

March 26, 2020

Senate Passes CARES Act With \$325M for Broadband

Late last night the Senate passed the Coronavirus Aid, Relief, and Economic Security (CARES) Act on a 96-0 vote, garnering mixed reaction broadband and tech stakeholders.

The bill includes \$325 million in Rural Development and Connected Care pilot program funding for the U.S. Department of Agriculture to distribute (TR Daily, March 25).

Shortly after the Senate vote, House Speaker Nancy Pelosi (D., Calif.) said, “On Friday, the House will take up the legislation with strong bipartisan support.” The House will proceed to a vote tomorrow, House Majority Leader Steny Hoyer (D., Md.) said today in a statement on the latest report on unemployment insurance claims.

Specifically, the bill includes \$25 million for the U.S. Department of Agriculture’s Rural Development program to support distance learning and telemedicine (DLT) programs in rural areas of America, as well as another \$100 million for the ReConnect program, which provides loans and grants for broadband rollouts in rural areas.

The bill would also provide \$200 million to fund the FCC’s Connected Care pilot program, which is still a proposal before the FCC, although appropriators envision the program helping address the coronavirus.

The bill also includes authorization for the Veterans Administration to “expand mental health services delivered via telehealth and enter into short-term agreements with telecommunication companies to provide veterans with temporary broadband services,” according to the Republican summary.

It also includes \$50 million for the Institute for Museum and Library Services to use for digital access and technical support services, which Sen. Joe Manchin (D., W.Va.) said could be used “to expand digital network access in areas of the country where such access is lacking, including the purchase of internet-enabled devices such as ‘hotspots’ which Senator Manchin fought to explicitly authorize to allow individuals in rural areas to remain connected during this time.”

The Senate bill does not include language to rescind a statutory requirement that the FCC auction public safety spectrum in the T-band, as the House bill does. Public safety officials have urged Congress to include the provision in a coronavirus package. Stand-alone bills have been introduced but not advanced. “I am getting very concerned on what vehicle it will ride since I don't believe it will make it on its own,” public safety veteran Jim Goldstein told TR Daily.

In a statement today, FCC Chairman Ajit Pai said, “At a time when many of our nation’s hospitals are facing unprecedented challenges because of the coronavirus pandemic, telemedicine has never been more important to our nation’s healthcare system and the many patients it needs to serve. That’s why I urged elected officials to provide funding for the FCC’s connected care efforts and why I want to thank the U.S. Senate for agreeing to that request in the CARES Act. The CARES Act would support this critical shift in healthcare delivery by giving the FCC the money and authority to quickly fund telehealth programs across the country — programs through which patients can be monitored and treated outside of a healthcare facility, receiving quality care while freeing up inpatient resources for sicker patients. The FCC has already begun preparing for this bill to become law, and I hope that the U.S. House of Representatives will quickly send this legislation to the President’s desk.

“But that’s not all. The FCC has already acted to promote telehealth solutions for the patients of rural hospitals and clinics by making an additional \$42 million immediately available through our Rural Health Care Program. The agency also waived so-called ‘gift rules’ so that participants in the Rural Health Care Program can solicit and accept improved connections or additional equipment for telemedicine [TR Daily, March 18]. The FCC has a vital role to play in helping Americans connect with health care providers. Senate passage of the CARES Act and the proactive measures we’ve already taken are major steps forward in fulfilling that role.”

Late yesterday, shortly after the Senate passed the bill, Public Knowledge expressed disappointment with the relative lack of broadband funding in the bill. A bill unveiled by House Democrats earlier in the week would allocate nearly \$4 billion in broadband funding to be administered by USDA or the FCC.

Jenna Leventoff, senior policy counsel at Public Knowledge, said, “During this pandemic, it is Congress’ responsibility to protect Americans by giving them what they need to stay home and stay safe. Today’s legislation failed to do that by omitting broadband subsidies for those who need them most and devoting only a pittance to deploy broadband where there is none. By failing to help people access reliable, high-speed broadband, Congress is effectively encouraging Americans to put their health and the health of others at risk by continuing to leave their homes to learn, work, or get medical care. For these reasons, no American should have to choose between buying broadband and buying groceries.”

