

Lifeline

Mrs. Quach arrived in the United States as a refugee from Vietnam in the 1980s and currently lives in Houston, Texas. While she has several Vietnamese neighbors and friends, she depends on Lifeline, the only federal program that lowers the monthly cost of phone and internet for qualifying low-income customers,ⁱ to stay in touch with family members living in other parts of the country. She explained, “I cannot afford to pay a monthly fee for the phone...The Lifeline program is important to me because it saves me money.” It also helps her stay connected to her culture, since she “usually [uses her] phone to listen to Vietnamese music.”

The Impact of Lifeline

Mrs. Quach’s experience attests to the important role Lifeline plays in expanding broadband internet connection for low-income Americans, especially low-income people of color. Established in 1985, Lifeline is one of four federal Universal Service programs that are funded through the Universal Service Fund and managed by the Universal Service Administrative Company, an independent, not-for-profit corporation designated by the Federal Communications Commission (FCC).ⁱⁱ In 2018, more than 9 million households were enrolled in the program.ⁱⁱⁱ

Customers of the federal Lifeline program can receive up to \$9.25 toward their monthly bill.^{iv} To qualify, an individual must demonstrate that their income is 135% or less than the federal poverty guidelines, which are based on their household size.^v Alternatively, they can qualify if they or someone in their household, including a child or a dependent, participates in one of the following programs: Supplemental Nutrition Assistance Program (SNAP), Medicaid, Supplemental Security Income, Federal Public Housing Assistance, Veterans Pension and Survivors Benefit, or Tribal Programs.^{vi} However, multiple people living in an eligible household can obtain only one discount for the household to use on phone or internet, or a bundled service (in other words, only one benefit per household).

The Lifeline program has undergone dramatic changes since 2016. In addition to adding broadband as a supported service, setting minimum service standards, and streamlining eligibility criteria, the 2016 Lifeline Order required the Universal Service Administrative Company to develop and implement a National Lifeline Eligibility Verifier (National Verifier) to independently determine subscriber eligibility.^{vii}

Despite signs of progress, the program may be at risk. In May 2019, the FCC released a Notice of Proposed Rulemaking to place an overall cap on funding for the Universal Service Fund’s four programs: Connect America Fund, Lifeline, Schools and Libraries (E-Rate), and Rural Health Care. If demand is projected to exceed the cap for a given year, the FCC will consider making administrative changes to reduce the size or amount of funding available to the

individual programs in the upcoming year.^{viii} Since Lifeline is underutilized compared to the other programs, potential funding cuts could create additional barriers to program enrollment. In FCC Commissioner Geoffrey Starks' dissenting opinion, Starks stated that the cap would "impinge on the reach of the Commission's Lifeline program" and ultimately "curtail the Commission's ability to address the problem of internet inequality."^{ix}

While the FCC has not published a final rule on this matter yet, federal lawmakers have taken notice and voiced their support for preserving the Lifeline program. In September 2019, U.S. Representative Ro Khanna (CA-17) and eleven other representatives sent a letter to FCC Chairman Ajit Pai highlighting their concerns that the budget cap would harm communities of color, including low-income Asian American and Pacific Islander (AAPI) families and households.^x Additionally, in December 2019, Representative Mark Pocan (WI-2) introduced a bill to protect funding for the Universal Service Fund programs, among other purposes.^{xi}

Bridging the Digital Divide

Lifeline is critical for bridging the digital divide for Americans who have lower incomes and need broadband connection to apply for jobs, complete homework, and communicate with healthcare providers.^{xii} In this context, race and socioeconomic status are intertwined: People of color who are impacted by the digital divide express a high demand for broadband connection, but do not subscribe largely due to cost concerns.^{xiii}

The AAPI community represents one of these impacted groups, contrary to surveys that purportedly demonstrate that it enjoys higher rates of broadband connection than other communities of color. These surveys contain numerous methodological and sampling issues: In addition to aggregating data of populations from over 20 countries, they mostly focus on proficient English speakers and are completed online, favoring people who already have access. Indeed, relatively little disaggregated data exists about the AAPI community in general, including the extent to which the digital divide impacts community members – which undermines efforts to ensure that low-income AAPIs can benefit from programs like Lifeline.

