

# Co-ops Connect FYI

By Jonathan Chambers • Apr 22, 2022

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Updates and insights for electric cooperatives considering or operating rural broadband networks.

## Persistent Poverty Counties and Broadband: A Deeper Dive



[Last week](#), I proposed an addition to the Affordable Connectivity Program.

**The current program:**

- **Qualifying low-income households** can receive a \$30 monthly subsidy to reduce the cost of a broadband subscription.
- **Households in tribal lands** can receive a \$75 monthly subsidy.
- **Households in high-cost areas** where the service provider would otherwise cease operations can receive a \$75 monthly subsidy.

(According to the statute, for a household to receive the high-cost area benefit, the service provider must show “particularized economic hardship *to the provider* such that the provider may not be able to maintain the operation” of the broadband network.)

### **The solution I’m proposing:**

**Every household in persistent poverty counties** should also be eligible for the \$75 monthly subsidy for broadband as part of the Affordable Connectivity Program.

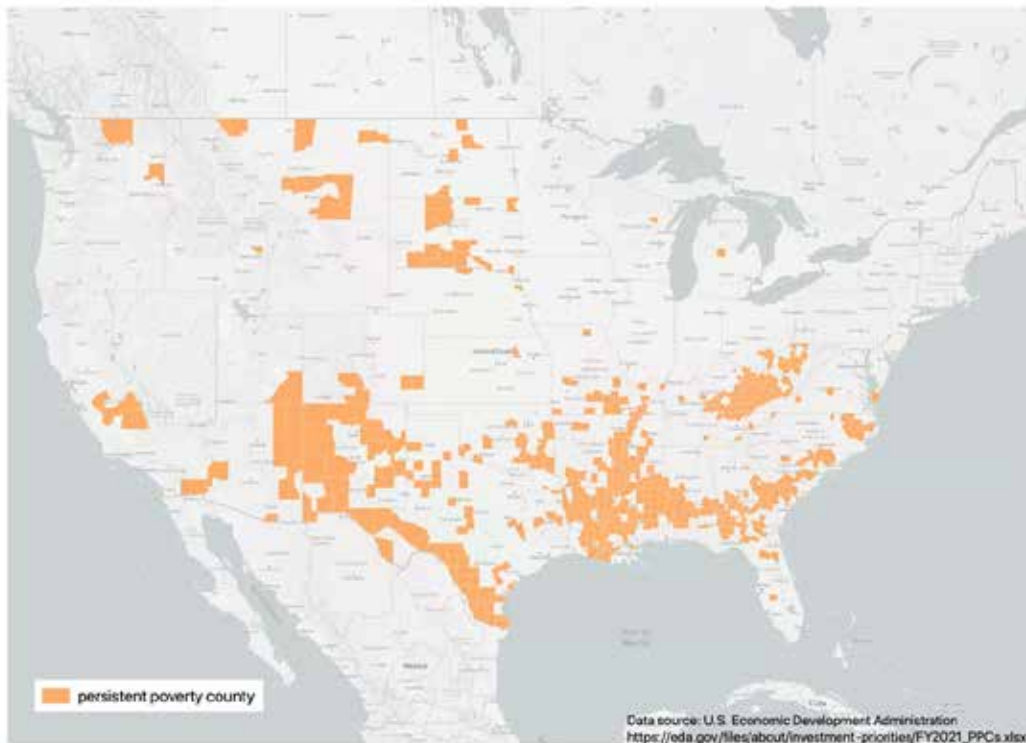
**Remember:** A persistent poverty county is one in which over 20% of the population has lived below the poverty line for ***over 30 years***.

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## The Impact on Rural America

This week, we prepared a few maps to illustrate where there would be an impact.

