

Fact Sheet: Lifeline

What is Lifeline?

Lifeline is a government program that helps low-income families afford wired or wireless telephone service. Through a modest monthly subsidy (\$9.25), eligible families are able to access the service they need most. Established during the Reagan administration in 1985, the Lifeline program was reformed in 2005 under the George W. Bush administration to include wireless phone service. More than 13 million American families currently benefit from \$1.6 billion in Lifeline support.

Who is eligible for Lifeline?

Low-income Americans who live at or below 135% of the poverty line are eligible for a Lifeline subsidy. For example, a family of four that makes \$33,000 or less would be eligible for Lifeline.

Why are telephones referred to as a universal service?

Universal service is a term referring to the goal of providing a baseline level of services to every resident of a country. Services that are universally provided are often referred to as utilities and include access to heat, clean water, indoor plumbing, telephone services, and public transportation.

What is the Universal Service Fund?

The Universal Service Fund requires all telecommunications providers to contribute a percentage of their revenues to a fund that supports programs like Lifeline. Consumers may notice a "universal service" item on their telephone bills. The money from this item helps to fund the Universal Service Fund.

Why should the Lifeline program expand to broadband access?

Like the telephone in the 1980s, the Internet today is a pivotal part of our daily lives. Applying for a job, finishing school assignments, and staying in touch with loved ones near and far requires Internet access. As more of our lives are being conducted online, those left behind are facing dire consequences.