



Tuesday, May 5, 2020

## Digital Beat

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# America's Broadband Moment: Making Broadband Affordable

The time has come for Congress to establish a broadband credit—call it **America's Broadband Credit (ABC)**—to ensure that people who can't afford broadband can use broadband. The debate on whether broadband is a luxury or an essential connection to society is over.

Broadband is critical, as Americans have now learned as they work, study, consult doctors, socialize, shop—and really lead their lives from home.

But for too many, especially the newly unemployed, the cost of broadband service is not affordable. At the end of last year, [U.S. unemployment was 3.5%](#). But in the last six weeks, more than 30 million unemployment claims have been filed, and the [current unemployment rate is likely in the range of 16%](#). Some predict it could go higher still.

Federal dollars should be focused on funding broadband that meets today's needs. In a household with multiple devices and users, broadband capacity can be gobbled up quickly. Videoconferencing, likely the way that many unemployed people will be interviewed for new jobs and students are learning at home, can easily require greater upstream speeds than the minimum of 25/3 Mbps that the Federal Communications Commission counts as broadband today.

To help keep America connected, let's focus on the key elements of the ABC program as a starting point.

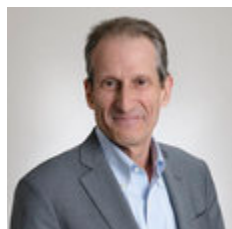
**Portable Credits:** ABC would provide credits for people to choose among providers. The FCC's current Lifeline program limits the number of ISPs that may provide service. ABC would allow eligible participants to choose their broadband provider, which gives them more options and helps to boost competition (where there is competition).

**Eligible Participants:** Anyone who currently qualifies for Lifeline<sup>[1]</sup> will be eligible for an ABC. Congress should set eligibility criteria to also include families with K-12 students in Title I schools, at-risk senior citizens, and other people in need of long-term telehealth services. Eligibility verification should be quick and certification of broadband providers offering eligible

services, (described below), expeditious. Thus, there should be a mechanism by which enrollment in the ABC program occurs automatically upon entry into any of the qualified programs<sup>[2]</sup>, subject, of course, to an opt-out provision. Unlike the current Lifeline program, the connections to a residence should be freely available to multiple people and multiple devices. To expedite enrollment, providers of service should (i) make it available without any waiting period or deposit, (ii) allow enrollment regardless of past arrearages, and (iii) permit termination at any time without penalty.

**Eligible Service:** ABC should fund one broadband subscription for each household that contains one or more eligible people. One approach would be to set a subsidy of \$50 for broadband, which is roughly the cost of medium-tier plans in urban settings and require symmetrical 50/50 service. In areas where 50/50 service is not yet available, ABC should subsidize the fastest service that is available in the area.

**Dedicated Funding:** Of course, the current stimulus programs are funded through general appropriations, and that makes sense for emergency benefits, such as the support for newly-unemployed. But as a long-term support mechanism, ABC needs dedicated funding of its own. As we get a better sense of the rise in unemployment, and analyze how many households will be eligible, budget projections will be important.<sup>[3]</sup>



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<sup>[1]</sup> People who qualify in each of these categories are currently eligible for Lifeline: Supplemental Nutrition Assistance Program (SNAP), Supplemental Security Income (SSI), Medicaid, Federal Public Housing Assistance, Tribal-specific programs (Bureau of Indian Affairs General Assistance, Tribally-Administered Temporary Assistance for Needy Families (TTANF), Food Distribution Program on Indian Reservations (FDPIR)), Head Start, Veterans Pension and Survivors Benefit Programs and Income at or below 135% of the Federal Poverty Guidelines.

<sup>[2]</sup> Because SNAP is a state-administered program, Congress should provide funding to states to be used in establishing automatic eligibility based on a person's SNAP eligibility or any other state-administered programs that establish that a person can receive the ABC program.

<sup>[3]</sup> A household-based credit will, by definition, yield a lower number than the total of individuals that meet one or more of the eligibility criteria.

The Benton Institute for Broadband & Society is a non-profit organization dedicated to ensuring that all people in the U.S. have access to competitive, High-Performance Broadband regardless of where they live or who they are. We believe communication policy - rooted in the values of access, equity, and diversity - has the power to deliver new opportunities and strengthen communities.