



April 15, 2016

Dear Representative Scott:

On behalf of more than 2.8 million Americans for Prosperity activists in all 50 states, I write in strong support of your legislation, the CURB Lifeline Act of 2016 (H.R. 4884) which would cap the Federal Communications Commission's (FCC) Lifeline program and would phase out the so-called "Obama Phone" program.

Despite Lifeline's good intentions it fails to spend taxpayer money wisely. Reports from the Government Accountability Office reports repeatedly show that the Lifeline is inefficient and costly. Academic research further reveals that despite Lifeline's multi-billion dollar budget, there is little benefit to consumers: only 1 in 20 Lifeline recipients would lose wireless service in the absence of a Lifeline subsidy. Telephone subscribers face an 18 percent tax rate on their wireless plan to pay for this bloated and inefficient program. Despite these costs, the *Wall Street Journal* revealed that 41 percent of subscribers were unable to prove their eligibility to the Lifeline program. The FCC has recently fined a telephone company \$51 million for defrauding Lifeline \$9.7 million in improper payments since 2014.

This legislation would cap Lifeline spending at \$1.5 billion rather than the \$2.25 billion proposed by the FCC. Phasing out the "Obama Phone" subsidies on mobile phone purchases will restore a certain level of spending responsibility. Your legislation would also prevent Americans from seeing additional fee increases on their mobile phone bills related to the Lifeline program.

Government agencies should spend Americans' tax dollars responsibly and not on programs rife with waste, fraud and abuse. Americans for Prosperity is proud to support the CURB Lifeline Act of 2016 (H.R. 4884) and we encourage your colleagues to support it.

Sincerely,

Brent Gardner

Vice President of Government Affairs
Americans for Prosperity

Americans for Prosperity (AFP) exists to recruit, educate, and mobilize citizens in support of the policies and goals of a free society at the local, state, and federal level, helping every American live their dream – especially the least fortunate. AFP has more than 2.8 million activists across the nation, a local infrastructure that includes 35 state chapters, and has received financial support from more than 100,000 Americans in all 50 states. For more information, visit www.AmericansForProsperity.org.

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