

Image not found or type unknown

Virgin Islanders Face Loss of Broadband Discounts as FCC Program Nears End

Viya CEO warns of potential cutoff for 5,000 households without additional funding

Technology / **Published On January 25, 2024 06:46 AM /**

Staff Consortium **January 25, 2024**

Image not found or type unknown



In just three months, approximately 5,000 households in the territory could lose the federally-mandated automatic discount on their broadband internet services if Congress does not appropriate additional funding through the Federal Communications Commission's Affordability Connectivity Program (ACP).

The FCC recently indicated that funding for the Affordability Connectivity program will cease in April 2024. On Wednesday, Viya Chief Executive Officer Geraldine Pitt told members of the Committee on Housing, Transportation and Telecommunications that “we are required by the FCC to send notice to all of our 3000 plus ACP customers that the program is running out of

funds.” The notices will begin to be sent out on January 25.

The ACP provides a \$30 discount on broadband costs, which according to Ms. Pitt is a “critical part of the community.” She anticipates that the upcoming announcement will cause “tremendous concerns for ACP participants” who rely on the monthly subsidy. “Time is of the essence,” Ms. Pitt warned. “We must now act [or] our customers are going to experience a crippling loss of broadband service within the next three months.”

With pressure mounting from thousands of municipal officials across the nation [including USVI lawmakers](#), Congress is being urged to extend the program, with U.S. Senator Senator Peter Welch introducing a bill on Jan. 10 aimed at saving the ACP. The draft legislation, which was referred to the Committee on Appropriations, calls for a replenished pot of \$7 billion to be appropriated to the Affordable Connectivity Fund.

However, with the bill still needing to make its way out of committee stage in the U.S. Senate, then possible adoption and passage in the House, Viya’s CEO is calling for a more immediate solution to address the needs of Virgin Islanders. Ms. Pitt suggested using funds from a \$27.1 million grant awarded to the Office of Management and Budget from the National Telecommunications and Information Association through the Broadband Equity and Access Deployment (BEAD) program.

BEAD funding, explained OMB Director Jenifer O’Neal, will be invested in “internet access affordability, digital economic transformation, community digital competency, and workforce upskilling.”

While Ms. Pitt argued that “it is critically important that the BEAD money be used” to cushion the blow caused by any lapse in the ACP, OMB’s staff explained to legislators that the process is not so straightforward. The Office of Management and Budget, they say, is still awaiting approval from the NTIA for the first component of the proposal.

Nonetheless, the need remains for supplementary funding to ensure that Virgin Islanders have affordable access to broadband internet. With Viya projected to lose over \$90,000 in monthly revenue from the program, Ms. Pitt told lawmakers, “We’re looking at for an ‘in the meantime’ solution. One that bridges the gap between where we are heading by the end of April, and what may come out of the \$27 million.” She called on lawmakers to “find funds needed to now expand the ACP program.”

Senator Marise James, committee co-chair, said that she remains “hopeful that Congress will extend the funding.” Still, she is concerned about the impact a potential disruption in the ACP could have on residents of the territory. “If [participants] lose that \$30 In the next three to four months, they will incur debt, and...probably lose services.” She lamented the absence of urgency in the matter and opined that the less well-off are not being adequately cared for. “We’re just becoming a community of haves and have-nots, and we’re ignoring those who don’t have,” accused Ms. James.