# PRESERVE THE UNIVERSAL SERVICE FUND

Millions of Americans could lose access to affordable telephone and internet this summer. Congress must act to preserve the Universal Service Fund and keep our communities connected.



### What's at Stake

The Universal Service Fund (USF) ensures every American — no matter where they live — can access baseline phone and internet. It also allows Americans access to telehealth and education that would not otherwise be possible.

Through its four programs, Lifeline, E-Rate, High Cost, and Rural Health Care, the USF:



Extends reliable broadband access to the nation's most rural and remote communities



Connects schools and libraries to high-speed internet, narrowing the digital divide



Helps rural health care providers adopt telemedicine, bringing healthcare closer to underserved communities



Ensures basic communication services for income-eligible consumers, fostering economic and educational opportunity

## IN NORTH CAROLINA, THE UNIVERSAL SERVICE FUND BENEFITED



1,738,327 students

and **3,264 schools and libraries** from 2022 to 2024



134,405 consumers

from underserved communities in March 2024



542 health care providers

serving rural and tribal communities from 2021 to 2023



\$94,704,696 invested

in 2023 to connect households in the most rural communities to high-speed internet

## Longstanding Program is the Foundation of U.S. Connectivity

For 30 years, the USF has bridged connectivity gaps where the market alone can't deliver. The Federal Communications Commission (FCC) established the USF in 1997 at the direction of the Telecommunications Act of 1996, which sought to promote access to phone and internet services at just, reasonable, and affordable rates.

By law, the USF is funded by contributions from telecommunications carriers. The FCC administers the Universal Service Administrative Company (USAC), a private nonprofit the FCC created, to manage the collection and disbursement of these funds.



## The Future of the USF is at Risk

The USF's future is at risk after the Fifth Circuit Court ruled aspects of its administration unconstitutional, conflicting with other appellate court decisions. The U.S. Supreme Court is expected to review the case this spring. If it upholds the lower court's decision, USF could cease to operate as soon as this summer — disconnecting rural communities, low-income Americans, and hospitals, schools, and libraries nationwide from essential communication services.

Today, the future of the USF is in jeopardy nationwide. If Congress fails to act to preserve it:



132,725 schools

and libraries lose broadband funding



54,367,186 students lose connectivity



7,596,720 consumers

can't afford phone and/or Internet



16,080 rural healthcare providers

no longer receive telecommunications services at urban rates, impacting vital access to telemedicine



Communities lose connectivity
in remote and rural areas



#### **CONGRESS CAN KEEP AMERICA CONNECTED**

Congress can continue to work on broader reforms to the USF, but it must first address the immediate existential threat facing the USF. Congress must pass legislation that will preserve the USF's operational stability in the event of a negative decision from the U.S. Supreme Court.

## **About Us**

The Keep America Connected Coalition is an advocacy alliance dedicated to ensuring the continuation of universal service funds. We're bringing together telecommunication providers and organizations that represent USF beneficiaries to advocate for a legislative solution that will keep every community in America connected.

