

Building Opportunity through Broadband: Recommendations for the National Broadband Plan



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I. Introduction

Broadband is an essential tool for building a new economy in which all Americans can participate. Congress and the Administration have shown tremendous leadership by making a total of \$7.2 billion in support available under the American Recovery and Reinvestment Act (“Recovery Act”). Nearly \$5 billion in grants will flow through the National Telecommunications and Information Administration’s (“NTIA”) Broadband Technology Opportunities Program (“BTOP”), creating a unique opportunity to improve broadband access in unserved and underserved areas.

However, making sure current and future investments create benefits for those hardest hit by the recession—a primary goal of the Recovery Act—requires policies that are carefully designed to sow seeds of opportunity. The Federal Communications Commission (“FCC”) has an important role to play. Its National Broadband Plan, required under the Recovery Act, must ensure that all Americans have access to high-speed Internet capability and set benchmarks for meeting that goal.¹

On January 29, 2010, the Center for Social Inclusion (“CSI”) and the Mississippi State Conference NAACP (“MS-NAACP”) partnered with Congressman Bennie G. Thompson (MS-2nd) and other national and local partners to host “Building Opportunity through Broadband,” a hearing on broadband access and applications in Mississippi. Drawing upon the hearing proceedings, CSI and the MS-NAACP have developed the following recommendations for the FCC’s National Broadband Plan.

- Promote access by recommending federal support for projects that combine infrastructure expansion, job creation, community access and development of demand.
- Recommend expansion of the Universal Service Fund Lifeline or provision of subsidies to guarantee affordability in low-income communities and communities of color.
- Prescribe data collection, reporting and publication requirements that allow for evaluation of project impacts in low-opportunity communities and communities of color.
- Advance national purposes, such as health care delivery, education and job creation by calling for funding for projects that address the last mile problem for providers.

¹ See American Recovery and Reinvestment Act, Public Law 111-5, Section 6001(k).

We urge the Commission to carefully review these recommendations as well as the hearing record² and to incorporate them into the National Broadband Plan. By doing so, the FCC will ensure that broadband is a tool for building opportunity in those communities that have long been economically distressed and have been hit hardest by the current crisis.

II. Building Opportunity through Broadband

CSI and the MS-NAACP recognize that federal investments in broadband and the development of the National Broadband Plan create unique opportunities to foster structural fairness and inclusion. On January 29, 2010, the organizations partnered with the Office of Congressman Bennie G. Thompson, Jackson State University, Full Spectrum South, the Center for Technology, Innovation & Community Engagement at the Fu Foundation School of Engineering and Applied Science at Columbia University and Tougaloo College to host “Building Opportunity through Broadband.”

The hearing focused the attention of policymakers, press and the broader public on the urgent need for accessible and affordable broadband in Mississippi’s Delta region. Representatives of private sector providers such as AT&T, Entergy MS and Telepak Networks spoke about the various mechanisms for providing broadband service and the challenges involved in deploying to rural areas. Witnesses from leading research institutions and non-profits such as the University of Mississippi, the University of Mississippi Medical Center and the Mississippi Technology Alliance, shared lessons they had learned in designing and implementing sustainable initiatives. Finally, a panel of experts with experience in education, public health and economic development testified about how, with increased access to broadband, they could develop new and more effective approaches to persistent challenges.

Below are recommendations for the National Broadband Plan that are drawn, in large part, from the hearing record. The recommendations are grouped according to the four elements of the National Broadband Plan: expanding access to broadband service, guaranteeing affordability, evaluating broadband deployment projects and achieving national purposes.³

² The video recording of the hearing has been included with this filing.

³ See American Recovery and Reinvestment Act, Public Law 111-5, Section 6001(k)(2).

A. Expanding Access

The FCC's National Broadband Plan must promote access by recommending federal support for projects that combine infrastructure expansion, job creation, community access and development of demand.

In Mississippi, a largely rural and poor state with a significant population of people of color, differences in broadband availability between racial groups are striking. Those communities that lack access to high-speed Internet tend to have large populations of people of color. For example, in those zip codes with no broadband providers, people of color represent 61% of the population. Where there are one to three providers, people of color represent 41% of the population. People of color are only 20% of the population in those zip codes served by eight or more providers.⁴ These figures make it clear that in Mississippi, as in many other parts of the country, access to broadband is a racial justice issue.

To address this injustice in Mississippi and elsewhere, the FCC and other federal agencies must commit to initiatives that not only expand broadband infrastructure, but also stimulate job creation, facilitate widespread community use and generate demand for broadband in previously unserved or underserved communities. The NTIA has already embraced such an approach with the Comprehensive Community Infrastructure initiative, a BTOP sub-program that supports middle-mile projects that provide service at community anchor institutions, create jobs and foster economic development.⁵ However, demand for available federal dollars far outstrips supply. In the first Recovery Act funding round, NTIA and the Rural Utilities Service ("RUS") received 2,200 applications requesting \$28 billion in funding—nearly four times the total available under the Act.⁶

In coming years, Congress, the FCC and the NTIA must work together to provide continued funding for projects that link infrastructure expansion, job creation, community access and demand generation. In the rural communities that are most likely to lack access, geographic distance and limited population density can discourage the deployment of infrastructure. However, with federal financial support, operators that are committed to partnering with unserved and underserved communities can build and expand networks based on wireless

⁴ CENTER FOR SOCIAL INCLUSION AND MISSISSIPPI STATE CONFERENCE NAACP, BROADBAND IN THE MS DELTA: A 21ST CENTURY RACIAL JUSTICE ISSUE 3 (2010) available at www.centerforsocialinclusion.org.

