

ACP Wind Down Update

March 2024



Welcome

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Opening Remarks

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- □ ACP Wind-Down Updates (60-Day Public Notice)
- □ What ACP Households Should Do
- Outreach Partner and Consumer Resources
- Outreach Partner Call-to-Action

ACP Background



- In 2021, through the Bipartisan Infrastructure Law, Congress tasked the Federal Communications Commission (FCC) to develop and maintain the Affordable Connectivity Program (ACP) – a federal program that offers eligible households a discount on their monthly internet bill and a one-time discount off the purchase of a laptop, desktop computer, or tablet.
- Due to lack of additional funding from Congress, the last fully funded month for the ACP benefit is April 2024. Absent additional funding from Congress, the ACP can only provide a partial reimbursement for May 2024.
- Over 23 million ACP households are impacted by the program's wind-down.

Affordability

Bridging the Broadband Affordability Gap

> Affordable Connectivity **Program (ACP)**



23 Million+ **Total Households Enrolled**

Consumer Benefits - 1,700+ Participating ISPs - 12.4 Million + Devices Claimed - 44% of enrolled households use ACP for fixed connections in the home ACP/HUD Navigator Pilot Program ACP/Navigator Pilot Program	 FCC Outreach & Engagement - 228+ ACP Outreach Grants issued to trusted state, local and Tribal governments and community partners with \$72 million invested. - National Paid Media Campaign - Federal Agency Partnerships - 1,400+ FCC Supported Outreach/Enrollment events - Program Education & Outreach Materials in 10 Languages
Consumer Support	- Multilingual ACP Support Center - FCC rules to protect consumers participating in the ACP - Dedicated FCC process for ACP complaints
More information	www.fcc.gov/acp

Numbers are updated as of February 2024

ACP Wind Down Order



On January 11, 2024, the FCC issued an Order detailing the wind-down process:

- Preparing consumers for the end of the ACP including, but not limited to:
 - Directing providers to send notices to ACP households regarding the end of the program and continuation of service including information about the timing, content and delivery of those notices;
 - Providing for further announcements from the FCC and Universal Service Administrative Company (USAC), the ACP administrator, about wind-down;
 - Timing of when the FCC will announce the end of the last fully funded month of the program;
- Establishing an enrollment freeze and discussing its impact on ACP outreach, including grant-funded outreach activities
- Amending the claims process by instituting an expedited claims submission timeline for providers

For more information about the Order (DA 24-23), refer to:

https://www.fcc.gov/document/affordable-connectivity-program-end-soon-barring-congressional-action-0

Impact on ACP Households



- The ACP stopped accepting new applications and enrollments on February 7th; both paper and electronic ACP applications have been removed and no longer accessible.
- Barring additional funding from Congress, April 2024 is the last month enrolled households will receive the full benefit. May 2024 will provide a partial discount to some enrolled households.
- All ACP households enrolled at the time of the enrollment freeze will be able to remain enrolled through the final month of ACP service if they are not required to be de-enrolled under FCC rules.
- Households that are de-enrolled from the program, such as for failure to use their ACP-supported service, will not be able to re-apply or re-enroll in the ACP during the enrollment freeze.
- After May 2024, the ACP will no longer support any benefits to enrolled households.

For more information about the ACP Enrollment Freeze Public Notice, refer to: <u>DA-24-103A1.pdf (fcc.gov)</u>

60-Day Public Notice



On March 4, 2024, the FCC issued a <u>Public Notice</u> announcing that absent additional funding from Congress, April 2024 is the last fully funded month for the ACP. Additionally, the ACP will only be able to provide a partial reimbursement for May 2024 to internet companies that choose to provide the discount to ACP households. The Public Notice also outlined three main elements:

1) Provides guidance on the May 2024 partial reimbursement month

- ACP funds are insufficient to pay all provider claims in full through the May 2024 service month.
- Providers that *choose* to provide a benefit in May must plan to pass through only a reduced benefit to households that have **opted in** to continue to receive and pay for internet service after the full ACP benefit is no longer applied.
- Providers may only claim the discount that was passed through to the ACP household.
- May 2024 reimbursement guidelines for providers will be forthcoming.

60-Day Public Notice (cont.)



✓ Initial Notice – by 1/25/2024: informed ACP households that the ACP is ending and impact on their service and bills
 □ Second Notice – by 3/19/2024: informs ACP households that the ACP is ending and impact on their service and bills
 □ Final Notice – coincides with the last bill or billing cycle in which the full ACP discount is applied.

FCC Provider Requirements:

- ✓ Remind ACP households of their right to change their service or opt out of continuing their service after the ACP ends.
- ✓ Notify ACP households about any partial ACP discount that will be applied for May 2024.
- ✓ State in writing that the household will be subject to the provider's fully undiscounted rates and general terms and conditions after the last bill that any partial benefit is applied.
- \checkmark Send notices in a manner that is accessible to persons with disabilities.

