Rep. Austin Scott's (R-GA) Bills Undercut Lifeline, Limiting Economic and Education Opportunities for Low-Income Families

For Immediate Release: June 21, 2016 National Consumer Law Center contact: Jan Kruse, <u>jkruse@nclc.org</u> or 617-542-8010

(WASHINGTON) Today and Thursday, the U.S. House of Representatives will take up two harmful proposals by Rep. Austin Scott (R-GA) to limit the ability of low-income households to afford essential voice and broadband service: H.R. 5525 "End Taxpayer Funded Cell Phones Act" and an amendment to H.R. 5485, "Financial Services and General Government Appropriations Act, 2017" (a "rider" on a must pass spending bill). H.R. 5525 would eliminate the ability of low-income households to use their Lifeline support for wireless voice or broadband service. The National Consumer Law Center, on behalf of its low-income clients, opposes H.R. 5525 and the Scott anti-Lifeline Amendment to H.R. 5485.

The Universal Service Fund Lifeline program helps eligible low-income households purchase communications services from qualified commercial carriers. Lifeline was created during the Reagan Administration. It was modernized to include wireless service during the George W. Bush Administration and updated to include broadband access during the Obama Administration. Currently the vast majority of Lifeline participant choose to direct their Lifeline support for a wireless product. Studies find that people of color and low-income households tend to rely on mobile products to access broadband. Thus, H.R. 5525 would undercut an essential anti-poverty program that connects families to emergency services, children to educational opportunities and parents to jobs. H.R. 5525 will be debated today, June 21, 2016, with a vote early this evening around 6:30.

Rep. Scott also has prepared an amendment ("a rider") to a must-pass spending bill, H.R. 5485, "Financial Services and General Government Appropriations Act of 2017." That amendment would prohibit the use of Lifeline for broadband service unless the Lifeline program is capped. This proposal undercuts the very principle of Universal Services and would deny eligible households of the benefit of affordable modern communications service. One of the main drivers of the Lifeline Modernization to include broadband service was to close the homework gap, as more and more school work requires internet access. The vote on H.R. 5485 could come up this Thursday, June 23, 2016.

Lifeline is precisely that, a lifeline for low-income households to access opportunities, apply for jobs, do homework, find health information, follow current events, and access emergency services – daily activities that the rest of America takes for granted. H.R. 5525 and Rep Scott's Lifeline cap amendment to H.R. 5485 undermine a critical program that helps struggling families connect to opportunities.

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