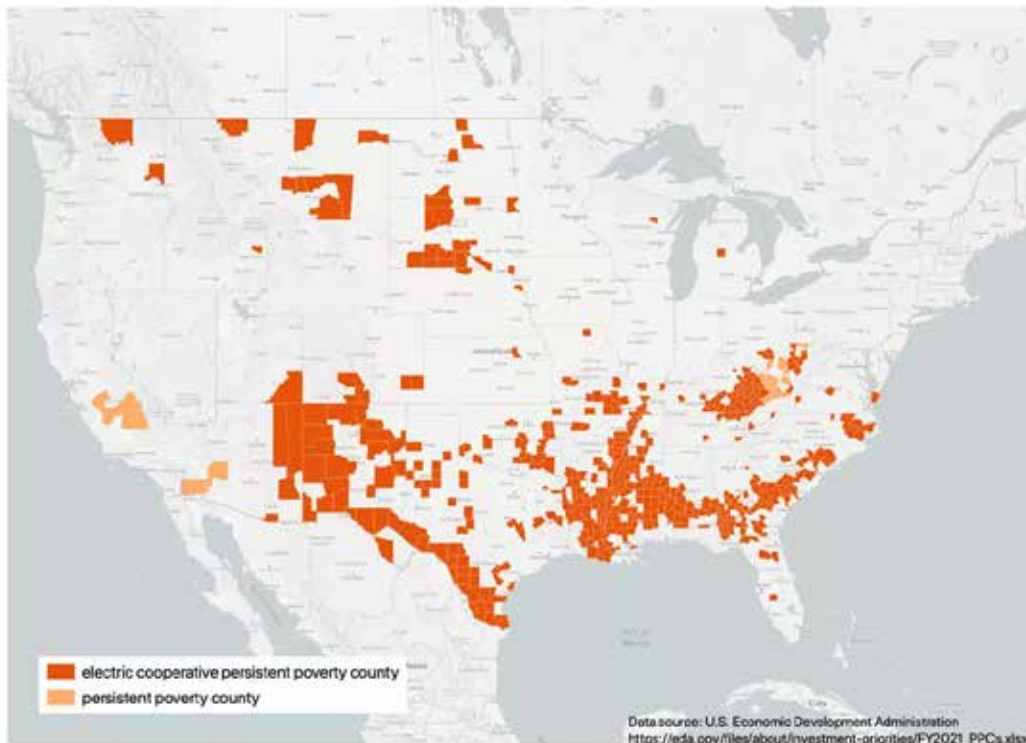
### Persistent Poverty Counties



In the counties displayed, **nearly 25 million people** live in over 10 million housing units.

The vast majority of these counties are **rural and served by electric cooperatives.**

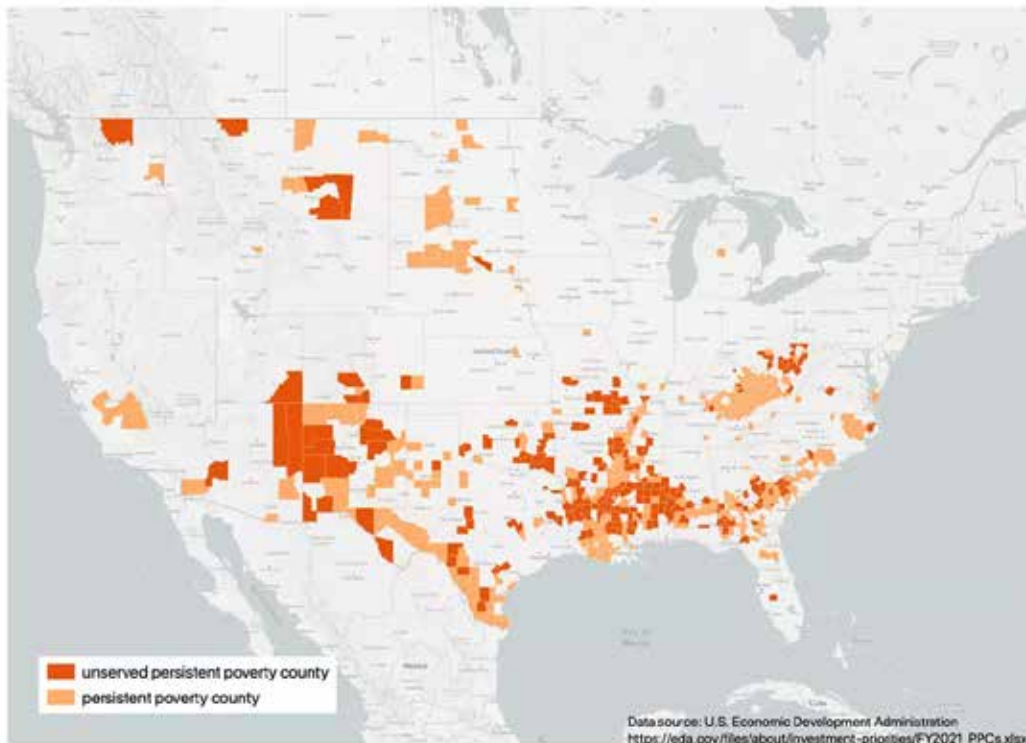
### Electric Cooperative Persistent Poverty Counties



