

117TH CONGRESS
1ST SESSION

S. 1023

To provide tax credits to low- to moderate-income individuals for certain computer and education costs, to direct the Federal Communications Commission to modify the requirements for the Lifeline program to provide increased support, and for other purposes.

IN THE SENATE OF THE UNITED STATES

MARCH 25, 2021

Mr. DURBIN (for himself and Mr. BOOKER) introduced the following bill;
which was read twice and referred to the Committee on Finance

A BILL

To provide tax credits to low- to moderate-income individuals for certain computer and education costs, to direct the Federal Communications Commission to modify the requirements for the Lifeline program to provide increased support, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Computer and Internet
5 Access Equity Act”.

6 **SEC. 2. INCREASED LIFELINE SUPPORT.**

7 (a) DEFINITIONS.—In this section:

1 (1) COMMISSION.—The term “Commission”
2 means the Federal Communications Commission.

3 (2) TERMS DEFINED IN REGULATIONS.—The
4 terms defined in section 54.400 of title 47, Code of
5 Federal Regulations (or any successor regulation),
6 have the meanings given those terms in that section.

7 (b) REGULATIONS.—Not later than 14 days after the
8 date of enactment of this Act, the Commission shall pro-
9 mulgate regulations to modify the requirements for the
10 Lifeline program set forth in subpart E of part 54 of title
11 47, Code of Federal Regulations (as in effect on the date
12 of enactment of this Act) to provide for the following:

13 (1) The amount of Lifeline support that a pro-
14 vider of Lifeline service may receive for providing
15 such service to each qualifying low-income consumer
16 shall be increased by the lesser of—

17 (A) \$83.33 per month; or

18 (B) the amount needed to make the
19 amount of Lifeline support received by the pro-
20 vider equal to the cost of providing such service,
21 except that such cost may not exceed the cost
22 to the provider of providing an equivalent level
23 of voice telephony service or broadband internet
24 access service (as applicable) to a consumer who
25 does not receive Lifeline service.

1 (2) The percentage of the Federal Poverty
 2 Guidelines (as specified in section 54.409(a)(1) of
 3 title 47, Code of Federal Regulations) at or below
 4 which a consumer's household income must be in
 5 order for the consumer to constitute a qualifying
 6 low-income consumer on the basis of income shall be
 7 increased to 435 percent.

8 (3) A provider of broadband internet access
 9 service shall not be required to be designated as an
 10 eligible telecommunications carrier under section
 11 214(e) of the Communications Act of 1934 (47
 12 U.S.C. 214(e)) in order to receive Lifeline support
 13 for providing such service to a qualifying low-income
 14 consumer.

15 (c) DURATION.—The modifications made by the reg-
 16 ulations promulgated under subsection (b) shall cease to
 17 have any force or effect on the date that is 12 years after
 18 the date on which the regulations are promulgated.

19 (d) CONSUMER PROTECTIONS.—

20 (1) IN GENERAL.—A provider of broadband
 21 internet access service that receives Lifeline support
 22 for providing such service to a qualified low-income
 23 consumer—

24 (A) shall provide such service to the con-
 25 sumer at a minimum speed of 25 megabits per

1 second for downloads and 3 megabits per sec-
2 ond for uploads, which minimum speed shall be
3 reevaluated and, if appropriate, increased by
4 the Commission not less frequently than once
5 every 3 years;

6 (B) shall provide a level of customer serv-
7 ice to the consumer that is comparable to the
8 customer service that the provider provides to
9 consumers of broadband internet access service
10 who do not receive Lifeline service;

11 (C) shall offer such service to each quali-
12 fied low-income consumer in the designated
13 service area of the provider; and

14 (D)(i) shall advertise the availability of
15 such service and the charges therefore using
16 media of general distribution throughout the
17 designated service area of the provider to in-
18 crease awareness among consumers (including
19 non-English speaking consumers) that they may
20 be eligible for such service; and

21 (ii) may partner with State agencies re-
22 sponsible for the provision of social assistance
23 and service programs in conducting advertising
24 under clause (i).

1 (2) DESIGNATED SERVICE AREA.—A State com-
 2 mission or the Commission, as applicable, shall es-
 3 tablish a designated service area for a provider of
 4 broadband internet access service described in para-
 5 graph (1) for purposes of that paragraph in the
 6 same manner as the State commission or Commis-
 7 sion establishes a designated service area for a com-
 8 mon carrier under paragraph (5) or (6), as applica-
 9 ble, of section 214(e) of the Communications Act of
 10 1934 (47 U.S.C. 214(e)).

11 **SEC. 3. INTERNET EDUCATION AND TRAINING GRANT PRO-**
 12 **GRAM.**

13 (a) DEFINITIONS.—In this section:

14 (1) COMMISSION.—The term “Commission”
 15 means the Federal Communications Commission.

16 (2) COMMUNITY-BASED ORGANIZATION.—The
 17 term “community-based organization” has the
 18 meaning given the term in section 3 of the Work-
 19 force Innovation and Opportunity Act (29 U.S.C.
 20 3102).

21 (3) DIGITAL LITERACY.—The term “digital lit-
 22 eracy” means the skills associated with using tech-
 23 nology.

