



STATE OF HAWAII
KA MOKU 'ĀINA O HAWAII

DEPARTMENT OF THE ATTORNEY GENERAL
KA 'OIHANA O KA LOIO KUHINA

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA

ANNE LOPEZ
ATTORNEY GENERAL
LOIO KUHINA

**ATTORNEY GENERAL LOPEZ URGES U.S. SUPREME COURT TO
UPHOLD CRUCIAL LIFELINE TO INTERNET, PHONE SERVICE FOR
RURAL HAWAII HOMES, SCHOOLS, HEALTH CARE PROVIDERS**

FOR IMMEDIATE RELEASE
January 17, 2025

News Release 2025-05

HONOLULU – As the U.S. Supreme Court reviews an important case that could determine the fate of internet and phone service for millions of people living in rural areas in Hawai'i and across the country, Attorney General Anne Lopez is leading a bipartisan effort urging the court to keep in place, a fund that supports those services.

The Universal Service Fund (USF) was established as part of the Telecommunications Act of 1996 to promote the infrastructure necessary to provide nationwide communications services, including for rural communities, schools, and low-income users. The resources allocated by the Federal Communications Commission (FCC) through the USF help make it financially feasible for companies to provide service in those areas and for communities to afford it.

“Hawai'i benefits greatly from the USF. Finding it unconstitutional would lead to significant disruptions in telecommunication services across the state and would particularly harm our rural residents and healthcare providers, schools, libraries, and people with limited means,” says Caitlyn Carpenter, Deputy Solicitor General for the Attorney General's Appellate Division.

At issue is a 2021 challenge to the USF, which is managed by the Universal Service Administrative Company, or USAC, a not-for-profit corporation created by the FCC to help with the administration of the fund. The group that originally brought the challenge argues that Congress delegated too much power to the FCC when Congress directed the FCC to use the USF program to provide universal telecommunications service, and that the FCC delegated too much power to USAC in its administration of the fund. While the Sixth Circuit, Eleventh Circuit, and a panel of the Fifth U.S. Circuit Court of Appeals all have rejected such claims, the full Fifth Circuit struck down the USF as unconstitutional.

In the brief filed today, Attorney General Lopez and 23 officials from other states argue that the FCC has successfully and constitutionally provided the benefits envisioned by Congress thanks to the USF, including here in Hawai'i.

Hawai'i benefits from all of the universal service programs funded by the USF. The High-Cost Program provides support to eligible telecommunications carriers to deliver affordable voice and broadband services in rural areas that would otherwise be unserved or underserved. This includes providing access to tribal lands and Hawaiian Home Lands. The Rural Health Care Program provides financial support to help rural health care providers obtain broadband and other communications services at discounted rates. Hawai'i participates in the program, with \$240,000 committed to the state in 2024. The Lifeline Program offers a monthly discount on phone and/or internet services for eligible subscribers. As of January 2024, there were approximately 17,000 people in Hawai'i subscribed to the program. Finally, the E-Rate Program subsidizes broadband and other communication services provided to elementary schools, secondary schools, and libraries. In 2024, the statewide funding under this program was \$4,420,177.58.

The case is [*Federal Communications Commission v. Consumers' Research, No. 24-354, consolidated with Schools, Health & Libraries Broadband Coalition v. Consumers' Research, No. 24-422.*](#)

Joining Hawai'i on the brief filing are: Arizona, Colorado, Connecticut, Delaware, District of Columbia, Illinois, Maine, the Maine Office of the Public Advocate, Maryland, Massachusetts, Michigan, Minnesota, Nevada, New Jersey, New York, North Carolina, Pennsylvania, Rhode Island, South Dakota, Vermont, Wisconsin, and Wyoming.

###

Media contacts:

Dave Day
Special Assistant to the Attorney General
Office: 808-586-1284
Email: david.d.day@hawaii.gov
Web: <http://ag.hawaii.gov>

Toni Schwartz
Public Information Officer
Hawai'i Department of the Attorney General
Office: 808-586-1252
Cell: 808-379-9249
Email: Toni.E.Schwartz@hawaii.gov
Web: <http://ag.hawaii.gov>