



The Emergency Broadband Benefit: Implementation and Future Policy Directions

February 23, 2021

The [Consolidated Appropriations Act, 2021](#) (the Act) created the Emergency Broadband Benefit Program (EBB). It subsidizes broadband service for eligible households—defined as those households that suffered income loss during the pandemic or meet other need-based criteria specified in the Act, such as eligibility for school lunch programs. Any broadband provider that had an “established program” that was “widely available” as of April 1, 2020, and maintains “verification processes that are sufficient to prevent fraud, waste, and abuse” may apply to participate in the program. The Act requires the Federal Communications Commission (FCC) to promulgate implementing regulations within 60 days of passage (by February 25, 2021).

EBB is a temporary program funded by a congressional appropriation of \$3.2 billion, available until expended, or until six months after the current public health emergency declared by the Secretary of Health and Human Services terminates. Even though the Appropriations Act construes EBB as a temporary program, numerous advocacy organizations have used its passage to press for long-sought policy reforms on behalf of low-income Americans via the FCC rulemaking process. Consumer advocates [have suggested](#) that EBB might [provide a template for a new approach](#) to fulfilling the legislative mandate for universal service—either through reform of the FCC’s existing low-income connectivity assistance program (known as Lifeline) or creation of a new permanent program to supplement or replace it.

EBB as written in statute differs from Lifeline in its funding structure, benefits levels, and provider and beneficiary eligibility requirements. The FCC funds Lifeline and other [Universal Service Fund \(USF\) programs](#) through fees collected from telecommunication providers, rather than the congressional appropriations process, as is the case with EBB. Therefore, the new program demonstrates an alternative model of funding for these programs that some advocates support. For potential subscribers, EBB offers broader eligibility provisions and significantly higher monthly subsidies to cover the cost of residential broadband service—up to \$50 in most cases, versus \$9.25 under Lifeline, and provides discounts of up to \$100 for computing devices supplied by participating broadband providers. Finally, EBB expands eligibility criteria for broadband providers and instructs the FCC to expedite review of new applications. Eligible households may receive both Lifeline and EBB benefits simultaneously. (Participating providers usually market Lifeline service as a free mobile data plan with usage caps rather than as a residential broadband subsidy as envisioned under EBB.)

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On January 4, 2021, the FCC [sought comment](#) on EBB implementation—specifically, eligibility requirements and verification procedures for broadband providers and households, eligible services and connected devices, auditing and enforcement procedures, reporting requirements, and best practices for outreach. The FCC received hundreds of [comment submissions](#) from broadband providers, state regulators, consumer advocates, community organizations, municipalities, and think tanks addressing these and other issues. In addition, the FCC held a [virtual roundtable](#) on February 12 that included numerous presentations from FCC commissioners and broadband stakeholders. Stakeholders adopted a variety of positions on specific issues, with attention coalescing around several points:

- **Broadband speed benchmarks:** The FCC’s broadband speed benchmark, which was set in 2015, is 25 megabits-per-second (Mbps) download and 3 Mbps upload. Some advocates have called for a higher benchmark to enable a wider range of web-based services. Others have voiced concerns that this would require broadband providers to make infrastructure investments not justified by existing demand, or might price low-income subscribers out of the market.
- **Technology standards:** Broadband providers use fiber-optic cables, existing copper wire infrastructure, fixed wireless stations, and satellites to serve customers. Each has specific technical characteristics for benchmark speeds, latency, availability, and deployment cost. Commenters sought FCC eligibility rules for inclusion or exclusion of certain technologies to support preferred business or policy goals.
- **Eligible providers:** Participating providers in USF programs, such as Lifeline, “[must be designated as Eligible Telecommunications Carriers \(ETCs\) by their state commission or the FCC.](#)” Some stakeholders have criticized certain designation requirements as restrictive and anti-competitive. Commenters requested certain changes to designation procedures and administration based upon the EBB statutory language, and pressed for updates and improvements to existing automated eligibility verification systems and databases.
- **Participation incentives:** Broadband provider participation in the existing low-income (Lifeline) program has declined in recent years. Some [commenters voiced concerns](#) that providers would not participate in EBB in sufficient numbers unless the FCC provided adequate incentives. On the demand side, consumer advocates sought FCC support for vigorous outreach and education and simplification of enrollment and eligibility verification procedures.
- **Program effectiveness and timelines:** Commenters sought [clarification of program scope and goals](#), measures of effectiveness, and reporting requirements to guide implementation and benchmark progress. Commenters also raised concerns on [sufficiency of available funding](#) to cover the duration of the public health emergency.
- **Waste, fraud, and abuse:** In the past, some ETCs have [improperly enrolled participants](#) in Lifeline in order to submit fraudulent reimbursement claims. Commenters provided proposals to balance transparency and accountability in provider service offerings with participation and enrollment objectives.

The February 25, 2021, deadline for the FCC to publish EBB program rules may serve to compel FCC policy decisions in a number of key issue areas outlined above, which are broadly applicable to USF programs as a whole. Depending on final rulemaking decisions by the FCC, EBB implementation may further consumer advocates’ goals for increased competition and adoption in underserved communities, more generous benefits for recipients, streamlined application and eligibility verification, wider availability of fast broadband, and stricter requirements for transparent billing by broadband providers. Conversely, it may operate more narrowly as temporary assistance without fundamentally altering current

FCC programs. Therefore, EBB implementation may provide indication of the future direction of federal broadband policy under the Biden Administration. Likewise, the short duration of the program provides a potential opportunity for Congress to assess policy outcomes and consider longer-term changes to FCC USF programs if desired.

Author Information

Brian E. Humphreys
Analyst in Science and Technology Policy

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