Memorandum



DATE January 12, 2024

TO Honorable Mayor and Members of the City Council

SUBJECT Affordable Connectivity Program Funding Update

This memo is to provide an update on recent developments related to the Affordable Connectivity Program (ACP). Federal Communications Commission (FCC) Chairwoman Jessica Rosenworcel sent this letter to members of the Committee on Commerce, Science, and Transportation providing an update on the status of the ACP. And

With their current funding levels, the ACP is estimated to run out of money by April 2024. In light of this, the FCC published <u>Order DA 24-23</u> initiating steps to start orderly wind-down procedures to give participating internet service providers (ISPs), participating households and other stakeholders sufficient time to prepare for the projected end of the ACP.

To facilitate a smooth transition, the FCC will undertake the following measures:

- Stop accepting new ACP enrollments on February 7, 2024.
- Direct ISPs to send initial notification to ACP enrolled subscribers a preview of the possible end of the program and the impact on their internet bills, no later than January 25, 2024.
- Providing guidance to ACP Outreach Grant awardees on wind-down procedures related to their grant-funded ACP outreach.

Based on the <u>City's ACP Enrollment Dashboard</u>, 116,259 households within the city of Dallas are scheduled to lose their monthly subsidy; nationally, 23 million households will be impacted. The City has worked closely with counterparts across the state and nationally to encourage Congress to take action and add funding to sustain the program.

If you recall, the City was awarded \$700,000, the largest ACP Outreach Grant in the state of Texas, to increase awareness and participation in the ACP. The grant was a collaborative effort between Dallas County, Dallas Independent School District, and Dallas Housing Authority. These partners have also been notified of the current state of the ACP and the impending wind-down.

Staff are also currently working with Dallas Innovation Alliance, the non-profit selected to implement the City's Digital Navigator's Program to determine the impact on Digital Navigation Services as ACP enrollment was a required activity in their service delivery. As a reminder, this program is funded by American Rescue Plan Act dollars and will not be impacted by the ACP wind-down.

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Staff will provide updates as additional information becomes available. Should you have and questions or need further information, please contact Chief of Staff, Genesis Gavino at genesis.gavino@dallas.gov.

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