Despite the lack of data, digital divide indicators – educational attainment, income level, and English proficiency – suggest that a gap in access exists among different ethnic groups in the AAPI community. For example, 4.6% of Japanese Americans have less than a high school diploma, compared with 53.6% of Burmese Americans.^{xiv} Moreover, whereas the median household income of Indian Americans is \$114,261, that of Samoan Americans and Burmese Americans is \$54,193 and \$39,730, respectively.^{xv} Finally, 18.7% of Indian Americans and 20.4% of Tongan Americans are limited English proficient, compared with 48.9% of Vietnamese Americans and 42.9% of Marshallese Americans.^{xvi}

AAPI enrollment in welfare programs that can qualify a household for Lifeline, such as SNAP and Medicaid, represents another digital divide indicator illustrating the potential gap in broadband access. In 2015, 2.6%^{xvii} of SNAP recipients were categorized as Asian American.^{xviii} However, the divide between certain ethnic groups was stark: 2.38% of Thai Americans were enrolled in the program, compared with 67.3% of Bhutanese Americans.^{xix} Furthermore, in 2016, 26% of Asian Americans and 37% of Pacific Islanders were enrolled in Medicaid or some other public insurance program.^{xx}

These statistics not only illustrate striking disparities within the AAPI community, but also allow us to project a potential lack of broadband access for a substantial proportion of it. Therefore, advocacy organizations and direct service providers that work on the community's behalf should recognize that the Lifeline program is a critical tool for expanding broadband access and advancing racial and socioeconomic equity.

ⁱ "Lifeline Program for Low-Income Consumers," Federal Communications Commission, <https://www.fcc.gov/general/lifeline-program-low-income-consumers>.

ⁱⁱ "Our Mission," Universal Service Administrative Co., <https://www.usac.org/about/>.

ⁱⁱⁱ "2018 Annual Report," Universal Service Administrative Co., https://www.usac.org/_res/documents/about/pdf/annual-reports/usac-annual-report-2018.pdf.

^{iv} "Get Connected," Universal Service Administrative Co., <https://www.lifelinesupport.org/ls/default.aspx>.

^v "Do I Qualify?," Universal Service Administrative Co., <https://www.lifelinesupport.org/do-i-qualify/>.

^{vi} Residents of federally-recognized Tribal lands can receive an additional \$25 per month.

^{vii} "2016 Lifeline Order," Universal Service Administrative Co., <https://www.usac.org/lifeline/additional-requirements/rules-orders/2016-lifeline-order/>.

^{viii} WC Docket No. 06-122, <https://docs.fcc.gov/public/attachments/FCC-19-46A1.pdf>.

^{ix} *Ibid.*

^x "Advancing Justice | AAJC Defends the Lifeline Program," Asian Americans Advancing Justice | AAJC (Oct. 1, 2019), <https://advancingjustice-aaajc.org/publication/advancing-justice-aaajc-defends-lifeline-program>.

^{xi} "H.R. 5424 – To protect funding for Universal Service Fund programs, and for other purposes,"

<https://www.congress.gov/bills/116th-congress/house-bill/5424?q=%7B%22search%22%3A%5B%22pocan%22%5D%7D&r=1&s=3>.

^{xii} "Re: *Lifeline and Link Up Reform and Modernization*, WC Docket No. 11-42," <https://www.advancingjustice-aaajc.org/sites/default/files/2017-05/L-LLCoalition-FCC-FINAL%20%28002%29.pdf>.

^{xiii} S. Derek Turner, "Digital Denied: The Impact of Systemic Racial Discrimination on Home-Internet Adoption," Free Press (Dec. 2016), https://www.freepress.net/sites/default/files/legacy-policy/digital_denied_free_press_report_december_2016.pdf.

^{xiv} U.S. Census Bureau, "2017 American Community Survey 1-Year Estimates,"

https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_17_1YR_S0201&prodType=table.

^{xv} *Ibid.*

^{xvi} *Ibid.*

^{xvii} Due to a fear of stigma, AAPI SNAP recipients tend to underreport their usage of the program.

^{xviii} Victoria Tran, "Asian Americans are falling through the cracks in data representation and social services," Urban Institute (Jun. 19, 2018), <https://www.urban.org/urban-wire/asian-americans-are-falling-through-cracks-data-representation-and-social-services>.

^{xix} *Ibid.*

^{xx} "Will You Count? Asian Americans and Native Hawaiians and Pacific Islanders (NHPs) in the 2020 Census," The Leadership Conference Education Fund (Apr. 17, 2018), <http://civilrightsdocs.info/pdf/census/2020/Fact-Sheet-AA-NHPIHTC.pdf>.