24 (4) ELIGIBLE ENTITY.—The term “eligible enti-
 25 ty” means—

1 (A) a nonprofit organization;

2 (B) a not-for-profit social welfare organiza-
3 tion; or

4 (C) a community-based organization.

5 (5) FEDERAL POVERTY GUIDELINES.—The
6 term “Federal Poverty Guidelines” means the Fed-
7 eral Poverty Guidelines used for purposes of section
8 54.409(a)(1) of title 47, Code of Federal Regula-
9 tions (or any successor regulation).

10 (6) HOUSEHOLD.—The term “household” has
11 the meaning given the term in section 54.400 of title
12 47, Code of Federal Regulations (or any successor
13 regulation).

14 (7) INCOME.—The term “income” has the
15 meaning given the term in section 54.400 of title 47,
16 Code of Federal Regulations (or any successor regu-
17 lation).

18 (8) NONPROFIT ORGANIZATION.—The term
19 “nonprofit organization” means an organization de-
20 scribed in section 501(c)(3) of the Internal Revenue
21 Code of 1986 and exempt from tax under section
22 501(a) of such Code.

23 (9) NOT-FOR-PROFIT SOCIAL WELFARE ORGANI-
24 ZATION.—The term “not-for-profit social welfare or-
25 ganization” means an organization described in sec-

1 tion 501(c)(4) of the Internal Revenue Code of 1986
2 and exempt from tax under section 501(a) of such
3 Code.

4 (b) GRANTS AUTHORIZED.—Not later than 100 days
5 after the date of enactment of this Act, the Commission
6 shall establish a program to make grants on a competitive
7 basis to eligible entities to develop and carry out an inter-
8 net safety education or training program.

9 (c) APPLICATIONS.—An eligible entity that wishes to
10 receive a grant under this section shall submit to the Com-
11 mission an application at such time, in such manner, and
12 containing such information as the Commission may re-
13 quire.

14 (d) USE OF FUNDS.—An eligible entity that receives
15 a grant under this section shall use grant funds to—

16 (1) develop a program to provide internet edu-
17 cation and training, which may address cyberbully-
18 ing, online privacy, cybersecurity, and digital lit-
19 eracy, to individuals living in households with an in-
20 come at or below 435 percent of the Federal Poverty
21 Guidelines for households of the applicable size; and

22 (2) provide such education or training to such
23 individuals through such program.

24 (e) REPORTS.—

1 (1) REPORTS TO COMMISSION.—Not later than
2 3 years after the date on which an eligible entity re-
3 ceives a grant under this section, the eligible entity
4 shall publish and submit to the Commission a report
5 that—

6 (A) describes the use of the grant by the
7 eligible entity, including the number of individ-
8 uals served by the eligible entity using grant
9 funds;

10 (B) describes the progress of the eligible
11 entity toward fulfilling the objectives for which
12 the grant was awarded; and

13 (C) includes any additional information re-
14 quired by the Commission.

15 (2) REPORT TO CONGRESS.—Not later than 5
16 years after the date of enactment of this Act, the
17 Commission shall publish and submit to Congress a
18 report that—

19 (A) summarizes the data from the reports
20 that the Commission has received under para-
21 graph (1); and

22 (B) assesses the effectiveness and cost-ef-
23 fectiveness of the grant program established
24 under this section.

1 (f) AUTHORIZATION OF APPROPRIATIONS.—There
 2 are authorized to be appropriated such sums as may be
 3 necessary to carry out this section.

4 **SEC. 4. CREDIT FOR COMPUTER COSTS.**

5 (a) IN GENERAL.—Subpart C of part IV of sub-
 6 chapter A of chapter 1 of the Internal Revenue Code of
 7 1986 is amended by inserting after section 36B the fol-
 8 lowing new section:

9 **“SEC. 36C. CREDIT FOR COMPUTER COSTS.**

10 “(a) IN GENERAL.—In the case of an eligible indi-
 11 vidual, there shall be allowed as a credit against the tax
 12 imposed by this subtitle for the taxable year an amount
 13 equal the lesser of—

14 “(1) the amount of qualified computer costs
 15 paid or incurred by the taxpayer during such taxable
 16 year,

17 “(2) \$2,000 (\$4,000 in the case of a joint re-
 18 turn), or

19 “(3) an amount equal to \$10,000 (\$20,000 in
 20 the case of a joint return) minus the sum of any
 21 credits allowed to the taxpayer under this section for
 22 any preceding taxable year.

23 “(b) QUALIFIED COMPUTER COSTS.—For purposes
 24 of this section, the term ‘qualified computer costs’ means

1 amounts paid or incurred for computers, printers, and
 2 other education-related technology.

3 “(c) LIMITATION BASED ON ADJUSTED GROSS IN-
 4 COME.—With respect to any taxable year, the \$2,000
 5 amount (or, in the case of a joint return, \$4,000 amount)
 6 in subsection (a)(2) shall be reduced by an amount equal
 7 to 5 percent of so much of the taxpayer’s adjusted gross
 8 income for such taxable year as exceeds—

9 “(1) \$72,000 in the case of a joint return,

10 “(2) \$54,000 in the case of a head of house-
 11 hold, and

12 “(3) \$36,000 in the case of a taxpayer not de-
 13 scribed in paragraph (1) or (2).

