OLR Bill Analysis sSB 514

AN ACT ESTABLISHING A NET EQUALITY PROGRAM.

SUMMARY

This bill requires the Office of Consumer Counsel (OCC) to develop, establish, and administer the Net Equality Program to provide affordable broadband Internet to eligible families receiving certain government assistance. It generally limits the affordable broadband Internet access service ("affordable broadband") maximum monthly charge to \$40 and requires the minimum speeds to be 100 megabits per second (Mbps) download speed and 20 Mbps upload speed.

Under the bill, OCC must monitor the progress towards achieving the goal of at least 90% of eligible households receiving affordable broadband by January 1, 2026, and at least 95% of them receiving it by January 1, 2029.

The bill generally prohibits state agencies, beginning October 1, 2025, from doing business, or entering procurement contracts, with a broadband Internet access service provider doing business in the state unless the provider offers affordable broadband to eligible households.

EFFECTIVE DATE: July 1, 2025

PROGRAM REQUIREMENTS AND DEFINITIONS

The bill requires each qualified broadband Internet access service provider (i.e. a provider that does business in the state and with any state agency), beginning on October 1, 2025, to allow eligible households to immediately convert to affordable broadband during any month in which the household qualifies for it.

A "broadband Internet access service provider" is any person (i.e. individual or entity) that provides "broadband Internet access service" in Connecticut, which means a mass-market retail service that, by wire

or radio, provides the capability to transmit and receive data to and from substantially all Internet endpoints, including any capability that is incidental to, and enables the operation of, the service. The service includes any service that is provided to Connecticut customers and is functionally equivalent to the mass-market retail service described above but does not include dial-up Internet access service, and any service that is functionally equivalent to the mass-market retail service above but serves end users primarily by using mobile stations (e.g., cell phones).

"Eligible household" means a (1) resident of a group home or congregate care facility that participates in a qualified public assistance program and (2) household in which at least one resident participates in a qualified public assistance program, that are in a qualified broadband Internet access service provider's territory in the state.

"Qualified public assistance program" includes the following Department of Social Services-administered programs: Connecticut Energy Assistance program, temporary family assistance (TFA) and supplemental nutrition assistance (SNAP) programs, state supplemental security income program, Husky Health (e.g., Medicaid), and the Covered Connecticut health insurance program. It also includes the National School Lunch Program, and any program that provides need-based financial aid for post-secondary education.

The bill also requires providers to do the following by:

- 1. October 1, 2025, establish and maintain a telephone number that eligible households may use to contact trained personnel to sign up for affordable broadband within 30 minutes after the start of the call;
- December 31, 2025, and then annually, hold a public meeting with key stakeholders to (a) explore options to establish and advance strategic and effective public-private partnerships and (b) ensure that at least 90% of eligible households receive affordable broadband by January 1, 2026, and at least 95% of them receive it by January 1, 2029;

- 3. April 1, 2026, and then annually, submit to OCC a report disclosing the (a) number of eligible households that signed up for affordable broadband from the provider during the reporting year and (b) total number of eligible households that received affordable broadband from the provider during the reporting year; and
- 4. October 1, 2025, place advertisements with public and nongovernmental organizations, in print and online in multiple languages, about the availability of (a) affordable broadband from the provider and (b) the Federal Communication Commission's (FCC) Affordable Connectivity Program or an equivalent program the FCC offers.

Under the bill, these required advertisements must include the telephone number eligible households may use to contact trained personnel to sign up for affordable broadband within 30 minutes following the start of the call.

Additionally, the bill allows each qualified provider to stop the advertisements if a reputable statewide survey demonstrates that at least (1) 80% of eligible households are aware that affordable broadband is available or (2) 95% of eligible households are connected to the Internet at home.

MONTHLY PRICE

The bill generally limits a qualified broadband Internet access service provider's maximum monthly charge to an eligible household for affordable broadband Internet access service to \$40.

However, under the bill, starting by June 1, 2026, OCC must annually adjust the maximum monthly cost for the 12-month period starting July 1 of the same calendar year based on any change in the consumer price index for all urban consumers for the preceding calendar year, as published by the U.S. Department of Labor's Bureau of Labor Statistics.

SERVICE SPEEDS

Additionally, the bill requires that all affordable broadband provided

under the bill's provisions provide, at minimum, 100 Mbps download speed and 20 Mbps upload speed. In all cases, service speeds and latency must be sufficient to support distance learning and telehealth services.

Beginning June 1, 2027, and then not more frequently than biennially, the bill allows OCC, in consultation with the Public Utilities Regulatory Authority (PURA), to increase the minimum speeds the affordable broadband plans must provide for the two-year period beginning July 1 of the same calendar year. OCC and PURA must post the increased speeds on their respective websites.

The bill allows OCC to approve a deviation from the service speed requirements to comply with applicable state or federal law. However, it prohibits the office from approving any deviation that would provide affordable broadband service speeds that are slower than 100 Mbps download and 20 Mbps upload speeds or those established by OCC and PURA, whichever speeds are higher.

CONDUCTING BUSINESS WITH STATE AGENCIES

The bill generally prohibits state agencies, beginning October 1, 2025, from doing business, or entering into procurement contracts, with a broadband Internet access service provider doing business in the state unless the provider offers affordable broadband to eligible households as required by the bill. Under the bill, "state agency" is any office; department; board; council; commission; institution; constituent unit of the state's higher education system; technical education and career school; or other executive, legislative, or judicial branch agency.

The bill states that it does not impair any contract that exists on October 1, 2025. Further, it exempts the Department of Emergency Services and Public Protection from this restriction.

COMMITTEE ACTION

General Law Committee

Joint Favorable Substitute Yea 14 Nay 7 (03/21/2025)