The ACP & the Digital Divide

- Broadband adoption has increased since the pandemic
  - Growth in broadband has been in high poverty cities
  - Enrollment in ACP has been strongest in high poverty cities

- ACP uptake has been rapid

- Risks → If ACP ends, the “subscription vulnerable” will feel it first

- Benton’s ACP Performance Tool can help understand ACP at the local level
Understanding ACP enrollment in your community

• ACP enrollment has been strong since program’s inception
Steep climb, hard fall

- About 40% of eligible households have enrolled in ACP
  - 53.6% mobile broadband
  - 45.6% fixed (wireline) broadband
- Data suggests ACP is helping with both net additions in subscribers and sustaining service for low-income households
  - Why does this distinction matter?
- If program ends, the “net addition” households likely to feel it first
  - The “subscription vulnerable” – nearly half of low-income household fall into this category, meaning they have difficulty paying for service and lost service during pandemic.
Data is here to help: The ACP Performance Tool

- Addresses the question: “How is it going with ACP enrollment?”
  - At the 5-digit zip code level
- Uses a statistical model to predict what the level of ACP enrollment should be in a 5-digit zip code area
- Compares predicted enrollment to actual enrollment
- Difference between the two is a measure of performance
  - **NOTE**: This is different than focusing on the % of eligible households enrolled in an area.
- **Visualization**: The ACP Tool and Baltimore
- Find it online [here](#)
The Affordable Connectivity Program Enrollment Performance Tool

Result:
21207

Performance Category: LOWEST
Total Households: 19,360
Eligible Households: 10,808
Predicted vs. Actual ACP Enrollment:
4,759 / 2,804

% Households with Wireline Broadband: 61%
% Households with Cellular Data Only: 11%
% Households without a computer: 7%
% Households with annual income under $15,000: 10%
% Rent Burdened: 61%
% Population 65+: 16%
% Foreign Born: 13%

ACP enrollment data is current through January 30th
What the Tool’s Statistical Model Tells Us

- Places with a high share of eligible households have strong positive correlation with enrollment.
- Economic distress (% unemployed, % with income < $15K) is associated with higher ACP enrollment.
- Places with high shares of minority groups have higher ACP enrollment, but areas with high % of foreign born and older adults do not.
- Several community indicators correlated with lower ACP enrollment.
  - % rent-burdened
  - % having moved in past year
- Rural areas show slight negative association with ACP enrollment, but high share of eligible households in rural areas put aggregate ACP enrollment on par with urban/metro places.
- Presence of libraries – statistically significant & moderate positive impact on enrollment.
Policy Implications & Key Takeaways

- Social dimension matters:
  - Positive correlation (independent from % of eligible households) with % of households in severe poverty is striking finding

- Housing costs may inhibit ACP enrollment

- Leveraging trusted institutions (e.g., libraries via digital navigators) is key to boosting enrollment

- Rural uptake is special challenge, but ACP’s success in rural areas has big impact on BEAD investments