

Gainesville

Thoughts on Creating a Lifeline Broadband Program

Define the Lifeline Product

Very few ISPs have tackled a Lifeline program, so there is no standard way to design one. Here are a few ideas that have either been implemented or contemplated by other cities:

Federal Lifeline Program - AT&T participated in this program, but over the last year they have been asking for permission from state Commissions to cease offering the program. This program offers a discount of a little less than \$10 per month. Customers are eligible if they participate in several federal subsidy programs. An eligible household can accept only one Lifeline subsidy and can apply it to a landline telephone, a cellular telephone or to landline broadband.

In the program the customer gets the discount and AT&T was reimbursed from the federal Universal Service Fund. This means this didn't cost AT&T anything except the cost of administering the program.

In some states AT&T offered a slow broadband connection (like ½ Mbps DSL) for the same price as the Lifeline subsidy, meaning a customer could get free, but very slow broadband. That made more sense when overall speeds were a lot slower than today.

Cable Company Lifeline - Comcast offer a \$10 lifeline broadband product for eligible customers. Comcast makes this available only to families with students who qualify for a free or reduced lunch program. The speed of the product is 5/1 Mbps.

Cox offers a \$9.95 lifeline broadband product. It's available only to families with school children and that qualify for the national school lunch program, SNAP, TANF, or public housing. Cox doesn't mention the broadband speed, but I've heard it's 5 Mbps.

Charter Offers Internet Assist for \$14.99 per month. This is available to a household with students who qualifies for the national School Lunch Program (NLSP). It's also available to seniors over 65 that qualify for Supplemental Security Income. The Charter product is 30 Mbps.

Google Fiber doesn't have a program for households, but they offer free broadband in their markets to some public housing.

Municipal Broadband - EPB in Chattanooga offers a 100 Mbps lifeline product for \$26.99 per month. They don't specific, but they probably use similar guidelines as everybody else. By state law they can't offer a product below cost, which was a factor in setting the lifeline rate.

Connecting for Good in Kansas City offers 5/2 Mbps broadband to low income students and public housing using a wireless mesh network.

Tacoma CLICK! Network considered offering a 25 Mbps lifeline product for \$15 per month.

The Options - The city needs to develop one or more scenarios of both speeds and prices. The combination will have a big impact on the cost of building fiber. For example, slow speeds will probably not attract nearly as many interested users. Fast speeds for a low price might attract almost everybody.

Who is Eligible?

Most of these lifeline programs provide the service to households that are eligible for various federal low-income programs.

Following that method is getting easier because the FCC is working with other federal agencies to create a list of all of the households nationwide that are eligible for the federal lifeline program.

The city has a few choices. Should this be eligible:

- Only to families with school-age children?
- The elderly?
- Anybody qualifying for a federal program such as foodstamps?

Estimating the Impact - Probably the hardest step is estimating the number of eligible households in the city for a lifeline program. This is particularly challenging since the proposed fiber network would only be built to single family homes and multi-family homes with four or fewer units per building.

The task is to determine the number of households in the city eligible for lifeline, and then somehow split that number between single family homes and large apartment complexes.

Quantifying the Impact - If an estimate can be made of eligible homes, I could layer that only the base broadband study. It's likely that offering lifeline will increase the number of homes that are connected to the network (increasing network cost). However, that can't be estimated until we know the eligible homes, the speeds offered and the lifeline price.

Computers in Homes - Other communities that have considered lifeline programs found that many of the homes that don't have broadband also don't have computers. This might not be an issue if the program is only available to students and those students have a tablet or laptop provided by the school.

Otherwise, a second component of lifeline programs is a program to get computers into homes that need them. Most of these efforts are done by non-profit entities rather than municipalities.