



Consumer Protections and the Affordable Connectivity Program

June 2022

As of June 2022, the Affordable Connectivity Program (ACP) has been live for six months, providing monthly discounts on the internet bills and device costs of [over 12.4 million households](#) in the United States.¹ But the ACP does more than improve the affordability of broadband access for low-income consumers across the country; it also provides recipients with increased consumer protections that are more robust than those enjoyed by non-ACP consumers.² This Issue Brief summarizes the most important provisions of the ACP from a consumer protection perspective.

Each Recipient Can Choose the Service That Best Meets Their Household's Needs

Unlike other broadband assistance programs for consumers with low incomes, ACP benefits can be applied to the entire range of wired and wireless internet plans offered by participating providers.³ ACP participants are not limited to lower-cost services and products. ACP recipients can purchase any service (including bundles with broadband service⁴) from any participating provider. If eligible households want to buy an internet service at the high end of the market and apply the ACP benefit to that service, they are free to do so, and they must be provided with the same terms and conditions of service as those provided to non-ACP consumers.⁵ ACP also prohibits providers from either upselling consumers into more expensive products or downselling the consumer into lower-cost or lower-quality services the consumer doesn't want⁶—so recipients have the autonomy to choose the service that works best for them and their families. However, providers may (and should) communicate information about offers and promotions and promote service plans specially priced or designed to meet the needs of ACP households without violating the upselling and downselling prohibitions.⁷

The White House [recently announced](#) that 20 broadband providers are providing high speed broadband plans for ACP households priced at \$30 or less (fully supported by the ACP benefit).

No Credit Checks and No Waiting Periods

Low-income consumers regularly face barriers in the regular marketplace across a range of products and services in the form of credit checks. A poor payment history or thin file credit history can pose a roadblock to the selection of a post-paid internet plan. However, ACP program rules prohibit the use of credit checks—whether as a condition of enrollment, a way to limit the types of broadband services consumers can select, or as a barrier to transferring ACP

benefits and service.⁸ In addition, household arrearages with a broadband provider (past or present) are not a barrier to the receipt of ACP benefits themselves.⁹

The ACP also requires providers to certify that recipients were not subject to a mandatory waiting period; in other words, if a household previously received service from a participating provider and subsequently enrolled in the ACP, their coverage must be continuous.¹⁰

The ACP Benefit is Portable, Allowing Consumers to Change Providers and Service Plans

As a portable benefit, ACP strengthens the bargaining power of consumers in the market for broadband services. For example, once consumers begin receiving ACP benefits, they are not locked in to the service or products with which they began the benefits. ACP prohibits providers from charging early termination¹¹ or transfer fees,¹² even if the same product or service carries such fees for non-ACP consumers. This means that an ACP recipient can buy a service and later decide to switch, although they should keep in mind that benefits can only be transferred to a different service once per month, with limited exceptions.¹³

ACP recipients should utilize the provider tools that are available to shop around for the plan that works best for their families. The National Digital Inclusion Alliance (NDIA) provides [analysis of the different types of plans available](#). The White House also provides a [list of eligible providers](#) offering high-speed home internet for \$30 a month or less on its “Get Internet” website, and recipients can search for providers by geographic location with the ACP’s [“Companies Near Me” tool](#) or by state on the [FCC’s website](#).

ACP recipients can also use the portability of the benefit to their advantage when seeking to credit ACP benefits towards the purchase of a device. Recipients are eligible for a one-time \$100 benefit towards the purchase of a connected device, such as a laptop, desktop, or tablet.¹⁴

There is also a mandatory co-pay of between \$10 to \$50 for the ACP device benefit. The ACP participants must purchase the device from a [more limited list of participating providers](#) and are also required to sign up for service from that provider. But, after purchase of the connected device, if the ACP household finds that a different internet service plan makes more sense for their household, they are free to transfer benefits.

Recipients should use these consumer protections to help them navigate any financial challenges that arise. For example, if a recipient begins to fall behind on payments, they can take advantage of the 90-day waiting period before disconnection to find a more affordable service. Importantly, as noted above, 20 internet service providers [recently announced](#) that they are offering high-speed internet service for just \$30 a month or less for ACP households—the amount of the monthly ACP benefit. This means that all recipients who are at risk of disconnection for non-payment should consider transferring to a lower cost internet service that is covered in full by the ACP benefit. In combination, these protections greatly alleviate the risk of even temporary disconnections.

Unaffordable housing means that more than one low-wealth household may live at one address. The ACP has a one-benefit-for-one-household rule¹⁵: if more than one ACP household lives at a common address, such as a group home setting, a nursing home, or a homeless shelter, the applicant will need to fill out the ACP [Household worksheet](#) to demonstrate they are an identifiable, financially distinct household.

