



Connecting America: How to achieve broadband for all and good jobs for the future

CWA Members are Fighting to Close the Digital Divide

The **Communications Workers of America (CWA)** represents hundreds of thousands of workers in different sectors, including wireline and wireless workers in the telecommunications industry. CWA members know that broadband is an essential infrastructure of the 21st century and are fighting to close the digital divide, as we have for decades.

During the pandemic, which exacerbated already unacceptable digital inequity, CWA members led the charge calling for measures to protect customers and frontline workers from corporate greed and ensure as many people as possible had access to affordable broadband services. In March 2020, CWA and its allies called on broadband providers to lift data caps and waive data cap fees for all customers, wired and wireless. Along with the AFT and SEIU, CWA wrote to Congress on behalf of 4.4 million union members to call for an Emergency Broadband Benefit for low-income households and an Emergency Connectivity Fund through the FCC's E-Rate program to help connect households with school-aged children learning from home. Congress passed both measures. However, much more work remains to close the digital divide.

CWA's Recommendations to Close the Digital Divide & Protect Good Jobs

Pass the Accessible, Affordable Internet for All Act (AAIAA). Majority Whip Clyburn and Sen. Klobuchar recently reintroduced the AAIAA (H.R. 1783/S. 745). The bill provides \$79.5 billion to deploy broadband infrastructure to unserved and underserved communities, including \$60 billion for a national competitive reverse auction to fund broadband deployment in unserved areas (areas with service below 25/25 Mbps) and areas with low-tier service (areas with service between 25/25 and 100/100 Mbps). The remaining \$20 billion will be distributed among states by population for statewide competitive reverse auctions for broadband deployment to unserved areas and anchor institutions, like schools and libraries.

Recognizing the importance of workers' rights and the dangers of a race to the bottom on wages, safety, and service quality, the bill requires recipients of this funding to remain neutral in workers' union organizing efforts, requires first-contract bargaining and binding arbitration, and prohibits subcontracting for the purposes of circumventing a collective bargaining agreement.

Modernize the Universal Service Fund's Contribution Mechanism by Broadening the Base. The funding mechanism that supports the Universal Service Fund (USF) – which funds the FCC's deployment, Lifeline, and E-Rate programs – is unsustainable because it levies fees only on traditional voice service, despite the shift to broadband as the primary communications service. The growth of the USF fee has negative impacts on consumers, business customers, and the communications industry that serves them. All of the USF programs are at risk if the funding mechanism is not stabilized. The FCC can and should broaden the USF funding base to include broadband customers. Other sources of funding to supplement and bridge the need for USF support, such as temporary appropriations measures and spectrum auction proceeds, can also be considered, but are no replacement for a sustainable USF.

Strengthen the Lifeline Program. As the only federal program that addresses the affordability of communications service, Lifeline is a crucial tool to closing the digital divide, and has been an essential resource for low-income people across the country during the ongoing COVID-19 pandemic. The FCC must strengthen the Lifeline program by ensuring that benefits are adequate to serve customers' needs, the National Verifier is fully implemented, states are maximally participating, and by reducing barriers to participation.

Consider Workforce and Labor Market Impacts in Public Review of Transactions. Federal agencies with a responsibility to review communications industry mergers and acquisitions, including the Department of Justice and the Federal Communications Commission, must consider the impact of these deals on workers, such as job cuts or wage cuts. Recent research in labor economics shows that consolidation allows large employers to exercise market power to depress wages – an effect referred to as labor monopsony. However, research also finds that the presence of union collective bargaining agreements can mitigate this wage-setting power, correcting the imbalance between employer and employees.

Fully Staff the Federal Communications Commission. The FCC is an essential independent regulatory agency to help achieve universal broadband access. There is a vacant Democratic commissioner seat, resulting in 2-2 partisan gridlock that prevents the Commission from taking meaningful action. The FCC should be fully staffed as quickly as possible by a fifth commissioner with a deep commitment to workers in the telecommunications industry, who understands broadband issues important to workers and consumers.

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