

Tackling Broadband Affordability



Congress recently launched and fast-tracked two major initiatives to ensure broadband is affordable for low-income students and customers nationwide. The first, the Emergency Broadband Benefit program run through the FCC that makes public resources available to ensure low-income students have access to broadband at home. Although the cost of broadband is decreasing—while the cost of other consumer goods and services are increasing—too many remain without broadband connectivity. We as a nation need to recognize the digital divide is not solely an issue of access, but also of affordability and adoption. That is why we applaud the initial emergency broadband program that Congress has passed—and urge it to take bigger steps to provide support on a long-term basis after the pandemic passes. It's critical to engage across all sectors—public, private, and non-profit—to ensure support to help all unserved communities get connected and stay connected.

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USTelecom members are doing their part to activate the Emergency Broadband Benefit program, but it should evolve as it transfers from an emergency program to a long-term investment in our nation's connected future. As Congress contemplates how to help low-income families purchase broadband after the pandemic ends, we believe the best way to refocus efforts on closing the affordability gap include these key aspects:

- **Flexibility:** We should ensure that every American home has the ability to select the services that best fit their needs, be they fixed and/or mobile subscriptions.
- **Proven Success:** Use programs like the Supplemental Nutrition Assistance Program (SNAP) as a model for how broadband benefits can be confirmed and distributed simply and efficiently, including via debit cards that allow participants to simply choose the service that best fits their needs.
- **Ensure Accountability and Sustainability:** Participating broadband providers must be able to demonstrate their technical and financial fitness to provide broadband service through a streamlined certification process to the FCC or other universal administrator.

UP TO
1/3

OF THE U.S.
WORKFORCE
MAY NEED
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Unfortunately, President Biden’s American Jobs Plan foregoes long-term broadband benefits—which exist for nearly every other essential service—creating a potentially missed opportunity. First, broadband providers have already been doing their part to bring down prices, reducing the prices of service by double digit percentages over the past five years all while increasing the value for the money—at the same time that the costs of other goods and services have increased by around 10%. This is proof that the market is working. Second, even with low-cost offerings, there will be some segment of the population for whom broadband will remain unaffordable—yet these may be the very households who will benefit most from a broadband connection for job opportunities, education and healthcare. The government should commit to a sustainable benefit to bring these Americans online.

Congress’ proposal to require broadband funding recipients to offer a prescribed low-cost offering is similarly untethered to the problem it is intended to alleviate. First, it applies only to those accepting federal funds, providing no help to those who need assistance in urban or otherwise “served” areas or where the provider did not accept federal funding. Second, mandating a minimum rate generally interferes with the operations of the competitive broadband market, particularly as broadband providers today already offer packages for low-income households. The remaining unserved areas in America are already uneconomic by definition, so mandating a minimum rate will further distort the economics and limit the impact of any deployment subsidy. And, as described above, some households will still need a benefit to be able to afford the low-income offering, so a uniform, permanent broadband subsidy is the only long-term solution that will connect all that need assistance.

K-12 BRIDGE TO BROADBAND INITIATIVE

USTelecom is a proud member of the [‘K-12 Bridge to Broadband’](#) initiative to help increase home connectivity solutions for students adapting to remote and hybrid learning classrooms during the coronavirus pandemic. This effort is one of many USTelecom member companies have supported since March to ensure students and teachers stay connected to each other and their communities.

The initiative, in partnership with [EducationSuperHighway](#) (ESH), a national non-profit committed to closing the classroom connectivity gap, will scale innovative solutions helping public school districts and states identify and connect students in low-income families, enabling more students to participate in remote or hybrid learning. Since the pivot to remote learning began in the spring, many school districts have struggled to determine which families lack internet access at home.

USTelecom member companies, in partnership with school districts and states, will work to identify unconnected, but serviceable, student households and offer sponsored service arrangements to connect students this school year. Core principles include:

- **Companies will create a “sponsored” service offering for school districts or other entities.**
- **Companies will work together with school districts to identify which students need service.**
- **Companies will agree to a baseline set of eligibility standards.**
- **To maximize adoption, companies will minimize the amount of information necessary to sign up families.**
- **Companies offering sponsored service arrangements to schools should not use school-supplied information for targeted marketing of collateral services to families covered by the program.**

TRAIN THE WORKFORCE OF TODAY AND TOMORROW

Digital inclusion goes beyond access to broadband—it also must include access to the economic opportunities high-speed connectivity make possible. The future of work is shifting on a massive scale around the globe. We need ambitious national initiatives to train, retrain, and upskill a diverse and inclusive workforce to ensure broad participation in our information economy. Congress should ensure our children are tech ready and the proper incentives and policies are in place for companies to train workers to succeed in our innovation economy.