

October 27, 2023

The Honorable Charles Schumer Majority Leader, U.S. Senate 322 Hart Senate Office Building Washington, D.C. 20515

The Honorable Mitch McConnell Minority Leader, U.S. Senate 317 Russell Senate Office Washington, D.C. 20515 The Honorable Mike Johnson Speaker, U.S. House of Representatives 418 Cannon House Office Building Washington, D.C. 20515

The Honorable Hakeem Jeffries Minority Leader, U.S. House of Representatives 2433 Rayburn House Office Building Washington, D.C. 20515

Dear Majority Leader Schumer, Minority Leader McConnell, Speaker Johnson, and Minority Leader Jeffries:

We are writing regarding the significant impact the Affordable Connectivity Program (ACP) has had in connecting people across the country to high-speed internet, and to urge you to prioritize funding to extend the lifespan of the program before millions of Americans lose access as early as next year. The White House has included the ACP as part of their <u>updated FY2024 Funding Request to Meet Critical Needs</u>. This is a critical first step and we urge you to ensure that the program receives the full <u>\$7 billion in funding that Federal Communications Commission</u>
Chairwoman Jessica Rosenworcel states is needed to keep it running through 2024.

ACP is a vital initiative that prevented millions of Americans from falling behind economically during the pandemic, and it is essential to the progress of other federal broadband investments and the ongoing pursuit of digital equity.

As co-chairs of the <u>NewDEAL Forum's Broadband Task Force</u>, we are writing to share that we have seen significant strides in connecting people to high-speed internet access in our home states, and have heard similar stories from our colleagues in <u>NewDEAL's</u> network of state and local policymakers, because of ACP. However, the work is far from complete, and the need for continued funding is more crucial than ever, including in the context of the \$45 billion dollars from the Bipartisan Infrastructure Law that is being deployed to states to reach unserved and underserved communities.

The NewDEAL Forum is a non-profit organization that identifies and promotes innovative, future-oriented state and local pro-growth progressive policies that can improve the lives of all Americans. Our Broadband Task Force, which brings together state and local officials with policy experts and private sector leaders, was created to identify major obstacles limiting access to high-speed internet, develop state and local solutions, and advocate for a strong federal-state-local partnership.

Access to affordable high-speed internet is no longer a luxury; it is a necessity for millions of Americans to fully participate in today's digital economy. We have heard repeatedly from Task Force participants and from our constituents across urban, suburban, and rural communities about the serious challenges caused by the digital divide and we are encouraged by the impact the ACP has had in addressing the affordability barriers families face.

A <u>study</u> conducted in 2021 confirmed that the effects of subsidized broadband increase employment and income rates since more Americans can participate in the workforce. Subsidized broadband efforts for students also have a positive spillover in the workforce. The digital divide in schools will directly translate to a workforce equity gap. Continued funding of ACP will enable further investment in successful community programs, partnerships with business providers, and expansion of programs that provide resources like devices and training.

Furthermore, states are currently submitting plans for how to deploy their Broadband Equity, Access, and Deployment (BEAD) program funding allocations and must, under the Bipartisan Infrastructure Law, show how a low-cost high-speed internet plan will be made available to their residents. Many states' plans are expected to use ACP -- a program that is already in place and working -- to meet this requirement. The opportunity to effectively and efficiently administer BEAD relies on continued access to a reliable low-cost option and will be diminished by the expiration of what was the major affordability piece of the infrastructure law. In addition to its impact on the low-cost requirement, recent <u>analysis</u> has found that the existence of the ACP will lead to an estimated 25% reduction in the per-household subsidy required to build out infrastructure in rural areas, helping extend the value of every BEAD dollar spent.

Experts <u>predict</u> that funding for the ACP will end by mid-2024, threatening to impact over 20.4 million households and that it would take between \$30-\$35 billion to continue the program for another five years, a timeline that will allow it to serve as linchpin in the successful deployment of BEAD and fulfill its requirements around availability of a "low-cost option." We must continue to support this desperately needed program that provides many residents with affordable internet access and the subsequent resources they need to live in our increasingly technologically-driven world. Moreover, the constituents who benefit from the program most may end up distrusting future and similar federal programs. Continued funding for the ACP is

critical to building trust with rural and underserved communities, while helping assure providers with some certainty that they'll have consumers eager to get online.

We urge you to prioritize robust funding to continue this critically needed program. Thank you for your consideration of this urgently needed funding for the ACP. Please reach out to us, or to NewDEAL Forum Vice President Jonathon Dworkin at jonathon@newdealleaders.org, any time we can be of service, and we look forward to continuing to work with you to advance this crucial mission

Sincerely,

Garlin Gilchrist, II

Lieutenant Governor, MI Co-Chair, Broadband Task Force

Dana Barrett

Commissioner, Fulton County, GA Co-chair, Broadband Task Force

Jay Chaudhuri

Senate Democratic Whip, Raleigh, NC Co-chair, Broadband Task Force