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The End of the Affordable Connectivity Program: What Next for Consumers?

Introduction

The Federal Communications Commission’s (FCC’s) [Affordable Connectivity Program \(ACP\)](#), established by the Infrastructure Investment and Jobs Act (P.L. 117-58) in 2021, provides a subsidy toward monthly internet access payments for most households that earn up to 200% of federal poverty guidelines. The subsidy is \$30 per household and \$75 per household on tribal lands. ACP also provides a one-time subsidy of up to \$100 toward the purchase of a connected device (e.g., mobile phone, laptop). Currently [23 million U.S. households receive ACP support](#). The last full funded month for ACP is April 2024. The program stopped accepting applications February 7, 2024.

On April 9, 2024, [the FCC announced reduced maximum reimbursements for May 2024](#), the final month of the program ([Table 1](#)).

Table 1. Affordable Connectivity Program Benefit Types and Amounts

Benefit Type	Statutory Max Amount	Max Reimbursement for May 2024
Non-Tribal Service Benefit	\$30 per month	\$14
Tribal Lands Service Benefit	\$75 per month	\$35
ACP Connected Device Benefit	\$100 per device	\$47

Source: Federal Communications Commission, Wireline Competition Bureau Announces the Maximum Partial Reimbursement Amounts for May 2024, Affordable Connectivity Program Benefits, WC Docket 21-450, DA 24-342, April 9, 2024, <https://docs.fcc.gov/public/attachments/DA-24-342A1.pdf>.

Impact on Consumers

[According to the White House](#), beneficiaries of the program represent “communities that have been left behind for too long.” Roughly half of ACP households are military families, roughly a quarter are Black, and roughly a quarter are Latino. ACP provides benefits to 320,000 households on tribal lands. According to the White House, 4 million seniors and 10 million Americans over the age of 50 “benefit from this program.”

[According to a Benton Strategy Group survey](#), 95% of ACP participants say the end of the program will cause financial difficulties and 65% fear losing their job or source of income if they lose ACP benefits. AARP reports that nearly

4 in 5 “[older adults say they want Congress to appropriate money for the program](#),” according to survey results.

If Congress does not provide additional funding for the ACP, ACP participants may seek other options for affordable home internet. While there is no single alternative that would fully replace the ACP, there are other programs that some participants may qualify for, such as the FCC Lifeline program, various Department of Veterans Affairs (VA) programs, and discounted plans from providers. Consumers may be eligible for more than one program. For example, a veteran would be eligible to participate in Lifeline and VA programs, as well as subscribe to a discounted service from a broadband provider.

Congressional Action

Two bills introduced in the 118th Congress would appropriate funds for ACP: H.R. 6929 and S. 3565. These bills would each appropriate \$7 billion in FY2024, to remain available until expended. Both bills were introduced on January 10, 2024, and referred to their respective Appropriations Committees, but no further action has been taken on either bill. Funding for ACP was not provided in enacted FY2024 appropriations bills.

Instead of a one-time supplement, another option for Congress could be to provide ongoing support for ACP through a fee assessed to service providers, like FCC programs under the Universal Service Fund (USF).

Whether it provided ACP a one-time supplement or ongoing funding, Congress could consider changing the income or other enrollment requirements (e.g., making them more or less stringent to affect enrollment or set limits on the time participants could remain in the program) to adjust the structure of the program.

Apart from providing ACP additional funding, Congress could expand the eligibility requirements and increase the subsidy provided by the USF’s Lifeline program. It could decide not to provide ACP additional funding, determining that existing subsidy programs are adequate.

FCC Lifeline Program

The FCC’s Lifeline program [subsidizes the cost of home broadband and phone service for low-income consumers](#), including seniors. While the goals of the ACP and the Lifeline program overlap, Lifeline is funded through the USF. The USF is supported by required contributions from telecommunications carriers—costs commonly passed on to consumers. USF funds cannot be transferred and used for non-USF programs such as the ACP.

