

Background

Telephone service is considered a necessity for daily modern life. Yet the cost of starting and maintaining such service may be too high for some consumers. Under Congressional mandate, the federal Universal Service Fund (USF) supports the Lifeline Assistance and Link-Up America programs. These programs provide discounts on basic monthly service and initial installation or activation fees for telephone service at the primary residence to income-eligible consumers. The Federal Communications Commission (FCC), with the help of the Universal Service Administrative Company (USAC), administers the USF. Here are some frequently asked questions about the Lifeline and Link-Up programs.

What Benefits are Available Under the Lifeline and Link-Up Programs?

- **Lifeline Assistance** provides discounts on basic monthly service at the primary residence for qualified telephone subscribers. These discounts can be up to \$10.00 per month, depending on your state.
- **Link-Up America** helps income-eligible consumers initiate telephone service. This program pays one-half (up to a maximum of \$30) of the initial installation fee for a traditional, wireline telephone or activation fee for a wireless telephone for a primary residence. It also allows participants to pay the remaining amount they owe on a deferred schedule, interest-free.

Residents of Native American Indian and Alaska Native tribal communities may qualify for enhanced Lifeline assistance (up to an additional \$25.00) and expanded Link-Up support (up to an additional \$70.00). For more information on these enhanced Lifeline and Link-Up programs, visit www.fcc.gov/cgb/consumerfacts/tribalfactsheet.html.

How Do I Qualify for Lifeline and Link-Up Discounts?

The Lifeline and Link-Up Programs are available to qualifying consumers in every state, territory, and commonwealth. Eligibility criteria vary by state. States that have their own Lifeline program may have their own criteria. For states that rely solely on the federal Lifeline and Link-Up program eligibility criteria, subscribers must either have an income that is at or below 135% of the federal Poverty Guidelines, or participate in one of the following assistance programs:

- Medicaid,
- Food Stamps,
- Supplemental Security Income (SSI),
- Federal Public Housing Assistance (Section 8),
- Low-Income Home Energy Assistance Program (LIHEAP),
- Temporary Assistance to Needy Families (TANF), or
- The National School Lunch Program's Free Lunch Program.

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How Do I Qualify for Lifeline and Link-Up Discounts? (cont'd.)

Residents of Native American Indian and Alaska Native tribal communities qualify for enhanced Lifeline and Link-Up support if they meet one of the criteria listed above, qualify under their state's Lifeline program (if their state has its own Lifeline program), or participate in one of the following assistance programs:

- Bureau of Indian Affairs General Assistance,
- Tribally-Administered Temporary Assistance for Needy Families (TTANF), or
- Head Start (if income eligibility criteria are met).

The qualifying income in all federal default states except Alaska and Hawaii varies from a maximum of \$14,621 for a family of one to a maximum of \$49,964 for a family of eight. For each additional person in the household beyond eight, add \$5,049. To find the specific eligibility requirements for your state, visit the USAC Web site at www.lifelinesupport.org. You may also call a toll free number – 1-888-641-8722 – to ask general questions about eligibility, but *not* to apply to participate in the Lifeline and Link-Up programs. To find out how to apply, visit the USAC Web site at www.lifelinesupport.org, or call your local telephone company.

You can also contact your local telephone company or your state public service commission for more information about these programs and to determine whether or not you qualify for discounts. Contact information for your state public service commission can be found on the Web site of the National Association of Regulatory Utility Commissioners, www.naruc.org/commissions.cfm, or in the blue pages or government section of your local telephone directory.

Who Pays for the Lifeline and Link-Up Programs?

All telecommunications service providers and certain other providers of telecommunications must contribute to the federal USF based on a percentage of their interstate and international end-user telecommunications revenues. These companies include wireline phone companies, wireless phone companies, paging service companies, and certain Voice over Internet Protocol (VoIP) providers.

Some consumers may notice a “Universal Service” line item on their telephone bills. This line item appears when a company chooses to recover its USF contributions directly from its customers by billing them this charge. The FCC does not require this charge to be passed on to customers. Each company makes a business decision about whether and how to assess charges to recover its Universal Service costs. These charges usually appear as a percentage of the consumer's phone bill. Companies that choose to collect Universal Service fees from their customers cannot collect an amount that exceeds their contribution to the USF. They also cannot collect any fees from a Lifeline program participant.

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For More Information

For information about other telecommunications issues, visit the FCC's Consumer & Governmental Affairs Bureau Web site at www.fcc.gov/cgb, or contact the FCC's Consumer Center by e-mailing fccinfo@fcc.gov; calling 1-888-CALL-FCC (1-888-225-5322) voice or 1-888-TELL-FCC (1-888-835-5322) TTY; faxing 1-866-418-0232; or writing to:

Federal Communications Commission
Consumer & Governmental Affairs Bureau
Consumer Inquiries and Complaints Division
445 12th Street, SW
Washington, D.C. 20554.

You can also view fact sheets on other FCC Universal Service programs on the FCC Web site at:

www.fcc.gov/cgb/consumerfacts/universalservice.html

www.fcc.gov/cgb/consumerfacts/usp_Schools.html

www.fcc.gov/cgb/consumerfacts/usp_RuralHealthcare.html

www.fcc.gov/cgb/consumerfacts/tribalfactsheet.html

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To receive information on this and other FCC consumer topics through the Commission's electronic subscriber service, visit www.fcc.gov/cgb/contacts/.

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