

Assistant Secretary Arielle Roth
National Telecommunications and Information Administration
U.S. Department of Commerce
1401 Constitution Avenue, NW
Washington, D.C. 20230

Re: NTIA Listening Session on the Use of BEAD Funds Saved Through the Trump Administration's Benefit of the Bargain Reforms

Dear Assistant Secretary Roth,

The American Consumer Institute Center for Citizen Research (ACI) is a nonprofit 501(c)(3) educational and research institute with the mission to identify, analyze, and protect the interests of consumers in legislative and rulemaking proceedings.

Regarding the recent NTIA Listening Session on the Use of BEAD Funds Saved Through the Trump Administration's Benefit of the Bargain Reforms on February 11, 2026, ACI was heartened to hear so many commentators highlight the importance of non-deployment initiatives in closing the digital divide. As data from the National Telecommunications and Information Administration (NTIA) shows, the non-deployment issues of affordability and low adoption rates affect 73.6 percent of offline Americans and together are the largest drivers of the digital divide.¹ Allowing states to use leftover funding from the Broadband Equity Access and Deployment (BEAD) program to address these concerns certainly meets the NTIA's goal of ensuring taxpayer dollars go to the best and highest use. It is with this in mind that I answer the two questions posed during the NTIA Listening Session.

What guidance should NTIA provide to States and Territories in the use of their BEAD Benefit of the Bargain savings?

In guiding states and territories on how to use their BEAD savings, the NTIA should emphasize the same principles that afforded these savings in the first place—namely, cost-efficiency and self-sufficiency. Guidance should make it clear to grantees that programs focused on priorities unrelated to closing the digital divide will not be considered. Likewise, proposals to use the funding to prop up municipal broadband networks or otherwise subsidize operational expenses for businesses should be rejected. If states and territories are as savings-oriented with the leftovers as they were with their original allotments, each leftover dollar can go a long way.

¹ "NTIA Data Explorer," National Telecommunications and Information Administration, accessed February 13, 2026, <https://www.ntia.gov/data/explorer#sel=unavailableMainReason&demo=&pc=noInternetAtHomeP&disp=chart>.

Are there potential uses of BEAD funds that could help accelerate the implementation of the remaining BEAD funding?

To most effectively close the digital divide, BEAD funding should go towards educating offline Americans in digital skills literacy. Getting connected can open new opportunities for consumers in telehealth, workforce participation, and education.²

For affordability, BEAD funds can be used at the state level to emulate the American Connectivity Program, which did a better job than the Universal Service Fund currently does at providing affordable broadband services to consumers.³ Specifically, funds can be used to help low-income families make a one-time purchase of an internet-ready device, then as vouchers for up to \$30 off their internet plan of choice. This is a better approach than subsidizing businesses' operations, as it gives consumers the freedom to choose the best internet plans for themselves and incentivizes businesses to compete with one another to offer good service and low prices. Many states already have similar programs. For example, Maryland ran a limited-time Connected Devices Program that assisted low-income families in purchasing a device.⁴ The one-time-payment approach of this program fits well with NTIA's emphasis on avoiding ongoing welfare payouts, whether corporate or otherwise. BEAD leftovers could help fund affordability programs at the state-level, and the NTIA can vet proposed uses for any duplicative programs to avoid inefficient grant-giving.

The Benefit of the Bargain reforms in 2025 slashed BEAD's historic \$42 billion price tag in half, and that is a policy success story on its own. But with the right guidance and a focus on consumer-first non-deployment uses, the leftover funds can push BEAD even closer to its ultimate goal—closing the digital divide.

Respectfully,

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² Christine McCall, Ph.D. et. al., "Reducing the Digital Divide for Families: State and Local Policy Opportunities," National Council on Family Relations, July 8, 2024, <https://www.ncfr.org/policy/research-and-policy-briefs/reducing-digital-divide-families-state-local-policy-opportunities>.

³ Nate Scherer, "Report: Universal Service Fund – The Bad, Good, and Optimal," The American Consumer Institute Center for Citizen Research, June 28, 2024, <https://www.theamericanconsumer.org/2024/06/consumergram-universal-service-fund-the-bad-good-and-optimal/>.

⁴ "Grant Programs," Maryland.Gov Enterprise Agency Template, Last visited February 13, 2026, <https://dhcd.maryland.gov/Broadband/Pages/default.aspx>.

