

116TH CONGRESS  
2D SESSION

# S. 3924

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.

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IN THE SENATE OF THE UNITED STATES

JUNE 9, 2020

Mr. DURBIN introduced the following bill; which was read twice and referred to the Committee on Finance

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## 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) of title  
3 47, Code of Federal Regulations) at or below which  
4 a consumer's household income must be in order for  
5 the consumer to constitute a qualifying low-income  
6 consumer on the basis of income shall be increased  
7 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 entity receives a  
3           grant under this section, the entity shall publish and  
4           submit to the Commission a report that—

5                   (A) describes the use of the grant by the  
6                   entity, including the number of individuals  
7                   served by the entity using grant funds;

8                   (B) describes the progress of the entity to-  
9                   ward fulfilling the objectives for which the  
10                  grant was awarded; and

11                  (C) includes any additional information re-  
12                  quired by the Commission.

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

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

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

23           (f) AUTHORIZATION OF APPROPRIATIONS.—There  
24           are authorized to be appropriated such sums as may be  
25           necessary to carry out this section.



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

2 (a) IN GENERAL.—Subpart C of part IV of sub-  
3 chapter A of chapter 1 of the Internal Revenue Code of  
4 1986 is amended by inserting after section 36B the fol-  
5 lowing new section:

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

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

11 “(1) the amount of qualified computer costs  
12 paid or incurred by the taxpayer during such taxable  
13 year,

14 “(2) \$2,000, or

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

19 “(b) QUALIFIED COMPUTER COSTS.—For purposes  
20 of this section, the term ‘qualified computer costs’ means  
21 amounts paid or incurred for computers, printers, and  
22 other education-related technology.

23 “(c) LIMITATION BASED ON ADJUSTED GROSS IN-  
24 COME.—The amount of the credit allowed by subsection  
25 (a) (determined without regard to this subsection) shall

1 be reduced by 5 percent of so much of the taxpayer's ad-  
 2 justed gross income as exceeds—

3           “(1) \$150,000 in the case of a joint return,

4           “(2) \$112,500 in the case of a head of house-  
 5 hold, and

6           “(3) \$75,000 in the case of a taxpayer not de-  
 7 scribed in paragraph (1) or (2).

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

10           “(1) any nonresident alien individual,

11           “(2) any individual with respect to whom a de-  
 12 duction under section 151 is allowable to another  
 13 taxpayer for a taxable year beginning in the cal-  
 14 endar year in which the individual's taxable year be-  
 15 gins, and

16           “(3) an estate or trust.

17           “(e) APPLICATION OF SECTION.—This section shall  
 18 only apply to qualified computer costs incurred by the tax-  
 19 payer after December 31, 2019, and before January 1,  
 20 2032.”.

21           (b) ADVANCE PAYMENT OF CREDIT.—

22           (1) IN GENERAL.—Chapter 77 of the Internal  
 23 Revenue Code of 1986 is amended by inserting after  
 24 section 7527 the following new section:

1 **“SEC. 7527A. ADVANCE PAYMENT OF CREDIT FOR COM-**  
2 **PUTER COSTS.**

3 “(a) IN GENERAL.—As soon as practicable after the  
4 date of the enactment of this section, the Secretary shall  
5 establish a program for making advance payments of the  
6 credit allowed under section 36C (determined without re-  
7 gard to subsection (e) of such section), on such basis as  
8 the Secretary determines to be administratively feasible,  
9 to taxpayers determined to be eligible for advance payment  
10 of such credit.

11 “(b) LIMITATION.—

12 “(1) IN GENERAL.—The Secretary may make  
13 payments under subsection (a) only to the extent  
14 that the total amount of such payments made to any  
15 taxpayer during the taxable year does not exceed the  
16 amount of the credit determined under subsection  
17 (a) of section 36C, as determined based on applica-  
18 tion of subsection (c) of such section using the ad-  
19 justed gross income of the taxpayer for the most re-  
20 cent taxable year for which a return has been filed  
21 during any of the preceding 3 taxable years.

22 “(2) NON-FILERS.—In the case of any taxpayer  
23 who has not filed a return during the period de-  
24 scribed in paragraph (1), such paragraph shall be  
25 applied without regard to subsection (e) of section  
26 36C.”.

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

4           (A) by redesignating subsection (e) as sub-  
5 section (f); and

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

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

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

15           “(2) EXCESS ADVANCE PAYMENTS.—

16           “(A) IN GENERAL.—If the aggregate  
17 amount of advance payments under section  
18 7527A for the taxable year exceeds the amount  
19 of the credit allowed under this section for such  
20 taxable year (determined without regard to  
21 paragraph (1)), the tax imposed by this chapter  
22 for such taxable year shall be increased by the  
23 amount of such excess.

24           “(B) RETURN REQUIREMENT.—If the tax  
25 imposed by this chapter for the taxable year is

1           increased under this paragraph, the taxpayer  
2           shall, notwithstanding section 6012, be required  
3           to file a return with respect to the taxes im-  
4           posed under this subtitle.”.

5           (c) CONFORMING AMENDMENTS.—

6           (1) Section 6211(b)(4)(A) of the Internal Rev-  
7           enue Code of 1986 is amended by inserting “36C,”  
8           after “36B,”.

9           (2) Paragraph (2) of section 1324(b) of title  
10          31, United States Code, is amended by inserting  
11          “36C,” after “36B,”.

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

“Sec. 36C. Credit for Computer Costs.”.

16          (4) The table of sections for chapter 77 of such  
17          Code is amended by inserting after the item relating  
18          to section 7527 the following new item:

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

19          (d) PUBLIC AWARENESS CAMPAIGN.—The Secretary  
20          of the Treasury (or the Secretary’s delegate) shall conduct  
21          a public awareness campaign, in coordination with the  
22          Commissioner of Social Security, the Secretary of Vet-  
23          erans Affairs, and the heads of other relevant Federal and  
24          State agencies, to provide information to the public (in-

1 cluding non-English speaking populations) regarding the  
2 availability of the credit allowed under section 36C of the  
3 Internal Revenue Code of 1986 and advance payment of  
4 such credit pursuant to section 7527A of such Code (as  
5 added by this section).

6 (e) EFFECTIVE DATE.—The amendments made by  
7 this section shall apply to costs incurred in taxable years  
8 beginning after December 31, 2019.

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