in emergency situations where the ability to contact law enforcement, the fire department, or family is crucial.<sup>7</sup> The need for voice connectivity is particularly acute in rural areas and has suffered under an FCC decision to limit the subsidy for voice only services. The Lifeline program continues to be essential. Even among low-income families who are connected, huge numbers suffer from low-quality service, intermittent service, or are cut off when they cannot afford the cost.

The Leadership Conference and coalition partners have previously advocated for a number of successfully implemented reforms to the Lifeline program to ensure program integrity. We continue to support use of the National Verifier,<sup>8</sup> a centralized neutral mechanism to verify eligibility — instead of commercial providers. Created in 2016 by the Universal Service Administrative Company (USAC) at the

<sup>&</sup>lt;sup>2</sup> Rafi Goldberg, "New NTIA Data Show 13 Million More Internet Users in the U.S. in 2023 than 2021," National Telecommunications and Information Administration (June 6, 2024),

https://www.ntia.gov/blog/2024/new-ntia-data-show-13-million-more-internet-users-us-2023-2021#:~:text=72%20percent%20of%20people%20lived,with%2014%20percent%20in%202021.

<sup>&</sup>lt;sup>3</sup> Pew Research Center, Internet, Broadband Fact Sheet, <a href="https://www.pewresearch.org/internet/fact-sheet/internet-broadband/">https://www.pewresearch.org/internet/fact-sheet/internet-broadband/</a> (last visited July 2025).

<sup>&</sup>lt;sup>4</sup> Pew Research Center, Internet, Broadband Fact Sheet, <a href="https://www.pewresearch.org/internet/fact-sheet/internet-broadband/">https://www.pewresearch.org/internet/fact-sheet/internet-broadband/</a> (last visited July 2025).

<sup>&</sup>lt;sup>5</sup> Lifeline Subscriber Trends, Universal Service Administrative Co. High Cost & Low Income Committee Briefing Book, Available for Public Use (July 28, 2025), pages 55, 61 of 73, https://www.usac.org/wp-content/uploads/about/documents/leadership/materials/hcli/2025/2025-07-28-HCLI-Briefing-Book-Public.pdf.

<sup>&</sup>lt;sup>6</sup> Amir Nasr, Claire Park, and Joshua Stager, "How to Revive the FCC's Lifeline Program." New America's Open Technology Institute (Feb. 16, 2021) https://www.newamerica.org/oti/reports/how-revive-fccs-lifeline-program/i-introduction-background/.

<sup>&</sup>lt;sup>7</sup> National Lifeline Association, "NaLA ACP & Lifeline Customer Testimonials," (last accessed Sept. 4, 2025), https://nalalifeline.org/testimonials/.

<sup>&</sup>lt;sup>8</sup> Universal Service Administrative Co., "2025 National Verifier Annual Report and Data," (Jan. 31, 2025), (https://www.usac.org/wp-content/uploads/lifeline/documents/nv/reports/2025-National-Verifier-Annual-Report-and-Data.pdf.



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FCC's direction, the National Verifier has direct, automated connections to a large number of databases to automatically verify applicant eligibility with a simple yes/no check enabling program integrity with minimal burdens to consumers and corporate participants alike. The National Verifier safeguards program integrity, improves administrative efficiencies, and improves customer enrollment experience.

Congress can improve Lifeline (and any successor affordability program) further by facilitating additional state and federal eligibility database connections to make it easier for more households to enroll in the program(s), but in no event should any expansion weaken the critical privacy protections currently followed by the National Verifier. In 2024, 94 percent of all qualified Lifeline applicants used the automated eligibility database to confirm eligibility. But where households cannot be found instantly in one of the database connections, those households are asked to provide additional documentation to prove eligibility. Households are also able to submit a written application to a central address for manual processing. Those applications take more time and money to process and require additional steps from the applicants, but it is important to ensure that these manual processes are still possible to meet applicants where they are and ensure that everyone who applies and is qualified receives the benefit.

