

March 21, 2024

The Honorable Maria Cantwell
Chairwoman
Senate Commerce, Science, and Transportation
Committee
511 Hart Senate Office Building
Washington, DC 20510

The Honorable Ted Cruz
Ranking Member
Senate Commerce, Science, and Transportation
Committee
167 Russell Senate Office Building
Washington, DC 20510

Dear Chairwoman Cantwell and Ranking Member Cruz,

The undersigned 25 organizations write to urge you to act expeditiously to renew the Federal Communications Commission's auction authority and use \$7 billion of the projected revenue to fund the Affordable Connectivity Program (ACP.) The ACP serves as a critical lifeline for millions of low-income households in America, ensuring that families across the country can afford access to the high-speed internet necessary to participate in today's society. Unfortunately, the Federal Communications Commission projects that the program will run out of funds in little over a month. Without this funding, tens of millions of people will either struggle to maintain access to the internet or lose access entirely. We will revert to a situation where children must do their homework in McDonald's parking lots, where job seekers cannot look for work opportunities, and where the sick and elderly will lose access to critical telehealth services. Congress can prevent these outcomes and continue our progress towards affordable, universal internet access by renewing the FCC's spectrum auction authority.

The ACP targets the affordability component of the digital divide by offering a monthly internet discount to qualifying low-income households, households in high-cost areas, and households on tribal lands. While the program was created in response to the unique conditions posed by COVID-19, enrollment has continued to grow in the years following the pandemic – from 1.5 million households enrolled in May of 2021 to its current size of 23 million households.¹

As the program's enduring popularity indicates, Americans' increasing connectivity needs were not transitory, they are the new normal – and Americans' use of the internet and perspectives about the internet have evolved accordingly. An October 2023 Consumer Reports study revealed that the percentage of people who rely on the internet seven days a week increased by ten percentage points – from 75% to 85% – from February 2021 to October 2023. The same survey found that 78% of Americans believe the internet is as important as other basic household utilities.² It is critical that Congress continues to acknowledge what is already evident to the majority of Americans: internet access is essential and generates real, material benefits.

In opening the doors to myriad commercial, professional, and social opportunities, the ACP allows communities that are traditionally left behind to share in the economic and communal benefits of our

¹ ACP and EBB Enrollment and Claims Tracker. *The Universal Service Administrative Company*. Accessed March 2024.

² American Experiences Survey Report. *Consumer Reports*. November 2023.

digital world. Almost half of the ACP's 23 million enrollees are over the age of 50.³ For many seniors living on a fixed income, losing the ACP means returning to a world of hard choices; such as the choice between internet access and prescription medications, other utilities, or food. Equally importantly, the ACP allows demographics with mobility challenges, including elderly and disabled populations, a meaningful avenue for social inclusion. The ACP's capacity to build community also extends beyond *interpersonal* isolation and counters *historic* forms of exclusion. One in four enrolled households are Black, and another one in four households are Hispanic and Latino – populations which are historically disproportionately likely to lack home broadband connectivity.⁴ And for the over 300,000 ACP-enrolled households who reside on tribal lands, where broadband bills frequently exceed \$120 a month, these dollars are a necessary measure to ensure that tribal communities share in America's prosperity.⁵

Due to the interconnected nature of the internet, the ACP offers a host of direct *and* indirect social and economic benefits. Research analysis from the Benton Institute has shown that for every dollar of ACP subsidy, there are nearly two dollars in financial returns to those using the program, including gains in professional productivity and opportunities as well as time saved from access to online commerce.⁶ This research is corroborated by the FCC's surveys, which indicate that nearly 50% of ACP subscribers use their service to apply for jobs or to work, shoring up local labor markets.⁷ These opportunities translate to real financial returns – households using a discounted internet offer see average annual income boosts of about \$2,200. This dynamic not only matters within the microcosm of a household, but within the broader economic landscape of the broadband industry.

The \$42.5 billion dollars deployed through the Broadband Equity, Access, and Deployment (BEAD) program mark another critical investment in underserved broadband communities – in particular, rural and tribal communities. However, we will struggle to unlock the full potential of those benefits without an ACP-backed user base. The BEAD and ACP funds were designed to approach the digital divide in a complementary fashion, by building out the supply of broadband infrastructure and a corresponding, stable base of subsidized demand so carriers can operate in that area economically. Therefore, to lose investment in one half of this equation is to jeopardize the gains in the other – and conversely, when we invest in broadband, we create ripple effects of prosperity felt by the broader community.

One year out from the lapse of the FCC's auction authority, Congress has a unique opportunity to advance our national spectrum goals while simultaneously generating sufficient revenue to support the connectivity needs of millions of Americans. We urge you to take swift action to protect these gains in connectivity by passing legislation to renew the FCC's auction authority and fund the ACP. In doing so, we can realize the ambitions of our infrastructure investments, close the digital divide, and ensure that every American has access to the social, economic, and professional benefits connectivity has to offer.

³ ACP Enrollment and Claims Tracker (Enrollment by Age). *Universal Service Administrative Company*. Accessed March 2024.

⁴ Home Broadband Adoption, Computer Ownership vary by Race, Ethnicity in the U.S. *Pew Research*. July 2021.

⁵ The Cost of Connectivity in the Navajo Nation. *The Open Technology Institute*. October 2020.

⁶ The Affordable Connectivity Program Creates Benefits that Far Outweigh the Program's Costs. *The Benton Institute*. March 2024.

⁷ ACP Consumer Survey. *The Federal Communications Commission*. February 2024.

Sincerely,

Access Humboldt
American Association for Public Broadband
American Library Association
The Benton Institute for Broadband & Society
Center for Rural Strategies
Common Cause
Common Sense
Connected Nation
Demand Progress
EducationSuperHighway
Fight for the Future
Free Press Action
The Greenlining Institute
Institute for Local Self-Reliance
Mississippi Broadband Association
National Consumer Law Center
National Digital Inclusion Alliance (NDIA)
National Disability Rights Network (NDRN)
Native Public Media
NETWORK Lobby for Catholic Social Justice
New America's Open Technology Institute
Public Knowledge
Schools, Health & Libraries Broadband (SHLB) Coalition
United Church of Christ Media Justice Ministry