Montgomery County
Office of Intergovernmental Relations

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SB 571 **DATE: February 26, 2026**

SPONSOR: Senator Ellis

ASSIGNED TO: Finance

CONTACT PERSON: Sara Morningstar (Sara.Morningstar@montgomerycountymd.gov)

POSITION: Support (Montgomery County Department of Technology and Enterprise Business Solutions)

Commercial Law – Broadband Access – Low-Income Consumer Programs (Maryland Broadband Opportunity and Fairness Act)

Senate Bill 571 requires broadband service providers in Maryland to offer low-cost broadband access to eligible low-income consumers on or before December 1, 2026. The low-cost plans must meet the minimum speed for broadband as established by the Federal Communications Commission (FCC), and households earning up to 350% of the federal poverty level would be eligible to purchase them. The bill authorizes the Office of Statewide Broadband in the Department of Housing and Community Development to exempt providers from the requirement based on certain exceptions and establishes a Broadband Affordability Advisory Board to define "low-cost broadband service." Montgomery County Department of Technology and Enterprise Business Solutions (TEBS) supports this legislation because: (1) most providers can meet the requirements; (2) low-income families need broadband plans that meet the federal minimum broadband speeds; (3) over 250,000 low-income Montgomery County households could get access to low-cost broadband under SB 571; and (4) low-cost broadband is good for the Maryland economy.

When the federal government and Maryland partnered to offer an internet subsidy (the Affordable Connectivity Plan, ACP), 12% of Maryland low-income households enrolled (287,000 households). Thirty percent of Maryland households subscribing to broadband are low-income. Almost a quarter of low-income broadband subscribers are using a plan that does not meet the federal minimum broadband speed. And according to the United Way ALICE data (Asset Limited, Income Constrained, Employed households), the basic survival budget for many Maryland households is 300% to 350% of the federal poverty rate. (And from 328% to 378% in Montgomery County for a single person to household of four.)

Senate Bill 571 will not jeopardize Broadband Equity, Access, and Deployment (BEAD) funding coming to Maryland; on page 7 it is citing and implementing the BEAD requirements, 47 U.S.C § 1702. The 2021 BEAD federal law requires that states define a "low-cost broadband option" in consultation with broadband service providers receiving grants. Senate

Bill 571 mirrors that requirement by creating a Broadband Affordability Advisory Board with broadband service providers, stakeholders, and state agencies to define a low-cost broadband option as required under 47 USC Section 1702. Additionally, BEAD requires every broadband service provider receiving BEAD grants to offer a low-cost broadband service option and build broadband service to provide 100/100 Mbps (megabits per second) service. SB 571 requires these providers to offer low-cost broadband access at only the federal minimum speed of 100/20 Mbps. And finally, while BEAD funding will help bring broadband service to 9,000 Maryland households, SB 571 will help approximately 700,000 low-income households in Maryland (of which approximately 192,000 live in rural areas) be able to access affordable broadband service.

Access to low-cost broadband increases household income by 1.3% and the probability of employment by 0.9%.[1] And there is no evidence that broadband service in New York, where a similar law has been in effective since 2024, costs any more than in Maryland now. All Maryland households, regardless of income or whether they are rural or urban, need access to affordable broadband plans that meet minimal federal speed requirements. Broadband is a modern and essential service, critical for accessing employment opportunities, education, healthcare (telehealth), and government services, as well as for fostering important social inclusion in our communities. Montgomery County TEBS supports Senate Bill 571 and urges the Committee to adopt a favorable report.

ACP Enrollment & Basic Needs as % of Federal Poverty Rate Data by County

Affordable Connectivity Program (ACP): Maryland households enrolled in a benefit program or earning less than 200% of federal poverty rate to receive up to $30 per month subsidy for internet service. The United Way calculates the budget needs for ALICE households (Asset Limited, Income Constrained, Employed). The chart below shows the ALICE survival household budget as a percentage of the federal poverty rate.

TOTAL Maryland ACP ENROLLMENT Through January 31, 2024		**2025 United Way ALICE Data % of Federal Poverty Rate to meet basic needs (2023)**	
County Name	**Total Subscribers**	**Two Seniors**	**Family of 4**
NOT AVAILABLE	862		
Allegany County	4,809	257%	245%
Anne Arundel County	16,390	348%	**361%**
Baltimore City	83,772	321%	320%
Baltimore County	44,537	318%	323%
Calvert County	2,291	**361%**	**350%**

[1] George W. Zuo, "Wired and Hired: Employment Effects of Subsidized Broadband Internet for Low-Income Americans," *American Economic Journal: Economic Policy*, 2021, at pp.3-4.

Caroline County	1,610	270%	259%
Carroll County	3,584	313%	321%
Cecil County	4,794	308%	296%
Charles County	5,536	**363%**	**354%**
Dorchester County	2,699	266%	252%
Frederick County	6,495	349%	347%
Garrett County	1,396	246%	233%
Harford County	8,468	318%	326%
Howard County	6,646	**354%**	**386%**
Kent County	817	290%	284%
Montgomery County	25,252	**368%**	**378%**
Prince George's County	39,386	347%	325%
Queen Anne's County	1,037	321%	324%
St. Mary's County	4,156	316%	317%
Somerset County	2,451	254%	246%
Talbot County	1,066	303%	282%
Washington County	9,096	263%	264%
Wicomico County	8,325	270%	265%
Worcester County	2,247	271%	265%
TOTAL MD ACP Enrollment	**287,722**	**308%**	**305%**