FCC Provider Strong Recommendations:

- ✓ Include in required consumer notices information about their lower cost offerings and low-income programs, or a phone number or link to a website where ACP households may obtain such information.
- ✓ Correspond more frequently with their ACP households beyond FCC-required notice schedule.
- \checkmark Send notices in a format and language is consistent with any consumer-expressed preferences.

FC ACP Affordable Connectivity Program

60-Day Public Notice (cont.)

3) Provides guidance on the consumer protections for ACP households that continue <u>during wind-down</u>, and in some instances, after the ACP ends.

During the ACP wind-down, providers are still held to the consumer protection requirements in the <u>ACP rules</u>, except for the rules related to new ACP enrollments. Some will continue even after the ACP has ended. Examples include:

- *Transferring ACP discount*: Households can continue to transfer their ACP discount to other participating internet companies who continue to accept ACP transfers.
- *Terminating Service*: ACP providers cannot terminate ACP household's internet service for failure to pay for service until 90 days has passed since the bill payment due date.
 - ACP providers can switch the household to a lower-cost plan with advance notice if the household enters a delinquent status after the bill due date.
 - This rule will be in place for as long as the household continues to receive the ACP discount.
- *Early Termination Fees*: If a household entered into a service plan with an extended service contract and applied their ACP discount to that service plan, the <u>provider cannot charge the household an early termination fee</u> for terminating that service contract early, even after the household stops receiving the ACP discount.
 - If the household was paying for a device in installments, the household may be required to pay off the device prior to cancelling their service.

FC ACP Affordable Connectivity Program

What Should ACP Households Do?



- ✓ Carefully review written notices from their internet company and from USAC about the ACP wind-down.
 - **Reminder**: ACP providers are required to send at least three written notices to households on ACP wind-down.
- ✓ Carefully review USAC written notices about the ACP wind-down, complementing the required provider written notices to ACP participants.
- ✓ Consult with their internet company to learn more about how the end of the ACP will impact their internet service and bill.
- ✓ Refer to the FCC and USAC consumer-facing webpages such as <u>fcc.gov/ACP</u> and <u>AffordableConnectivity.gov</u>
- ✓ See if the ACP household qualifies for the Lifeline Program
 - The FCC's <u>Lifeline</u> program, which offers up to \$9.25 a month off phone, internet, or bundled phone and internet services (up to \$34.25 if you live on qualifying Tribal lands).
 - Not all ACP recipients will qualify for Lifeline and not all ACP internet companies participate in the Lifeline Program.
 - To learn more and apply, visit <u>LifelineSupport.org</u>

What Happens after the ACP Ends? FC ACP Affordable Connectivity Program

ACP households <u>will continue</u> their internet service with their provider ("<u>opt-in</u>"); OR

- previously agreed to continue internet service from their internet company.
- paid for internet service from their internet company BEFORE they started receiving the ACP discount.
- currently contribute to the cost of their internet service even with the ACP discount applied.

ACP households will NOT continue to receive internet service after the ACP ends ("opt-out"), if they:

- DID NOT previously agree to continue internet service after the end of ACP.
- have not paid their internet company for service.

ACP households can choose to no longer continue their internet service after the ACP ends ("opt-out") by contacting their provider and telling them they would like to drop your internet service.

ACP households are not required to stay with the same provider or continue to receive the same internet service after the ACP ends. Households should contact their provider to discuss options such as lower cost internet plans, low-income programs that may be available, etc.

Outreach Partner Call-to-Action



- Help us amplify these resources that are available to ACP households.
- Provide feedback on how we can improve messaging around ACP wind-down.
- Share feedback from navigators and community partners on all things ACP.
- If you see gaps in ACP consumer resources or concerns that are not being addressed by the FCC—let us know!
- And most importantly, let us have an active feedback loop to ensure the FCC is meeting the needs of our community partners.

Outreach Partner Consumer Resources FC ACP Affordable Connectivity Program

- FCC ACP Website: <u>www.fcc.gov/acp</u>
 - ACP Wind-Down Fact Sheets: general in multiple languages, Consumer Protections-specific, Opt-in/Opt-out specific
 - ACP Wind-Down FAQs: recently updated and refreshed on an ongoing basis based on recurring questions
 - December ACP Survey Results: highlights the success of the ACP and the impact the end of this program will have on working families (<u>https://www.fcc.gov/document/survey-68-acp-households-had-inconsistent-or-zero-connectivity</u>)
- ASL Hotline: consumers who are Deaf or Hard of Hearing may contact 844-432-2275
- ACP List of Participating Providers: searchable by State/Territory, broadband service type, consumer support phone number, and consumer website address (<u>www.fcc.gov/affordable-connectivity-program-providers</u>)
- FCC Virtual Speakers: CAOD is available to educate outreach partners and consumers on wind-down matters. E-mail request to acpspeakers@fcc.gov. Include date and time and number of audience members
- USAC ACP Support Center: 877-384-2575
- FCC's Consumer Complaint Center: Consumers can continue to file complaints through the FCC's Consumer Complaint Center at: https://consumercomplaints.fcc.gov about ACP billing and service issues



Thank You

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