Providers Cannot Disconnect Service Until Payment is 90 Days Late

No matter which service and provider an ACP participant chooses, the rules regarding disconnection for non-payment are the same for all ACP consumers. ACP recipients cannot have their broadband service shut off until their payment for the ACP-covered service is at least 90 days late.¹⁶ Providers are required to send notice of upcoming disconnection 60 and 30 days before going ahead.¹⁷ If disconnection occurs, recipients can still access ACP through a new broadband plan, even from the same provider. However, recipients should be aware that any post-disconnection service may be limited to a low-cost plan that is fully covered by their benefits.¹⁸ In this situation, the shift to a low-cost plan fully covered by the ACP benefit does not count as downselling.

Eligible Recipients Can Stack ACP and Lifeline Together

[Lifeline](#) is a federal benefits program that provides \$9.50 a month for eligible recipients towards the cost of telephone and/or internet service. Consumers who are eligible for Lifeline are eligible for ACP. (These are separate programs and benefits).¹⁹ This means that eligible households can “stack” benefits at the same time, possibly receiving a combined benefit of up to \$39.50 a month towards internet service, or up to \$84.50 for eligible households living on Tribal lands.

Recipients can also choose to allocate ACP and Lifeline benefits to different services. Unlike high-income consumers, who are likely to be connected across several different devices, [low-income consumers are often connected only on one device](#). Often, that one connected device is a smartphone, which is more difficult than a laptop to use for completing schoolwork, navigating government websites online, and doing everyday research. Now with ACP, Lifeline households can use both mobile broadband and wired broadband services by choosing to direct the different benefits to different services. This helps low-wealth households achieve the wired and wireless broadband connectivity parity with other households.

Recipients Can File Complaints With the Federal Communications Commission (FCC)

When ACP participants encounter difficulties with their ACP service or provider, they should consider [filing an informal complaint with the FCC](#). The FCC has created a very short [complaint form](#). Households needing help with this form can call 888-225-5322 (para presentar una queja en español, llamar al 888-CALL-FCC (888-225-5322)). While the FCC encourages consumers to first contact the provider to try and resolve the issue, that is not required. Once a complaint is lodged, the FCC will serve the complaint on the provider and the provider will have 30 days to

send a response to the ACP consumer. Participating providers must supply information about the existence of this complaint process to consumers.²⁰

The FCC is also authorized to investigate potential violations, impose penalties, and issue public reports about complaints and compliance.²¹ It is required by statute to audit participating providers for compliance with these requirements and to prevent fraud or abuse.²²

Conclusion

ACP is an important benefit that increases equity in internet and broadband access in the United States—and it also provides significant consumer protections for recipients, above and beyond what other non-ACP consumers enjoy. These protections help ensure that ACP participants can select the broadband service that best meets their needs.

For more information, please contact National Consumer Law Center attorney Olivia Wein (owein@nclc.org). Special thanks to NCLC Hobbs Fellow Talia Rothstein.

Endnotes

¹ See 47 U.S.C. § 1752.

² See 47 C.F.R. § 54.1800. For more information on ACP benefits and eligibility, see Olivia Wein, [New Federal Benefit Provides Affordable Broadband Access](#), National Consumer Law Center (Apr. 18, 2022).

³ See 47 U.S.C. § 1752(b)(7)(A); see also 47 C.F.R. § 54.1810(a)(1).

⁴ 47 C.F.R. § 54.1802(b).

⁵ See *id.* § 54.1808(e)(6)(iv).

⁶ See *id.* § 54.1810(e).

⁷ See *id.*

⁸ See *id.* § 54.1810(c).

⁹ See *id.* § 54.1800(j).

¹⁰ See 47 U.S.C. § 1752(b)(7)(A)(ii).

¹¹ 47 C.F.R. § 54.1810(f)(3).

¹² *Id.* § 54.1810(h).

¹³ See *id.* § 54.1810(b).

¹⁴ See 47 U.S.C. § 1752(b)(5).

¹⁵ For a definition of a “household” under the ACP, see 47 C.F.R. § 54.1800(l).

¹⁶ See 47 U.S.C. § 1752(b)(7)(B); see also 47 C.F.R. § 54.1810(d).

¹⁷ See Federal Communications Commission, *Report and Further Notice of Proposed Rulemaking*, WC Docket No. 21-450, FCC 22-2, at ¶ 147 (adopted Jan. 14, 2022).

¹⁸ 47 C.F.R. § 54.1810(g).

¹⁹ *Id.* § 54.1800(j).

²⁰ See 47 U.S.C. § 1752(b)(9)(B).

²¹ *Id.* § 1752(b)(9)(C)-(D).

²² *Id.* § 1752(b)(12).