

Broadband Affordability

Key Findings

- Rural electric cooperatives provide electric and broadband service to some of the hardest-to-serve and highest-cost areas of the country. As a result, co-ops understand the importance of addressing affordability when providing electricity or broadband in rural communities.
- Congress must work quickly to ensure that there is a permanent, dependable and effective low-income broadband program that will allow providers to deliver the highest-quality broadband service to their communities at an affordable price.

Rural electric cooperatives provide electric and broadband service to some of the hardest-to-serve and highest-cost areas of the country, including to 92% of the country's persistent poverty counties. Today, over 200 electric cooperatives are working on diverse solutions to provide broadband services across high-cost, low-density rural areas. As a result, co-ops understand the importance of a low-income broadband program that truly addresses the issue of affordability. As more cooperatives build out their broadband networks, increasing the adoption rate is key to the long-term viability of the business, particularly in rural and/or low-income areas where affordability is increasingly critical to adoption.

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 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. In 2021, it created the Affordable Connectivity Program to help address those challenges for struggling households.

The FCC's Affordable Connectivity Program provided a \$30 monthly benefit, or \$75 per month on Tribal lands, to eligible low-income households to help with the cost of broadband service. ACP helped to facilitate new connections for low-income families in rural areas while also enabling rural providers to offer the highest-quality service at an affordable rate. Despite strong consumer demand and industry support for ACP, the program expired in May 2024, and the path to a successor program remains unclear.

With the recent expiration of ACP, Congress must work quickly to ensure that there is a permanent, dependable and effective low-income broadband program that will allow providers to deliver the highest-quality broadband service to their communities at an affordable price.