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**The Affordable Connectivity Program:
Time Is of the Essence for Congress to Act**

by

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On February 27, 2023, in [remarks at Benedict College in Columbia, South Carolina](#), Vice President Kamala Harris discussed the role that the [Affordable Connectivity Program \(ACP\)](#) plays in addressing what she called the high-speed Internet "affordability issue." Specifically, she touted the fact that "[e]very month, this program gives more than 16 million working families a \$30 discount on their Internet bill." Days later, however, ACA Connects CEO Grant Spellmeyer cautioned that the ACP "[is poised to run out of funding early next year.](#)"

Congress should extend the worthwhile ACP program promptly by appropriating additional funding. At the same time, it can consider revising the program to better target the ACP benefit to those lower-income households most truly in need and adopting measures to minimize, to the extent possible, any waste, fraud, and abuse in the program.

The ACP, which was created by the [Infrastructure Investment and Jobs Act \(IIJA\)](#), took the place of the [Emergency Broadband Benefit Program \(EBBP\)](#) at the end of 2021. It [is overseen by the FCC and administered by the Universal Service Administrative Co. \(USAC\)](#). Congress initially allocated \$14.2 billion in funding to the ACP, which provides eligible lower-income households with as much as \$100 dollars for the purchase of a connected device and a

monthly subsidy up to \$30 (\$75 on qualifying Tribal lands). Recipients can use the voucher-like benefit for the purchase of the Internet service package of their choice from whichever Internet service provider they choose.

The ACP represents one half of the federal government's push to make it possible for every American to access a high-speed Internet connection. The other side of the equation, of course, are the many – [potentially too many](#) – programs making massive amounts of money available for the construction of broadband infrastructure, specifically in those [limited areas that remain unserved](#) despite the [trillions in private investment](#) that have brought broadband to the vast majority of households.

I first wrote approvingly about the ACP in "[Congress Should Extend and Revise the Affordable Connectivity Program](#)," an October 2022 *Perspectives from FSF Scholars*. As I noted then, the ACP incorporates features that recommend it over other affordability approaches. One, it promotes the efficient use of taxpayer dollars by empowering recipients to exercise relatively unfettered choice in the competitive marketplace for broadband service. And two, it promotes political accountability because it is funded by a direct congressional appropriation, unlike Universal Service Fund programs, such as Lifeline, that unsustainably rely upon an anachronistic regressive tax that targets an arbitrary subset of communications services.

Since my October 2022 *Perspectives*, the rate of participation in the ACP has increased substantially. So, too, has the rate at which the funds appropriated are expended. A [White House Fact Sheet](#) issued the same day that Vice President Harris spoke notes that enrollment has increased by 40 percent since May 2022, resulting in \$500 million in consumer savings – and, presumably, a similar amount in government expenditures – each month.

[According to USAC](#), as of February 27, 2023, the number of ACP households was 16,422,364. That total is nearly 2 million – or 14 percent – higher than when I first addressed the need to extend the ACP last October. Consequently, predictions as to the date when the ACP will run out of money have advanced. Whereas I cited in my previous *Perspectives* a [Vernonburg Group](#) estimate of "mid-year 2024," above I referenced a more recent – and worrisome – prognostication: "early next year."

Accordingly, it's worth repeating my call for Congress to act without further delay to extend and revise the ACP. In this regard, I note with cautious optimism that Senator Ben Ray Lujan (D-NM) [reportedly](#) stated at the ACA Connects Summit that "he's encouraged by the fact that the original program was built through bipartisan support." Specifically, lawmakers should pass legislation that provides another one-time appropriation, sufficient to expand the ACP's lifespan over several years.

At the same time, Congress can consider revising the program's eligibility requirements to further target those persons truly most in need. Presently, the ACP eligibility threshold is [200 percent of the federal poverty guidelines](#), which invites participation by some outside the group of lower-income persons most in need, while necessarily shortening the program's

lifespan to the detriment of those truly unable to afford broadband service. And while extending the program, Congress can also consider incorporating appropriate measures to minimize, to the extent possible, any waste, fraud, and abuse in the program.

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Further Readings

Randolph J. May, "[Congress Should Extend and Revise the Affordable Connectivity Program](#)," *Perspectives from FSF Scholars*, Vol. 17, No. 53 (October 25, 2022).

Seth L. Cooper, "[FCC Inspector General Warns Against Fraud in Broadband Spending Program](#)," *FSF Blog* (September 21, 2022).

Andrew Long, "[A True Assessment of the USF's Future Relevance Demands a Full Accounting of Broadband Subsidies](#)," *FSF Blog* (August 30, 2022).

Randolph J. May, "[The FCC's USF Report: Unprecedented Broadband Funding Requires Fundamental Universal Service Reforms](#)," *Perspectives from FSF Scholars*, Vol. 17, No. 42 (August 26, 2022).

[Reply Comments of the Free State Foundation – Report on the Future of the Universal Service Fund](#), WC Docket No. 21-476 (March 17, 2022).

[Comments of the Free State Foundation – Report on the Future of the Universal Service Fund](#), WC Docket No. 21-476 (February 17, 2022).

Andrew Long, "[Commenters Address Transition from Emergency Broadband Benefit to Affordable Connectivity Program](#)," *FSF Blog* (December 16, 2021).

Andrew Long, "[The Emergency Broadband Benefit: A Possible Model for Future Lifeline Funding](#)," *Perspectives from FSF Scholars*, Vol. 16, No. 6 (February 5, 2021).

Seth L. Cooper, "[MEDIA ADVISORY: USF Contribution Factor Tops 31% and May Be Nearing a Tipping Point](#)," *FSF Blog* (December 16, 2020).

Randolph J. May, "[Defer the Lifeline Minimum Service Standards Increase](#)," *FSF Blog* (August 13, 2020).

Randolph J. May, "[FCC Acts to Maintain Lifeline Enrollment](#)," *FSF Blog* (March 18, 2020).

Randolph J. May, "[Lifeline Matters](#)," *FSF Blog* (October 24, 2018).