

Internet providers aren't committing to low-cost plans in California beyond 2024

Nereida Moreno

Ever since a federal internet discount program ended in May, lawmakers and advocates from around Los Angeles have been looking for ways to keep people online.

At the time, most internet service providers said they would continue offering their own low-cost plans ranging from \$20 to \$30 for eligible residents through 2024. But after that — there's no commitment.

It means in the new year, millions of low-income people could see higher bills, perhaps forcing some of them to drop service altogether.

About 3 million California households relied on the federal Affordable Connectivity Program to help pay for high-speed Wi-Fi. The \$14.2 billion pandemic-era program gave eligible residents a \$30 monthly discount and up to \$75 off for those on Tribal lands. It ran out of money in the spring after Congress failed to renew funding.

- Lahaina community tries to heal and rebuild
- Fire tornados and other effects of smoke clouds
- Struggles with sustainability despite promises

State lawmakers are asking internet companies to guarantee an offer that mirrors the ACP — \$30 a month for speeds of 100/20 Mbps — for at least five years.

They say major telecom giants owe it to taxpayers to keep costs down for low-income people since these companies regularly benefit from public grants and projects, like the multi-billion dollar Broadband for All program to expand internet access across the state.

Lawmakers reach out

In May, a few days before the federal discount program shut down, Democratic State Senator Maria Elena Durazo and 13 other lawmakers outlined their concerns in a letter to seven of the largest internet providers that serve California.

It asked company leadership at Spectrum, Verizon, Frontier and others to partner with the state to ensure 90% of low income households can get online.

But AT&T was the only company that responded. The lawmakers had, essentially, been ghosted.

It wasn't until this Thursday, after LAist had reached out to providers for comment, that Durazo finally received a response from them.

US Telecom, a lobbyist group that represents some of those companies, wrote to the lawmakers on their behalf and said its members “remain committed” to providing customers with affordable options.

They said internet providers have been mobilizing their customers and employees to “get involved and contact their representatives in Congress” to push for additional ACP funding.

But the group did not address lawmakers’ calls for a 5-year commitment or comment on whether prices would increase in 2025.

Durazo said she was “sad and disappointed” that most providers didn’t acknowledge the letter earlier.

“Even if we have some disagreements, we can work towards those,” Durazo said. “But at least tell us where you stand... and then we’ll move from there.”

Lawmakers had asked companies to:

- Maintain and expand low-cost Internet services for the next five years for households eligible for programs like Medi-Cal and CalFresh
- Offer broadband plans with minimum speeds of 100/20 Mbps for no more than \$30 monthly
- Boost advertising by investing \$10 million annually in community and ethnic media
- Provide a toll-free number and multilingual call centers to assist with sign-ups
- Inform new subscribers about digital literacy resources and affordable devices
- Work with state policymakers to enhance the ACP
- Report yearly to the California Broadband Council on connectivity progress

LAist heard back from several companies after reaching out earlier this week.

In a statement, AT&T said it’s working with customers who were enrolled in the ACP to find a solution “that’s right for them” and that the company already offers \$30 plans for eligible customers.

A Verizon spokesperson said the company is committed to keeping people connected and that eligible customers can get plans for as low as \$20 per month.

A spokesperson for T-Mobile said it also has [low-cost options](#) for those who benefited from the ACP.

However, no company would comment on how long these promotions would be available.

Tackling affordability

While the future of the ACP remains uncertain in Congress, local lawmakers are pushing their own plans to help connect more low-income residents around the state.

Assemblymember Lori Wilson is [sponsoring a bill](#) that would expand the state's Lifeline phone program to include broadband as a covered service. That would allow eligible residents to apply a \$19 discount toward their internet bill instead of phone service.

State Senator Durazo is sponsoring the [Get Connected California Act](#). It would require any company that accepts grant money from two broadband-related state funds to offer plans as low as \$30 a month for eligible customers.

Both bills have until Aug. 15 to get out of committee. They also have to get passed from the senate and assembly floors before the legislature adjourns at the end of the month.

Lobbyists representing internet service providers have been pushing back against the bills, again highlighting existing low-cost offers.

“The companies would have one excuse after another,” said Sunne Wright-McPeak, president and CEO of the California Emerging Technology Fund. “Never are they empowered to actually work on a solution.”

She estimates private companies collected around \$1.7 billion from the federal government to connect California households during the ACP, “plus whatever else they [made] upselling,” and that providers could get even more revenue “if they would just come to the table and talk with us.”

“And we on the public interest side would help them by doing this continual outreach to those households that are qualified if they would agree to a common set of eligibility,” Wright-McPeak said.

Difficult decisions

A recent survey found only 33 percent of those who qualified for the ACP even knew the program existed. Yet the state was able to enroll more than 50 percent of eligible households – a million more than any other state.

Since the program ended, many residents have already had to choose between keeping their service or paying for other household essentials.

State Senator Durazo said low-income communities will continue to have to make

“difficult decisions” if internet providers raise prices after the New Year. She said the state doesn’t have to require companies to offer low-cost plans long term – they could choose to do it on their own.

“They need to step up to the plate as well,” Durazo said.

How is your community experiencing the digital divide?

It can be difficult to navigate life in Los Angeles without a smartphone or access to a strong Wi-Fi connection. But there are thousands in LA who don’t have that basic technology.

Sign me up for your newsletter!

Please don't publish my name

I am over 16 years old