

COVID-19 and Connectivity

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VERMONT LEGISLATIVE COUNCIL

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Overview

Congressional action

FCC action

Vermont regulatory action

Pre-COVID-19 Connectivity Programs and Initiatives

Federal

Vermont

Connectivity Data and Potential Legislative Considerations

Congressional Action – Three Phases to Date

March 6

- **Coronavirus Preparedness and Response Supplemental Appropriations Act**, Pub. Law 116-123 (H.R. 6074)
- Includes about \$8 billion for public health, including vaccine research and development

March 18

- **Families First Coronavirus Response Act**, Pub. Law 116-127 (H.R. 6201)
- Includes a \$104 billion package. Addresses unemployment insurance; paid sick and family leave; nutrition assistance; diagnostic testing costs; tax credits; Medicaid funding

March 27

- **The Coronavirus Aid, Relief, and Economic Security (CARES) Act**, Pub. Law 116-136 (H.R. 748)
- Estimated \$2.2 trillion economic stimulus package related to social distancing measures

CARES ACT – Connectivity by Subject



TELEHEALTH



DISTANCE
LEARNING



TELECOMMUTING



DIGITAL
INCLUSION

CARES Act – Connectivity Provisions

(not an exhaustive list)

\$200 million to the FCC's new COVID-19 Telehealth Program

- Financial assistance for healthcare providers for the purchase of telecommunications, broadband connectivity, and devices necessary for telehealth services

\$180 million to HHS's Public Health and Social Services Emergency Fund

- To expand services and capacity for rural hospitals, including telehealth

\$2.15 billion to the Department of Veterans Affairs

- To support IT for telework and telehealth, and broadband for veterans to provide telemental health care

\$25 million to RUS's Distance Learning, Telemedicine, and Broadband Program

- Grants to support rural communities access to telecommunications-enabled information, audio, and video equipment, as well as related advanced technologies for students, teachers, and medical professionals

\$13.5 billion in Education Stabilization Funding

- K-12 formula grants to states. May be used to improve technology to support distance/online learning

\$100 million to RUS's ReConnect Program

- Grants to deploy broadband in unserved areas rural areas

\$50 million for the Institute of Museum and Library Services

- To expand digital network access, including devices and technical support in response to school closings and other community needs

CARES Act – The Coronavirus Relief Fund

General Assistance for State and Local Governments

- Could *potentially* be used to fund connectivity programs

Vermont will receive \$1.25 billion (by end of April)

May be used to fund costs of the State that:

- Are necessary expenditures incurred due to the COVID-19 public health emergency;
- Were not accounted for in the State budget most recently approved as of the date of enactment; and
- Were incurred between March 1 and December 30, 2020

Additional guidance from Treasury coming

Treasury has oversight authority

Funds may be recouped

FCC Regulatory Actions

(not an exhaustive list)

Connected Care Pilot Program

- \$100 million from the Universal Service Fund
- To defray costs of providing connected care services, including provider and patient BIAS
- 3-year program to help assess how the USF can support telehealth over the long-term

Rural Health Care Program

- Eligible services fully funded this year to support telehealth during pandemic

E-Rate (Schools and Libraries) and Rural Health Care Programs

- Gift rules waived temporarily
- Schools, libraries, and healthcare providers permitted to accept free or discounted services for improved capacity, Wi-Fi hotspots, networking gear, or other equipment or services

Lifeline Program

- Recertification and reverification requirements waived temporarily to prevent current subscribers from being de-enrolled

Spectrum

- Additional spectrum temporarily granted to wireless providers to support increased broadband usage

Actions Encouraged by the FCC

Keep Americans Connected Initiative

- Companies pledge for 60 days to:
 - Not terminate service to residential and small business customers because of an inability to pay caused by the coronavirus pandemic
 - Waive late fees for residential and small business customers incurred because of their economic circumstances related to the coronavirus pandemic
 - Open Wi-Fi hotspots to any American who needs them
- 650 companies and trade associations have signed the pledge

