

Preserving the Affordable Connectivity Program is Crucial for Continued American Success

In 2021, the Biden Administration and Congress passed the Bipartisan Infrastructure Law that appropriated \$14.2 billion to establish the Affordable Connectivity Program (ACP), which has now helped over 23 million households sign up for discounted broadband internet. Internet connectivity leads to better economic outcomes, and the ACP was especially important in bringing affordable internet to residents of rural and tribal areas, people of color, low-income communities, and seniors who otherwise have a hard time affording high-speed internet.

Unfortunately, the program is running low on funds and will stop providing full discounts in April unless Congress provides more funding. Congress has an opportunity to preserve this crucial program and maintain internet service for communities at risk of being left behind in the digital age.

The ACP has provided affordable broadband and massive economic relief for millions of American families, but too many will be left behind if funding expires.

- More than 23 million households—about seven percent of the U.S. population—are currently enrolled in the ACP, including nearly 330,000 tribal households. Collectively, these families are saving close to \$700 million each month because of the ACP.
- These families qualify for \$30 discounts off of monthly internet service, with the credit rising to \$75 for families on tribal lands. Additionally, the program provides a one-time \$100 subsidy to purchase laptops, desktops, or tablets.
- If funding expires and subscribership drops, it could also jeopardize future broadband infrastructure deployment, as providers require certain subscribership levels for these investments to be profitable. Failure to meet these thresholds could result in financial disaster for companies and job insecurity for employees.

The ACP has expanded internet access and is essential for communities to stay connected in an increasingly digital society.

- Almost 70% of surveyed ACP respondents reported having inconsistent internet service or no internet service at all prior to receiving ACP benefits. Most of these respondents cited costs as the main reason why they did not already have broadband service.
- Close to 80% of survey respondents would consider changing their internet plan or dropping their internet service altogether if they lose their ACP benefits.
- Other families reported that they would cut back on other important expenses if their monthly internet bills increased after the ACP expired.

Bridging the "digital divide" will deliver positive health, educational, and economic outcomes.

- A <u>survey</u> of ACP beneficiaries conducted by the FCC found a majority of ACP beneficiaries used their benefits to schedule or attend healthcare appointments. Most rural communities have a <u>shortage</u> of primary health care providers, making <u>telehealth</u> visits a vital way to deliver essential health services in these areas.
- Approximately 75% of ACP <u>survey</u> respondents used their benefits to do schoolwork.
- Students with limited or no internet <u>access</u> face barriers to their academic success, collegiate prospects, and career trajectory.
- Research shows a positive relationship between high-speed internet access and economic growth. Studies found that expanded broadband in Indiana brought in three to four dollars in economic benefits for every dollar spent on rural broadband deployment.
- Additionally, <u>studies</u> of past broadband rollouts find that expanded internet access increases women's labor force participation, primarily through increased telework and athome production.

Congress needs to act now to prevent the discontinuation of the ACP in April.

- Members of Congress, including JEC Chairman Martin Heinrich (D-N.M.), have repeatedly called for extended funding for ACP.
- The bipartisan and bicameral <u>Affordable Connectivity Program Extension Act of 2024</u> would add \$7 billion in additional ACP funding while policymakers consider more permanent fixes.
- The Biden administration has been vocal about the benefits of ACP and also requested additional <u>funding</u> for its continuation.

The ACP made vital progress in closing the digital divide while bringing affordable broadband to millions of families. Protecting and expanding the ACP is pivotal to ensure that no American is left behind as society becomes increasingly digitized.

Sunsetting the Affordable Connectivity Program Will Strain Household Budgets for **Millions of Americans**

Geography	Enrollment	Geography	Enrollment
Alabama	413,668	Montana	54,539
Alaska	24,784	Nebraska	96,140
American Samoa	1,684	Nevada	276,024
Arizona	522,188	New Hampshire	38,859
Arkansas	215,017	New Jersey	337,969
California	2,945,281	New Mexico	184,131
Colorado	251,506	New York	1,792,187
Connecticut	186,531	North Carolina	901,394
Delaware	52,446	North Dakota	17,742
District of Columbia	63,806	Northern Mariana Islands	3,218
Florida	1,707,857	Ohio	1,157,054
Georgia	722,473	Oklahoma	351,879
Guam	1,322	Oregon	238,974
Hawaii	60,721	Pennsylvania	763,742
Idaho	53,962	Puerto Rico	664,623
Illinois	704,532	Rhode Island	83,516
Indiana	425,968	South Carolina	415,680
lowa	124,054	South Dakota	24,194
Kansas	133,746	Tennessee	429,621
Kentucky	455,685	Texas	1,718,552
Louisiana	558,780	Utah	75,088
Maine	98,639	Vermont	25,923
Maryland	287,722	Virgin Islands	6,780
Massachusetts	367,884	Virginia	470,457
Michigan	941,244	Washington	358,024
Minnesota	244,916	West Virginia	128,571
Mississippi	244,280	Wisconsin	426,733
Missouri	395,504	Wyoming	21,736
Total		23,269,550	

Source: Universal Service Administrative Company Note: Figures are accurate as of February 8, 2024