Affordable Connectivity Program (ACP)

Webinar

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Outline

Affordable Connectivity Program Rules:

- **Overview**
- **General Provisions**
  - ACP Benefits
  - ACP Eligibility
- **Transition Rules**
  - Opt In vs. Opt Out
  - Recertification
  - ISP Grace Period
- **Consumer Protection**
  - Credit Checks, Upselling, Downselling
- **Further Proposed Rulemaking**
  - Third Party Enrollment Assistance Pilot Program
  - High Cost Area Enhanced Benefit
ACP Overview

- **Established by** the 2021 Infrastructure Investment and Jobs Act (IIJA)
- **$14.2 Billion** for ‘longer-term broadband affordability program’
- **Continuation and modification** of Emergency Broadband Benefit Program
- **Managed by** Federal Communications Commission (FCC) and Universal Service Administration Corporation (USAC)
- **Rules adopted by** FCC on 1.14.22
General Provisions
Benefits

- $30 for non-tribal households
- $75 for tribal households and households in high-cost areas
- $100 for eligible connected devices
- **Limited** to one discount & device per household
Benefits

Eligible Services and Devices

- Can be applied to any internet service offering
- No minimum service standards
- A connected device is defined in the statute as a laptop, desktop computer, or a tablet. Tablets with cellular calling capabilities are ineligible.
Benefits

Eligible Services and Devices

- Connected devices must come from the provider providing ACP-discounted service

- Minimum system requirements for devices under ACP → § 114
Eligibility

A household is eligible if a member of the household meets at least one criteria:

- Has an income that is at or below 200% of the federal poverty guidelines; or
- Participates in certain assistance programs, such as SNAP, Medicaid, Federal Public Housing Assistance, SSI, WIC, or Lifeline;
Eligibility

- Participates in Tribal specific programs, such as Bureau of Indian Affairs General Assistance, Tribal TANF, or Food Distribution Program on Indian Reservations;
- Is approved to receive benefits under the free and reduced-price school lunch program or the school breakfast program, including through the USDA Community Eligibility Provision in the 2019-2020, 2020-2021, or 2021-2022 school year;
Eligibility

- Received a Federal Pell Grant during the current award year; or
- Meets the eligibility criteria for a participating provider's existing low-income program.

***Eliminated: “Substantial loss of income”; “provider’s COVID-19 program”***
Other Eligibility Provisions

- Multi-Dwelling Units (MDUs), Homeless Shelters, School Districts, and Libraries are allowed to be bulk purchasers in ACP

- Adoption of Lifeline Usage Requirements: the subscriber must use their service at least once every 30 days, and after 30 consecutive days of non-usage, the provider is required to notify the consumer that they will be de-enrolled if they do not use their service in 15 days.
Other Eligibility Provisions

- **Annual Recertification**: ACP subscribers will be given 60 days to respond to a recertification effort.

- **Two Birds with One Stone Recertification**: USAC to develop a process for allowing ACP households that are also enrolled in Lifeline to rely on a successful recertification across Lifeline and the Affordable Connectivity Program.
How to Apply

1. Apply
   - directly through participating internet service provider (ISP) or
   - Complete application online* or
   - print and mail application

2. Choose participating internet service provider (ISP)

3. Sign up for service

*Third parties can assist households with enrollment as long as household is physically present
Systems to Know

● National Verifier:
  ○ Eligibility
  ○ A system of systems with connections to state and federal eligibility databases that can automatically check and confirm a household’s eligibility electronically

● National Lifeline Accountability Database (NLAD):
  ○ Enrollment
  ○ The system that allows service providers to enroll ACP and Lifeline eligible consumers in the program and manage their ACP and Lifeline subscribers.
Transition Rules
Opt-In vs. Opt-Out

**Opt In:** Household needs to consent to participate in ACP

**Opt Out:** Automatically rolled over to ACP, up to Household to indicate that they would NOT like to participate in ACP
1. EBB households that would not experience a bill change as a result of the reduction of the non-Tribal benefit level to $30.