Low-income Broadband Programs

- Companies urged to expand and improve existing programs or adopt new programs

Data caps

- Companies called on to relax their data usage limits

Vermont PUC and DPS Action

PUC Moratorium

- Applies to involuntary natural gas, electric, and telecommunications service disconnections
- Expanded to include non-residential (i.e., commercial and industrial) ratepayers and certain water companies
- In effect until April 30, 2020

DPS Resources

- Map of Wi-Fi hotspots (libraries, local and state buildings, and schools)
- Itemization of services offered by VT communications providers during COVID-19 emergency

Pre-COVID-19 Federal Connectivity Programs and Initiatives

ReConnect Program (RUS)

- A pilot program that provides loans and grants to provide funds for the costs of construction, improvement, or acquisition of facilities and equipment needed to provide broadband service in eligible rural areas
- Assists areas that do not have access to 10/1 Mbps. Minimum buildout requirement is 25/3 Mbps

Rural Digital Opportunity Fund (FCC)

- \$20.4 billion for rural broadband
- Phase I (\$16 billion reverse auction starts in October) targeting census blocks wholly unserved by 25/3 Mbps service
- Phase II (\$4.4 billion reverse auction) would fill remaining coverage gaps by supporting networks in partially unserved census blocks, based on new data from the Digital Opportunity Data Collection
- Excludes areas funded by ReConnect Program or State broadband program

Wireless Connectivity

- 5G Fund for Rural America (vote April 23)
- 5G Fast Plan (spectrum; deployment polices and regulations)
- Spectrum Proceedings (5G; unlicensed use; WISPs; LEO satellite)

Pre-COVID-19
Vermont
Broadband
Initiatives

Broadband Investment

Community Broadband Facilitation

Digital Inclusion

Public Safety

Data Collection and Planning

Consumer Protection

Broadband Investment

Connectivity Initiative

- Awards grants to ISPs for broadband buildout (minimum of 25/3 Mbps) in unserved and underserved areas

High-Cost Program

- Subsidizes voice and broadband (minimum of 25/3 Mbps) service in high-cost areas

Broadband Innovation Grant Program

- Grants (up to \$60K) for feasibility studies related to broadband deployment (minimum 25/3 Mbps)
- Up to 2 electric distribution utilities may receive a grant

Community Broadband Facilitation

Broadband Expansion Loan Program

- Loans through VEDA up to \$4 million to assist ISPs with broadband buildout in unserved and underserved locations
- Projects must provide minimum speed of 100/100 Mbps

Communications Union Districts

- Municipal organizations that deploy broadband in unserved areas through revenue bonds, loans, and grants

Rural Economic Development Infrastructure Districts

Public-private Partnerships

- Municipalities and ISPs

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VT Initiatives (cont'd.)

Digital Inclusion

- Lifeline
 - State supplement to federal Lifeline program
- Telecommunications Relay Service

Public Safety

- E911
- FirstNet

Data Collection and Planning

- Telecommunications Plan
- Mapping

Consumer Protection

- Must comply with net neutrality rules to receive government contracts for Internet service
- Attorney General's Office monitors network management practices of ISPs to determine if they comply with FCC's 2015 net neutrality rules

Connectivity Data for Consideration

VT has a population
of **623,989**

VT has **308,082** E911
addresses

The FCC defines
broadband as at
least **25/3 Mbps**

- **23 percent** of addresses (70,000 locations) lack access to 25/3 Mbps
- The cost to provide 100/100 to every address lacking access to 25/3 Mbps = **\$350M**

VT's connectivity
goal is **100/100**
Mbps to every
address by 2024

- **82 percent** of addresses (254,000 locations) lack access to 100/100 Mbps
- The cost to provide 100/100 to every address lacking access to 100/100 Mbps = **\$1B**

Potential Legislative Considerations

How much money is coming to the State specifically for connectivity?

- Various funding streams through different departments and agencies

Is there additional funding available for connectivity programs: through the Coronavirus Relief Fund? or Phase IV?

What are the State's connectivity priorities?