One of the most important measures for the success of Lifeline or any low-income program is tracking whether recipients are able to *stay connected* using the program. Internet and phone access is not an occasional need. Without support, households can sometimes connect for a short time, but then are not able to maintain that connection when financial hardship strikes. If Congress adopts goals or measures for Lifeline or low-income access, it must focus on long-term, reliable connectivity measures.

# E-Rate

In addition to Lifeline, the E-Rate funded programs serve to address current disparities in home-broadband access and promote digital equity. Throughout the program's history, legislative champions adapted the program to meet the connectivity challenges of the day. These updates included first connecting classrooms to the internet and second, over the past ten years, helping schools upgrade their broadband infrastructure so every teacher and student can utilize modern digital learning technology, regardless of their parents' income. <sup>11</sup>

Congress's substantial investment in broadband infrastructure through the Broadband, Equity, Access, and Deployment (BEAD) program — providing \$42.5 billion to expand high-speed internet access — demonstrates clear bipartisan recognition that broadband connectivity is essential national infrastructure worthy of federal support.

<sup>&</sup>lt;sup>9</sup> The National Verifier connects to 26 state and territory SNAP databases for a simple Yes/No check of SNAP participation and three federal connections to CMS (yes/no check for Medicaid participation), HUD (yes/no check for participation in public housing programs) and VBA (yes/no check for participation in pension and survivors benefit programs). The National Verifier also has other connections to automate Lifeline application review including a U.S. Postal Service's Address Matching Service (to ensure the addresses are valid addresses) and a Third-Party Identity Verification service (to verify that people are who they say they are). The National Verifier is also connected to USAC's National Lifeline Accountability Database (to check that the household is not already participating in the program/one-per-household check).

<sup>&</sup>lt;sup>10</sup> Universal Service Administrative Co., "2025 National Verifier Annual Report and Data," (Jan. 31, 2025), (https://www.usac.org/wp-content/uploads/lifeline/documents/nv/reports/2025-National-Verifier-Annual-Report-and-Data.pdf.

<sup>&</sup>lt;sup>11</sup> Adrianne B. Furniss, "The Importance and Effectiveness of the E-Rate Program, Benton Institute for Broadband & Society (Aug. 28, 2023), https://www.benton.org/blog/importance-and-effectiveness-e-rate-program.



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# Consideration of Reforms: Broadband Affordability

The Affordable Connectivity Program (ACP), a monthly benefit program that ran from December 2021 to May 2024, addressed both connectivity and device gaps and generated \$2 in economic benefit for every \$1 spent, yielding \$16.2 billion in annual benefits and \$28.9-29.5 billion in healthcare savings alone. Termination of the ACP in June 2024 created what researchers now call a "bandwidth tax" — the cognitive burden of managing digital scarcity that prevents low-income families from focusing on economic mobility activities like job training or pursuing advanced technical career pathways. Following ACP's termination, research shows that half of former ACP households experienced service disruptions, with 36 percent downgrading to cheaper plans and 13 percent losing service entirely.

Although the ACP did not fall under the USF umbrella, it was a demonstrably successful low-income program with nearly 24 million households enrolled at the time USAC froze enrollment. <sup>15</sup> In addition to ensuring millions of families were connected without having to choose between putting food on the table and connectivity, ACP provided a significant boost to the national economy and employment. The success of the ACP demonstrates that a similar program, including an adequate benefit level and the consumer safeguards that made ACP so successful, belongs in the USF. Creating a new program with similar attributes within the USF is one the most meaningful and important goals of the civil rights community. Future broadband affordability programs should be structured to take account of changes in prices and should ensure that companies are compensated commensurate with the services they offer.

