

ALERT

Emergency Broadband Benefit Program at a Glance

December 28, 2020

In a historic move, Congress included, as part of the bipartisan, bicameral coronavirus (COVID-19) emergency stimulus legislation, a \$3.2 billion broadband subsidy program for qualifying low-income households known as the Emergency Broadband Benefit Program. The program will be administered by the Federal Communications Commission (FCC or Commission), using the funds from the newly created Emergency Broadband Connectivity Fund to reimburse participating carriers for discounts off the retail cost of broadband Internet access service and certain connected devices provided to eligible low-income households. Although the FCC will manage the program, it will not be part of the Lifeline Program. This summary provides a breakdown of the program's various components.

Who is Eligible? The legislation defines "eligible household" as any household with at least one member who (1) is qualified to participate in the federal Lifeline program; (2) is qualified to participate in the free and reduced price lunch program; (3) has experienced a substantial loss of income since February 29, 2020 that is documented by layoff or furlough notice, application for unemployment insurance benefits, or other similar document; (4) has received a Federal Pell Grant in the current award year; or (5) meets the eligibility criteria for a participating provider's existing low-income or COVID-19 program. Eligibility is to be verified through the National Verifier or National Lifeline Accountability Database administered by the FCC, or a participating provider can rely upon an alternative verification process if such process is approved by the FCC. A school must verify the eligibility of a household based on the participation in the free and reduced price lunch program or the school breakfast program.

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What is Being Subsidized and How Much? The legislation provides for a \$50 monthly discount off the retail price of a broadband internet access service offering to an eligible household or \$75 if the eligible household is on Tribal land. The eligible service plans must be offered by a broadband provider to a household as of December 1, 2020. In addition, a participating provider may seek reimbursement of up to \$100 for a connected device it provides to an eligible household, if it charges the eligible household between \$10 to \$50 for such connected device. Connected device is defined as a laptop or desktop computer or a tablet.

When Will the Program Start and End? The program will cover the period that begins on the date of the enactment of the COVID-19 emergency stimulus bill and end on the date that is six months after the date on which the COVID-19 public health emergency is declared to be terminated. The FCC is required to promulgate regulations implementing the program in 60 days after the date of the bill's enactment, including 20 day public comment and 20 day public reply comment periods.

Other Requirements for Participating Carriers. A broadband provider does not have to be designated as an eligible telecommunications carrier in order to participate in the program, and the FCC is required to create an expedited process to approve non-ETC service providers that elect to participate in the program. To receive reimbursement from the program, the carrier must certify to the FCC that the eligible household for which it is seeking reimbursement will not be required to pay an early termination fee, will not be subject to a mandatory waiting period, and will be subject to the participating provider's generally applicable terms and conditions as applied to other customers, among other requirements.

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