2. EBB households that would experience a bill increase but have already expressed to their current EBB provider a willingness and an ability to pay for broadband.
3. EBB households that would experience a bill increase but have not indicated to their current provider a willingness or an ability to pay for broadband either generally or at the end of the EBB Program.

Providers have three options
Provider Options

1. Switch the household to an internet service that costs $30 or less a month after providing notice in advance of this change;

2. Continue to provide the current level of service without increasing the household’s bill if the provider has internet service options priced at $30 per month or less; or

3. Obtain the consumer’s opt-in to continue to receive its current service with the $30 benefit level before the first increased bill after the March 1, 2022, end of the transition period.
Other Transition Rules

60-Day Period for Providers to Accommodate “Any Internet Service Offering” Rule

● “We find that providers should have an additional 60 days after publication of the Order in the Federal Register to complete necessary changes and ensure that the benefit can be applied to all generally available and currently sold plans.”
Consumer Protections
Consumer Protection Rules

● Credit checks prohibited, but not in all circumstances. § 138 for more details.

● Inappropriate upselling and downselling prohibited

● Nonpayment: a provider may terminate the provision of broadband internet access service to a subscriber after 90 days of nonpayment.
Consumer Protection Rules

○ Mitigation efforts to prevent termination for non-payment
  ■ Providers may downgrade a household to a lower-priced service plan once the consumer enters a delinquent status to mitigate the non-payment amount upon advance notice to the household of the change in service

○ Notice requirements before termination for non-payment ¶147
Consumer Protection Rules

- Consumer complaint process: added a new dedicated pathway in the FCC’s existing Consumer Complaint Center to file ACP-related complaints
- Restrictions on households seeking to switch offerings or providers are prohibited
- One transfer per month limit; establishment of disclosure and consent requirements for transfers between service providers
Further Proposed Rulemaking
1. ACP Outreach Grant Program § 271

- FCC seeks comment on structuring an outreach grant program to be managed by the Commission in support of ACP consumer outreach (eligible recipients, duration and budget, application process, etc.)
2. Pilot Program Focused on Eligible Households Participating in Federal Public Housing Assistance Programs § 281

- FCC seeks comment on a proposal to launch a pilot program focused on expanding ACP participation by FPHA beneficiaries, including increasing awareness and assisting with navigating the enrollment process (duration and scope, identifying partner agencies, funding, etc.)
3. Implementation of the Enhanced Benefit For High-Cost Areas ¶287

- FCC will need to establish a mechanism by which a participating provider in a high-cost area may receive an enhanced benefit of up to $75 per month for broadband service.

- FCC seeks comment on implementing this mechanism (how can a provider show particularized economic hardship, what information must providers provide to prove particularized economic hardship, other equity related considerations, etc.)
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Other Transition Rules

- Recertification Details
  - New ACP subscribers who enrolled on or after December 31, 2021, will not be required to recertify their ACP eligibility until 2023.
  - Legacy EBB subscribers who transitioned to the Affordable Connectivity Program will need to recertify their eligibility for the ACP by December 31, 2022.
  - Legacy EBB Program subscribers who qualified for the EBB Program based on substantial loss of income or a provider’s COVID-19 Program and already demonstrated their ACP eligibility before the end of the 60-day transition period will not be required to recertify for purposes of the Affordable Connectivity Program requirements again until 2023.
Third Party Enrollment Assistance Pilot Program

● The program would **provide access** to the National Verifier to a limited number of neutral, trusted **third party entities** such as schools and school districts, or other local or state government entities **for purposes of assisting consumers with completing and submitting an application for the ACP**, provided that the consumer is physically present with the person providing assistance.”

● § 70
“FCC directs the Bureau, in coordination with USAC, to conduct a one year test pilot for granting the types of trusted, neutral third party entities listed above with access to the National Verifier for purposes of assisting customers with applying for the ACP.”

“The Bureau may issue public notices or engage with stakeholders as needed to obtain information necessary to establish this Pilot”