

End of pandemic internet subsidies threatens a health care lifeline for rural America

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During the COVID-19 pandemic, federal lawmakers launched the Affordable Connectivity Program with the goal of connecting more

people to their jobs, schools, and doctors. More than 23 million low-income households eventually signed on. The program provided \$30 monthly subsidies for internet bills, or \$75 discounts in tribal or high-cost areas.

Now, the ACP is out of money.

In early May, Sen. John Thune, R-S.D., challenged an effort to continue funding the program, saying during a commerce committee hearing that the program needed to be revamped.

"As is currently designed, ACP does a poor job of directing support to those who truly need it," Thune said, adding that too many people who already had internet access used the subsidies.

There has been a flurry of activity on Capitol Hill, with lawmakers first attempting and failing to attach funding to the must-pass Federal Aviation Administration reauthorization. Afterward, Sen. Peter Welch, D-Vt., traveled to his home state to tell constituents in tiny White River Junction that Congress was still working toward a solution.

As the program funding dwindled, both Democrats and Republicans pushed for new legislative action with proposals trying to address concerns like the ones Thune raised.

On May 31, as the program ended, President Joe Biden's administration continued to call on Congress to take action. Meanwhile, the administration announced that more than a dozen companies—including AT&T, Verizon, and Comcast—would offer low-cost plans to ACP enrollees, and the administration said those plans could affect as many as 10 million households.

According to a survey of participants released by the Federal

Communications Commission, more than two-thirds of households had inconsistent or no internet connection before enrolling in the program.

Nationwide, about 67% of nonurban residents reported having a [broadband connection](#) at home, compared with nearly 80% of [urban residents](#), said John Horrigan, a national expert on technology adoption and senior fellow at the Benton Institute for Broadband & Society. Horrigan reviewed the data collected by a 2022 Census survey.

The FCC said on May 31 that ending the program will affect about 3.4 million rural and more than 300,000 households in tribal areas.

The end of federal subsidies for internet bills will mean "a lot of families who will have to make the tough choice not to have internet anymore," said Amber Hastings, an AmeriCorps member serving the Shoshone-Bannock Tribes on the reservation. Some of the families Hastings enrolled had to agree to a plan to pay off past-due bills before joining the program. "So they were already in a tough spot," Hastings said.

Matthew Rantanen, director of technology for the Southern California Tribal Chairmen's Association, said the ACP was "extremely valuable."

"Society has converted everything online. You cannot be in this society, as a societal member, and operate without a connection to broadband," Rantanen said. Not being connected, he said, keeps Indigenous communities at a disadvantage.

Rantanen, who advises tribes nationwide about building broadband infrastructure on their land, said benefits from the ACP's subsidies were twofold: They helped individuals get connected and encouraged providers to build infrastructure.

"You can guarantee a return on investment," he said, explaining that the

subsidies ensured customers could pay for internet service.

As the ACP's funds ran low, the program distributed only partial subsidies.

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