## **Consideration of Reforms: Contribution Factor**

As an initial matter, we believe that maintaining USF funding within a contributions framework, as opposed to appropriations, shields the program from funding disruption and provides certainty to the communities and businesses that participate in USF. If USF funding were to shift to a reliance on federal appropriations, the programs and the administration of the programs would be at risk of disruption from intermittent funding from Continuing Resolutions if there is a failure to timely pass a regular appropriation.

Contribution reform is critical to ensuring the long-term sustainability of the USF. The current formula, which relies heavily on declining traditional revenues, will not be able to serve this country's connectivity needs, particularly the need for affordable broadband. The current contribution base does not reflect the realities of today's economy, when significant industry sectors would have no business model at all without widespread broadband adoption. At a minimum, the USF contribution base must be expanded. We urge the Working Group to consider changes that would ensure a sufficiently broad contribution base

<sup>&</sup>lt;sup>12</sup> John B. Horrigan, PhD, Benton Institute for Broadband and Society (July 8, 2025) <a href="https://www.benton.org/publications/budgeting-broadband-what-losing-acp-means-household-budgets-and-behavior">https://www.benton.org/publications/budgeting-broadband-what-losing-acp-means-household-budgets-and-behavior</a>.

<sup>&</sup>lt;sup>13</sup> John B. Horrigan, PhD, Benton Institute for Broadband and Society (July 8, 2025) <a href="https://www.benton.org/publications/budgeting-broadband-what-losing-acp-means-household-budgets-and-behavior">https://www.benton.org/publications/budgeting-broadband-what-losing-acp-means-household-budgets-and-behavior</a>

<sup>&</sup>lt;sup>14</sup> John B. Horrigan, PhD, Benton Institute for Broadband and Society (July 8, 205) <a href="https://www.benton.org/publications/budgeting-broadband-what-losing-acp-means-household-budgets-and-behavior">https://www.benton.org/publications/budgeting-broadband-what-losing-acp-means-household-budgets-and-behavior</a>.

<sup>&</sup>lt;sup>15</sup> Universal Service Administrative Co., "ACP Enrollment and Claims Tracker," (last accessed Sept. 4, 2025), https://www.usac.org/about/affordable-connectivity-program/acp-enrollment-and-claims-tracker/.



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such that the fund could support a broadband affordability program and maintain a low contribution factor that would minimally impact industry participants, individual consumers and working families.

## **USAC's Role**

The Supreme Court, in FCC v. Consumers' Research upheld the constitutionality of the USF. The Court found that Congress provided the FCC with intelligible principles regarding the USF programs and that the FCC properly delegated the ministerial functions of administering the USF programs to the Universal Service Administrative Company (USAC). USAC collects the USF contributions from companies based on their interstate and international voice service revenues. One central administrator of the USF programs, including streamlining of program administration, creates efficiencies like a permanent team that specializes in contracts and procurements, IT, customer assistance services, development of training materials on the USF programs, and more essential program infrastructure. The USF programs are providing critical connectivity for rural health care facilities, rural communications networks, schools and libraries and low-income individuals. USAC is central to carrying the operations of these programs that benefit your constituents.

#### Conclusion

Thank you for your consideration of our views. Should you require further information or have any questions regarding this issue, please feel free to contact Jonathan Walter, senior policy counsel, at <a href="walter@civilrights.org">walter@civilrights.org</a>, Cheryl Leanza, Media/Telecommunications Task Force Co-Chair, at <a href="cleanza@alhmail.com">cleanza@alhmail.com</a>, or Claudia Ruiz, Media/Telecommunications Task Force Co-Chair, at <a href="cruiz@unidosus.org">cruiz@unidosus.org</a>.

Sincerely,

The Leadership Conference on Civil and Human Rights
Asian and Pacific Islander American Vote (APIAVote)
Japanese American Citizens League
League of United Latin American Citizens (LULAC)
National Consumer Law Center, on behalf of its low-income clients
National Disability Rights Network (NDRN)
National Hispanic Media Coalition
UnidosUS
United Church of Christ Media Justice Ministry