

March 27, 2020

CARES Act Signed Into Law With \$325M for Broadband

Today the House passed and President Trump signed the Coronavirus Aid, Relief, and Economic Security (CARES) Act (HR 748), which the Senate passed late Wednesday evening (TR Daily, March 26).

Reaction from stakeholders was generally positive, although some looked forward to anticipated additional COVID-19 relief legislation with opportunities for further support of broadband deployment, adoption, and E-rate-style support to ensure Americans sheltering in their homes can continue to work remotely, engage in distance learning, access telemedicine services, and seek information and entertainment.

The new law includes \$325 million in Rural Development and Connected Care pilot program funding for the U.S. Department of Agriculture and the FCC to distribute: \$25 million for USDA's Rural Development program to support distance learning and telemedicine (DLT) programs in rural areas of America; \$100 million for USDA's ReConnect program, which provides loans and grants for broadband rollouts in rural area; and \$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 CARES Act 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 Senate Appropriations Committee majority summary.

It 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.) has 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 CARES Act 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.

In a statement on the passage of the legislation, FCC Commissioner Geoffrey Starks said, "I welcome Congress's response to the COVID-19 pandemic with a much-needed economic stimulus program that will help workers, consumers, health care providers, and businesses across America. It is a time for action, and the FCC must do more to advance its own "connectivity stimulus."

Commissioner Starks added, “The coming weeks will lay bare the already cruel reality of the digital divide: tens of millions of Americans cannot access or cannot afford the broadband connections they need to telework, access medical information, and help young people learn when school is closed. The FCC must closely examine its statutory authority and funding resources and take bold action to respond to the current crisis. As I’ve called for previously, the Lifeline and E-rate programs must be expanded to meet the needs of struggling Americans that need connectivity. In times of emergency, Americans always pull together. We must act now.”

NTCA Chief Executive Officer Shirley Bloomfield said, “NTCA greatly appreciates the work of Congress to pass the CARES Act in order to respond to the health care and economic crises caused by the COVID-19 virus. In particular, we welcome the bill’s inclusion of funding for rural connectivity programs and provisions to strengthen paid leave and telehealth access — issues that are critical to the well-being of rural communities.”

Ms. Bloomfield added, “We look forward as well to working with members of Congress as they may consider additional emergency appropriations bills. In that vein, we cannot recommend strongly enough that any further legislation of this kind include the ‘Keeping Critical Connections Act.’ This bill would help sustain many essential connections if customers become unable to pay their broadband bills due to a loss or reduction in income related to the COVID-19 crisis, and it would also empower the offering of free or discounted service or broadband upgrades to households with students in need of distance learning capability.”

Claude Aiken, president and CEO of the Wireless Internet Service Providers Association, said, “WISPs serve six million rural Americans with high-speed broadband. With the COVID-19 pandemic, they are at the vanguard of the response. More than 80% are adding subscribers, and close to 90% of them are still making in-home service calls. All are up and running, keeping Americans connected — many of whom live in the hardest to reach areas of our country — providing them with a vital link to their friends, families, work, schools and their communities during these extraordinary times. Today’s legislation will help this continue without disruption so that Americans may remain safe and the progress of the virus slowed and ultimately stopped.”

Mr. Aiken added, “We are proud of helping Americans meet this challenge head on. We are thankful our leaders have come together to do what’s best for our country. There may be other legislation coming down the pike to address other aspects of the response not dealt with in the present legislation. We pledge our support of those efforts as we have here.”

Consumer Technology Association President and CEO Gary Shapiro said, “This bill is unprecedented in its speed, scope and breadth — it’s a cash transfer from government, and the next generation will pay for it. However, this is an extraordinary time when we must put the needs of Americans’ health and well-being above philosophical principles. We are glad bipartisan agreement produced legislation helpful to getting American people through the short run.”

Mr. Shapiro added, “I am proud to see how the tech community has stepped up to provide solutions to attack and track the COVID-19 virus, provide remote work solutions and education platforms, expand digital health, entertain and bring a little joy to weary Americans during a very trying time.”

National Association of Broadcasters President and CEO Gordon Smith said, “NAB is grateful to Congress and the White House for passage of the coronavirus relief package today. Allowing businesses with fewer than 500 employees to gain access to forgivable Small Business Administration loans will go a long way towards keeping many broadcasters and local businesses afloat during these difficult times. The devastation to Main Street businesses — and to local broadcasters who support those businesses to drive commerce in hometowns across America — is unprecedented. Going forward, NAB will be advocating for further relief for broadcasters who keep communities safe with life-saving emergency information and fact-based journalism.”

The American Library Association noted that in addition to the \$50 million for the Institute of Museum and Library Services for digital inclusion projects, the CARES Act includes “more than \$30 billion in relief for schools and colleges, plus billions more for state and local governments, and nonprofit organizations.”

ALA President Wanda Brown said, “Libraries are poised to lead during this unprecedented time of increased reliance on digital connectivity and will continue to do so when communities begin to recover. Funding through the CARES Act will certainly help to safeguard the services we offer, as well as library facilities and workers across the nation.”

Ms. Brown added, “As additional relief measures emerge in the coming weeks and months, ALA will continue to advocate in Congress to support libraries, library workers, and library organizations as agents of recovery in our communities and nationwide.” —Lynn Stanton, lynn.stanton@wolterskluwer.com

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