14 “(d) ELIGIBLE INDIVIDUAL.—The term ‘eligible indi-
 15 vidual’ means any individual other than—

16 “(1) any nonresident alien individual,

17 “(2) any individual with respect to whom a de-
 18 duction under section 151 is allowable to another
 19 taxpayer for a taxable year beginning in the cal-
 20 endar year in which the individual’s taxable year be-
 21 gins, and

22 “(3) an estate or trust.

23 “(e) APPLICATION OF SECTION.—This section shall
 24 only apply to qualified computer costs incurred by the tax-

1 payer after December 31, 2020, and before January 1,
2 2033.”.

3 (b) ADVANCE PAYMENT OF CREDIT.—

4 (1) IN GENERAL.—Chapter 77 of the Internal
5 Revenue Code of 1986, as amended by section
6 9611(b) of the American Rescue Plan Act of 2021
7 (Public Law 117–2), is amended by inserting after
8 section 7527A the following new section:

9 **“SEC. 7527B. ADVANCE PAYMENT OF CREDIT FOR COM-
10 PUTER COSTS.**

11 “(a) IN GENERAL.—As soon as practicable after the
12 date of the enactment of this section, the Secretary shall
13 establish a program for making advance payments of the
14 credit allowed under section 36C (determined without re-
15 gard to subsection (e) of such section), on such basis as
16 the Secretary determines to be administratively feasible,
17 to taxpayers determined to be eligible for advance payment
18 of such credit.

19 “(b) LIMITATION.—

20 “(1) IN GENERAL.—The Secretary may make
21 payments under subsection (a) only to the extent
22 that the total amount of such payments made to any
23 taxpayer during the taxable year does not exceed the
24 amount of the credit determined under subsection
25 (a) of section 36C, as determined based on applica-

tion of subsection (c) of such section using the adjusted gross income of the taxpayer for the most recent taxable year for which a return has been filed during any of the preceding 3 taxable years.

“(2) NON-FILERS.—In the case of any taxpayer who has not filed a return during the period described in paragraph (1), such paragraph shall be applied without regard to subsection (c) of section 36C.”.

(2) RECONCILIATION OF CREDIT AND ADVANCE CREDIT.—Section 36C of such Code, as added by subsection (a), is amended—

(A) by redesignating subsection (e) as subsection (f); and

(B) by inserting after subsection (d) the following new subsection:

“(e) RECONCILIATION OF CREDIT AND ADVANCE CREDIT.—

“(1) IN GENERAL.—The amount of the credit allowed under this section for any taxable year shall be reduced (but not below zero) by the aggregate amount of any advance payments of such credit under section 7527B for such taxable year.

“(2) EXCESS ADVANCE PAYMENTS.—

“(A) IN GENERAL.—If the aggregate amount of advance payments under section 7527B for the taxable year exceeds the amount of the credit allowed under this section for such taxable year (determined without regard to paragraph (1)), the tax imposed by this chapter for such taxable year shall be increased by the amount of such excess.

“(B) RETURN REQUIREMENT.—If the tax imposed by this chapter for the taxable year is increased under this paragraph, the taxpayer shall, notwithstanding section 6012, be required to file a return with respect to the taxes imposed under this subtitle.”.

(c) CONFORMING AMENDMENTS.—

(1) Section 6211(b)(4)(A) of the Internal Revenue Code of 1986 is amended—

(A) by inserting “36C,” after “36B,” and

(B) by striking “and 7527A” and inserting “7527A, and 7527B”.

(2) Paragraph (2) of section 1324(b) of title 31, United States Code, is amended—

(A) by inserting “36C,” after “36B,” and

(B) by striking “or 7527A” and inserting “7527A, or 7527B”.

1 (3) The table of sections for subpart C of part
 2 IV of subchapter A of chapter 1 of the Internal Rev-
 3 enue Code of 1986 is amended by inserting after the
 4 item relating to section 36B the following new item:

“Sec. 36C. Credit for computer costs.”.

5 (4) The table of sections for chapter 77 of such
 6 Code is amended by inserting after the item relating
 7 to section 7527A the following new item:

“Sec. 7527B. Advance payment of credit for computer costs.”.

8 (d) PUBLIC AWARENESS CAMPAIGN.—The Secretary
 9 of the Treasury (or the Secretary’s delegate) shall conduct
 10 a public awareness campaign, in coordination with the
 11 Commissioner of Social Security, the Secretary of Vet-
 12 erans Affairs, and the heads of other relevant Federal and
 13 State agencies, to provide information to the public (in-
 14 cluding non-English speaking populations) regarding the
 15 availability of the credit allowed under section 36C of the
 16 Internal Revenue Code of 1986 and advance payment of
 17 such credit pursuant to section 7527B of such Code (as
 18 added by this section).

19 (e) EFFECTIVE DATE.—The amendments made by
 20 this section shall apply to costs incurred in taxable years
 21 beginning after December 31, 2020.

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