Across the country, 91% of households have cable or fiber broadband available to them.

**That's not the case** in persistent poverty counties, which *are far less likely to be served.*

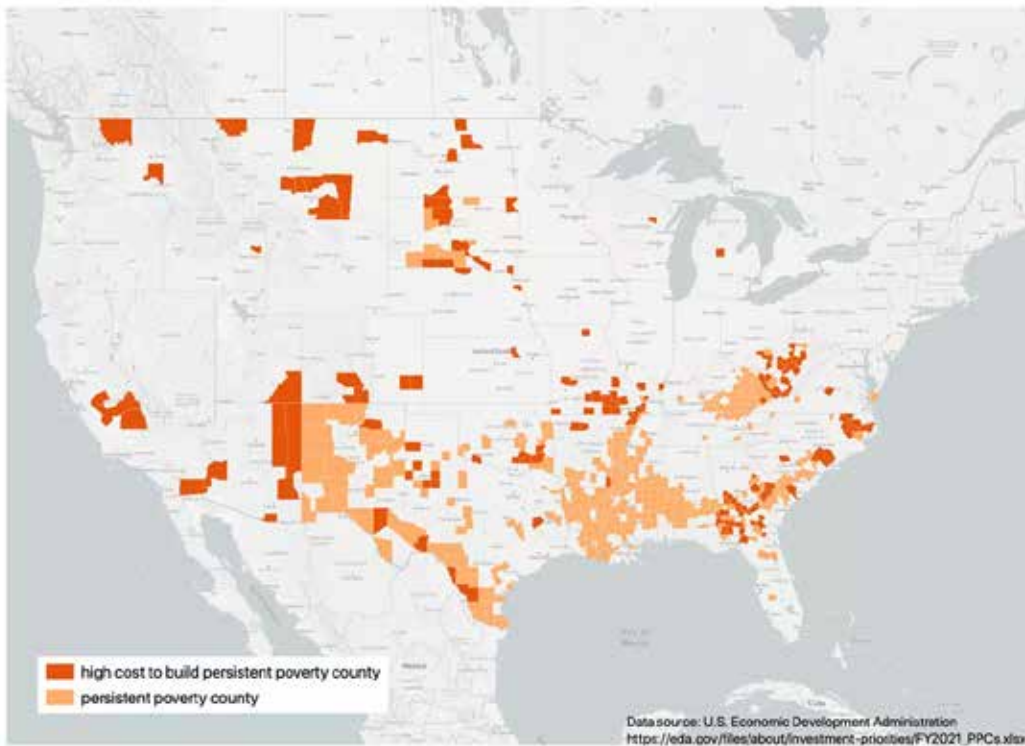
Persistent Poverty Counties Unserved by Fiber or Cable



Most federal funding has been focused on high-cost areas, where terrain and population density have made it uneconomic to build cable or fiber networks.

But in persistent poverty counties, **there is a lack of service even when the area is not costly to build.**

Persistent Poverty Counties Where the Cost to Build Fiber Is High



## The Bottom Line



## **My proposal in two parts:**

I am suggesting that Congress through an appropriations bill or the FCC by its own authority:

- 1. Provide the \$75 subsidy through the ACP to households in high-cost persistent poverty counties.**
- 2. Require that the level of broadband services be comparable to that which is available in the nation's more prosperous counties.**
  - In that way, the program will encourage investment in these communities.

**Our next step** will be a petition to the FCC. Stay tuned.

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