

Oct. 2, 2020

House Passes New Heroes Act With \$15B in E-Rate, Lifeline Support

The House late yesterday passed on a 214-207 vote the new version of the Heroes Act (HR 8406) unveiled earlier this week, which includes \$12 billion in support for devices, equipment, and connection services for students, school staff, and library patrons using remote learning or access during the COVID-19 pandemic, and \$3 billion in larger monthly Lifeline discounts and support for connected devices for eligible households affected by layoffs or furloughs during the pandemic.

Between the two programs, the \$15 billion in funding for broadband support is an increase from the \$5.5 billion for similar programs in the version of the Heroes Act passed by the House in May (TR Daily, May 18). The Senate has not taken up that bill, and the White House and House Democrats are still negotiating the latest version of the COVID-19 relief package, which totals \$2.2 trillion in the House-passed version—described by Speaker Nancy Pelosi’s (D., Calif.) office as House Democrat’s “proffer” in those ongoing negotiations.

Like the earlier bill, the Heroes Act passed yesterday would prohibit service terminations for nonpayment or imposition of late fees due to COVID-19 financial hardships; prohibit imposition of data caps or overage fees; and require service providers “to open Wi-Fi hotspots to the public at no cost during the COVID-19 public health emergency,” according to a title-by-title summary released by House Democrats.

The \$3 billion Emergency Broadband Connectivity Fund (EBCF) would support deeper Lifeline discounts of \$50 per month per household, or \$75 per month for households on tribal lands, if a household member has been laid off or furloughed. The EBCF could also support up to \$100 for a connected device, provided the eligible household is charged between \$10 and \$50 for the device. EBCF support could also be used to offset increased costs in connection with a mandate to provide unlimited minutes and data to Lifeline customers during the pandemic emergency.

The new Heroes Act would authorize the FCC to set rates for both interstate and intrastate inmate calling service (ICS), and the bill would set interim rate caps of 4 cents per minute on debit calls and 5 cents per minute on collect calls.

The new proposal also includes \$200 million to fund broadband used for telemedicine services, to be administered by the FCC, and \$24 million for broadband mapping, according to the title-by-title summary.

The new Heroes Act also includes many provisions aimed at easing access to, support for, and reimbursement for medical services provided using broadband connections.

Like the earlier bill, it would repeal the statutory requirement that the FCC auction public safety T-band spectrum and relocate incumbents.

The new Heroes Act would provide \$2.6 billion for grants to electric and telecom Rural Utilities Service borrowers that are "dealing with impacts of the COVID-19 pandemic on their operations, including covering the cost of forgiving ratepayer debt, to ensure they may continue to provide critical services to rural communities," according to the summary.

It includes \$3.6 billion for grants to states for contingency planning, preparation, and resilience of elections for federal office, according to summary.

Free Press Action Vice President—policy and general counsel Matt Wood said, "The biggest digital divide we face is not the number of people lacking any broadband options at all, it's the tens of millions who can't afford adequate internet at home. People of color, people with working class incomes or living near the poverty line, and others hit hardest by this economic downturn, are most in jeopardy of getting shut-out and shut-off from this vital connection."

He added, "Mitch McConnell and other Republicans have repeatedly signaled their unwillingness to take up another serious COVID-19 relief effort like this one. It's a shame that deriding meaningful and necessary spending as a liberal wish-list is the best they can muster. There's nothing partisan or excessive about providing the funding people need to stay afloat during this incredibly difficult time."

The National Association of Broadcasters praised the bill for its expansion of eligibility for Payroll Protection Program loans "for local media outlets, including radio and television stations." —Lynn Stanton, lynn.stanton@wolterskluwer.com

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