Lifeline Subsidies for Low-Income Consumers

The Lifeline subsidy provides \$9.25 per month to low-income households for home internet or mobile phone plans (households on tribal lands can receive up to \$34.25 per month)—well below the subsidy offered by ACP. Its eligibility requirements are stricter than those of the ACP: households that earn 135% or less than the federal poverty guidelines may qualify. Participants in the following federal programs qualify for the program: Medicaid Supplemental Nutrition Assistance Program (SNAP), Supplemental Security Income (SSI), Federal Public Housing Assistance, tribal programs, and residents of federally recognized tribal lands. **Table 2** lists the maximum income requirements for the program.

Table 2. Lifeline Eligibility, 2024, Annual Household Income

Household	Contiguous States	AK	HI
1	\$19,683	\$24,584	\$22,640
2	\$26,622	\$33,264	\$30,618
3	\$33,561	\$41,945	\$38,597
4	\$40,500	\$50,625	\$46,575
5	\$47,439	\$59,306	\$54,554
6	\$54,378	\$67,986	\$62,532
7	\$61,317	\$76,667	\$70,511
8	\$68,256	\$85,347	\$78,489
Each Add'l	\$6,939	\$8,681	\$7,979

Source: Universal Service Administrative Company, “Do I Qualify?” <https://www.lifelinesupport.org/do-i-qualify>.

Resources

[Lifeline Program: Do I Qualify?](#)
[Apply for Lifeline](#)

Programs for Veterans

Veterans may be eligible for specific programs administered by the Department of Veterans Affairs. According to the FCC, [15% of veteran households do not have a way to connect to the internet at home](#). The VA Telehealth Services has developed the Digital Divide Consult and the Connected Device Program to help qualifying veterans receive VA-loaned equipment to access telehealth services and benefits.

Many veterans are eligible for Lifeline benefits, including those who meet eligibility requirements, or participate in the federal programs listed above, or in the VA pension and VA survivors’ pension programs.

Resources

[Telehealth VA: Bridging the Digital Divide Connecting Veterans to Telehealth Care](#)

Internet Service Provider Programs for Low-Income Consumers

Some internet service providers (ISPs) offer reduced rates for some low-income consumers. **Table 3** lists some of these ISP programs. Eligibility and prices vary. The [FCC’s broadband map](#) allows consumers to find local ISPs.

Table 3. Some ISP Programs for Low-Income Consumers

Program	Monthly Price	Max Speed, Mbps
Access from AT&T	\$30	100
Astound Internet First	\$10	50
Cox Connect2Compete	\$10	100
Cox ConnectAssist	\$30	100
Mediacom Connect2Compete	\$10	25
Optimum Advantage	\$15	50
Spectrum Internet Assist	\$25	50
Verizon Forward	\$20-\$81	50-2,000
WOW! Internet Select 50	\$10	50
Xfinity Internet Essentials	\$10	50

Source: CNET, “Affordable Connectivity Program Expires Soon: These Low-Income Internet Options Can Help Fill the Void,” April 10, 2024, <https://www.cnet.com/home/internet/affordable-connectivity-program-expires-soon-these-low-income-internet-options-can-help-fill-the-void/>.

Note: Mbps=Megabits per second.

Selected Additional Resources

In addition to federal programs, there are non-profit organizations that provide resources to help with monthly internet costs and/or provide internet-connected devices. For example:

- [Connect All](#) provides refurbished computers to some low-income users.
- [EveryoneOn](#) helps consumers [find low-cost internet plans and computers](#), enroll in [digital skills courses](#), and find local events that distribute devices.
- [Human-I-T](#) [sells refurbished devices at a discount](#) and [offers low-cost internet](#) using mobile hotspots to military veterans, low-income households, seniors, and other qualifying groups.

For additional reading, see CRS Report R47621, *The Future of the Universal Service Fund and Related Broadband Programs*, by Patricia Moloney Figliola.

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