

February 5, 2024

The Honorable Maria Cantwell
Chairwoman
Senate Commerce Committee
254 Russell Senate Office Building
Washington, D.C. 20515

The Honorable Ted Cruz
Ranking Member
Senate Commerce Committee
512 Dirksen Senate Office Building
Washington, D.C. 20515

The Honorable Cathy McMorris Rogers
Chairwoman
House Energy and Commerce Committee
2125 Rayburn House Office Building
Washington, D.C. 20515

The Honorable Frank Pallone
Ranking Member
House Energy and Commerce Committee
2322A Rayburn House Office Building
Washington, D.C. 20515

Dear Chairwoman Cantwell, Ranking Member Cruz, Chairwoman McMorris Rogers, and Ranking Member Pallone,

On behalf of America's electric cooperatives, I am writing today to express support for the FCC's Affordable Connectivity Program (ACP) and to request that you provide additional funding to this critical program before funding runs out this spring.

The National Rural Electric Cooperative Association (NRECA) is the national service organization for more than 900 not-for-profit rural electric cooperatives operating across the country. America's electric cooperatives power 56% of the nation's landmass and serve 42 million people across the United States with reliable and affordable electric service, including 92% of America's persistent poverty counties. In many instances, those same co-ops are also deploying robust broadband networks and enabling internet service to some of the hardest-to-reach areas of the country. NRECA and its members are deeply committed to bridging the digital divide and connecting rural families and businesses with reliable and affordable high-speed internet, and the majority of NRECA members offering broadband participate in ACP.

Created by the Infrastructure Investment and Jobs Act, the FCC's Affordable Connectivity Program provides a \$30 monthly benefit to help low-income households afford broadband internet service. Since the program's launch in December 2021, the FCC has reported that more than 22 million households have enrolled in the program, supporting new ways for those families and individuals to live, learn, and earn online. However, given the significant demand for the program and current enrollment rate, the FCC is now projecting that ACP will run out of funding in April 2024.

Building infrastructure networks in rural areas is expensive and difficult, as low population densities coupled with challenging terrain present little opportunity for return on investment. Congress has recognized the need for robust broadband access in rural and low-income communities particularly, and has provided tens of billions of dollars in recent years toward programs aimed at incentivizing and supporting rural network deployment. Congress has also recognized that cost can be a barrier to broadband adoption, especially in rural, remote, or economically distressed areas, and the ACP was specifically developed to help address those challenges for struggling households.

As more cooperatives, and other internet service providers, work to build broadband networks in hard-to-reach rural and low-income areas, affordability will become increasingly critical to adoption of these essential services. Should programs supporting affordability fail, it could jeopardize access to broadband services for millions of customers. Ensuring that there is a consistent, dependable, and effective low-income broadband program, such as the ACP, will allow rural providers to deliver the highest quality broadband service to their communities at an affordable price.

Absent additional funding, the FCC announced its plans to wind down the Affordable Connectivity Program. As a result, participating broadband providers, including electric cooperatives offering broadband service, recently began alerting program participants that the ACP will be ending.

In response to the approaching deadline, a bipartisan, bicameral group of lawmakers introduced the Affordable Connectivity Program Extension Act, which would provide that critical funding to maintain the ACP through the end of the year. Enactment of the Affordable Connectivity Program Extension Act or similar legislation would provide important short-term clarity and certainty around the program while Congress works to address questions around the future of the program and develop a permanent funding solution.

Ending this program will impact low-income consumers and broadband providers in hard-to-reach, high-cost and low-income areas. I encourage you to extend the ACP and include additional, robust funding for the program. Congress must act before the program concludes in April.

NRECA greatly appreciates Congress' strong and continued commitment to ensuring that all Americans, no matter where they live, have access to an affordable and reliable broadband connection. On behalf of America's electric cooperatives, I thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Matheson". The signature is fluid and cursive, with a long horizontal stroke at the end.

Jim Matheson
CEO
National Rural Electric Cooperative Association

CC: Chairman Ben Ray Lujan; Ranking Member John Thune; Chairman Bob Latta; Ranking Member Doris Matsui