

AT&T, Comcast, Verizon lead 20 ISPs in nationwide low-income broadband initiative

Article

The news: Nearly two dozen internet providers led by **AT&T, Comcast, and Verizon** have agreed to offer high-speed internet to millions of underserved households as part of

bipartisan infrastructure law, [per](#) The Wall Street Journal.

How it works: Senior administration officials said a group of **20 service providers covering 80% of the US population** agreed to either increase internet speeds or cut prices to better serve eligible households.

White House officials [announced](#) Monday that the \$30-per-month subsidy for at least 100 megabits per second is now available to low-income households to access high-speed internet.

- About **11.5 million households have signed up for the monthly subsidy**, according to the Federal Communications Commission, which oversees the subsidies.
- White House officials determined that there are about **48 million eligible households**, which the [administration is attempting to enroll](#) in the program.
- Other nationwide ISPs participating include **Cox Communications, Charter Communications, and Frontier Communications**.

What's next? Multiple bipartisan broadband initiatives are [taking shape](#), and while some of them are [contingent on the release of funds](#), constant government pressure and a mix of national ISPs and rural providers can go a long way in improving broadband connectivity in underserved areas.

- [Most of the broadband funds](#) will be awarded to states and territories for fiber-optic-cable projects, but the law also allows **\$14 billion** in subsidies called the **Affordable Connectivity Program** to lower internet costs and improve access to broadband.
- The plan is part of a **\$65 billion** program to build up the country's broadband network through the roughly **\$1 trillion** infrastructure law approved by Congress in 2021.
- The FCC's **Rural Digital Opportunity Fund** is a separate **\$1.2 billion initiative** aimed at expanding broadband access in 32 states.

Key benefits: Affordable broadband could go a long way toward unlocking work and education opportunities for remote and underserved communities.

- More people can now consider remote work, as well as access high-definition streaming services. In context, **45% of full-time employees were working partly or fully remotely in September**, and nine in 10 remote workers wanted to maintain remote work arrangements, [per](#) Gallup.

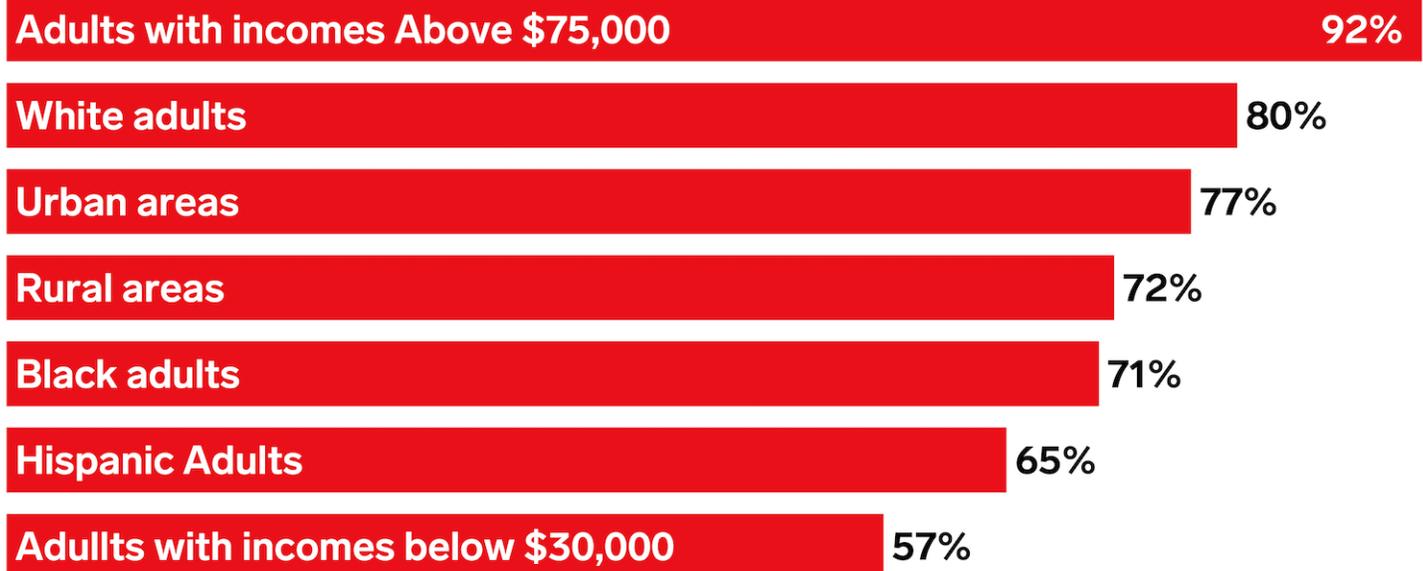
- Broadband connectivity is key for students' learning and also helps in enabling access to healthcare and government services.

What's the catch? General component shortages, specifically fiber shortages, could further delay wider broadband adoption, especially in rural areas, but the problem goes beyond those challenges.

- Faster broadband speeds and millions of new households accessing networks could take a toll on existing broadband infrastructure, which is already overburdened with service outages expected to get worse before they get better.
- Existing fiber infrastructure has been around since the beginning of the internet and wasn't installed to sustain the high demand of today's world.

Income Inequality Drives the Digital Divide

% of US adults with broadband subscriptions



Source: Pew, 2021

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