She added, “One of the few opportunities to assist with connectivity in the bill provides funding for states to purchase broadband connected devices. If this is used to assist students taking online classes and doing their schoolwork from home, that is a start, but we are concerned about initial reports that these devices are on backorder. Furthermore, any internet service provider that receives funding from the stimulus bill through federal or state grants should meet specific obligations, like ramping up speeds where feasible or refusing to shut off service for those who suddenly lost their jobs, as a condition for receiving public money. We need more than just promises from providers of essential communications.”

The bill includes \$13.5 billion in formula funding directly to states for supporting elementary and secondary education, including among many possible purposes, support for distance education, as well as \$3 billion in flexible formula funding “to be allocated by states based on the needs of their elementary and secondary schools and their institutions of higher education,” according to the Appropriations Committee summary.

Ms. Leventoff continued, “We hope that any future stimulus packages will include measures that provide broadband subsidies to all who need it — particularly those who have lost their jobs because of this crisis — and will invest significantly more money in expanding broadband deployment. Additionally,

we hope that future packages promote the quality of broadband so that Americans have fast enough, and reliable enough, connections to work and learn from home. Only complete universal access to quality, affordable broadband for all Americans will solve this connectivity problem during any future emergency.”

Consortium for School Networking Chief Executive Officer Keith Krueger said, “CoSN applauds the Senate for recognizing the need to provide general emergency assistance to school districts across the country, as they work to ensure health and safety, while also supporting teaching and learning, during the COVID-19 pandemic. The K-12 Emergency Fund’s allowable investment in online learning is a helpful first step.

“CoSN is disappointed, however, that dedicated funding was not provided to the Federal Communications Commission’s (FCC) E-Rate program to comprehensively address the nation’s troubling ‘Homework Gap,’ as proposed by the House bill and championed by Senator Cantwell (D-WA) and her colleagues,” he added.

“Education Secretary [Betsy] DeVos is now permitted to allow school districts to use a larger portion of the existing Student Support and Academic Enrichment Grant (SSAEG) program funding on technology for children. This is an important step, as many lack at-home devices,” Mr. Krueger said.

“Edtech leaders are also in desperate need of mobile Wi-Fi hotspots to help students and teachers connect online at home. This stimulus package will enable districts to begin to meet this urgent demand for e-learning, but investments in E-Rate, and programmatic flexibility, are needed to complete the job for all learners and their teachers,” he added.

Information Technology and Industry Council (ITI) president and CEO Jason Oxman said, “This legislation is critical to the U.S. economy during this crisis, and will give crucial support to American families, as well as businesses that have been hit the hardest due to the coronavirus. We’re glad Congressional leadership and the Trump Administration were able to come to an agreement, and we urge quick action by the House. We hope subsequent COVID-19 relief legislation includes additional measures to support response efforts and the nation’s future resilience in a crisis, including funding for secure teleworking for federal agencies, critical infrastructure, network cybersecurity, expanded broadband access, and measures that help federal ICT contractors carry out their missions during this crisis and beyond.”

Computing Technology Industry Association (CompTIA) Vice President—public advocacy Cinnamon Rogers said, “[W]e especially appreciate the inclusion of \$350 billion in loans to support small businesses. The U.S. IT sector is made up almost entirely of small and medium-sized businesses with fewer than 100 employees, more than 430,000 in all. These businesses provide the technology that keeps millions of others operating efficiently and securely, an especially vital function during this challenging time.”

Ms. Rogers added, “We urge the House to act quickly and pass this bipartisan legislation and look forward to working with Congress to secure further commitments that would support virtual technologies that enable online workforce programs, a secure and robust IT and communications infrastructure, and closing the digital divide to ensure that all Americans are connected.” —Lynn Stanton, lynn.stanton@wolterskluwer.com, and Paul Kirby, paul.kirby@wolterskluwer.com