⁵ Notice of Funds Availability Broadband Technology Opportunities Program, 75 Fed. Reg. 3792, 3794-3796 (Jan. 22, 2010).

⁶ NATIONAL TECHNOLOGY AND INFORMATION ADMINISTRATION, BROADBAND TECHNOLOGY OPPORTUNITIES PROGRAM (BTOP) QUARTERLY PROGRAM STATUS REPORT (Nov. 16, 2009).

broadband technologies at relatively low cost. These networks, in turn, can furnish high-speed Internet for “telework centers” that provide job training and employment through online portals. These centers would allow residents of low-income communities where jobs are scarce to work in fields such as data conversion, securing positions that are often outsourced to foreign laborers.⁷ Institutions such as libraries, community colleges and churches can also be sites for access, particularly where service to homes is not yet available.⁸ Through their use of the Internet at telework centers and local institutions, residents will become familiar with the benefits of broadband capability, and demand will increase. As the customer base for broadband service grows, area colleges and universities may also serve as training sites for the network technicians who will maintain and repair the delicate broadband infrastructure.⁹

B. Guaranteeing Affordability

The FCC’s National Broadband Plan must recommend expansion of the Universal Service Fund Lifeline or provision of subsidies to guarantee affordability in low-income communities and communities of color.

Ensuring access to broadband for all Americans means making sure service is not only available, but also affordable. This is a particular problem for low-income people of color. Currently, home-based broadband adoption among African Americans lags behind that of whites and English-speaking Hispanics. Between 2008 and 2009, adoption rates among African-Americans rose by a mere three percentage points, from 43% to 46%, while White rates rose eight percentage points from 57% to 65%. Among English-speaking Hispanics, figures increased 12 percentage points, from 56% to 68%.¹⁰ Strikingly, almost half of African-Americans who lack access to the Internet have annual incomes below \$20,000, and two-thirds cited cost as the primary barrier to service adoption. Fifty-three percent expressed interest in securing broadband if it were less expensive.¹¹

Financial pressures on households of color underscore the seriousness of the affordability issue. Communities of color spend at least thirty percent more for energy than white households.¹² In 2008, African Americans spent \$1,439 annually (\$120 per month) on their

⁷ Testimony of Bruce Lincoln.

⁸ Testimony of Dr. Warigia Bowman.

⁹ Testimony of Dr. Warigia Bowman.

¹⁰ NATIONAL BLACK CAUCUS OF STATE LEGISLATORS ET AL., BROADBAND IMPERATIVES FOR MINORITIES AND THEIR COMMUNITIES 4 (2009) available at <http://www.benton.org/node/28155>.

¹¹ See *id.* at 4-5.

¹² An American Coalition for Clean Coal Electricity study found households earning less than \$50,000 (51% of all

electric bills, and electricity accounted for nearly 40% of the total utility bill, the highest share in a decade. Hispanic or Latino consumers experienced the second highest cost burden. They spent \$1,305 (\$109 per month), and electricity accounted for nearly 37% of the total utility bill. Asian consumers spent \$1,229 (\$97 per month), and electricity accounted for 34% of the total utility bill, up four percentage points from 2003, the first year data became available.¹³

One option that has been endorsed by leading media access groups is the expansion of the Universal Service Fund Lifeline program, which currently offers discounted landline phone service for low-income Americans.¹⁴ By declaring broadband a Universal Service in the national broadband plan, the Commission could promote affordable broadband, make resources available to subsidize expanded access and require network neutrality.¹⁵

Alternatively, the FCC could call for subsidies to offset the expense of providing affordable service. Currently, many Internet service providers (“ISPs”) cite connection cost as a barrier to affordability, particularly in rural areas. Federal agencies have made subsidies available to allow operators to supply service at reduced cost, but these options are not always well publicized. As media democracy advocates have argued, future subsidies must be tied to accountability metrics,¹⁶ including publication and reporting requirements that ensure that eligible individuals are informed of and encouraged to utilize affordable service options.

C. Evaluating Broadband Deployment Projects

The FCC’s National Broadband Plan must prescribe data collection, reporting and publication requirements that allow for evaluation of project impacts in low-opportunity communities and communities of color.

households) spend 24% of average after-tax income on energy. Households earning between \$10,000 and \$30,000, could spend as much as 26% of average after-tax income on energy. For African American Families average after-tax income in 2008 was \$35,949 and for Latinos \$38,252 and White households \$54,125. Average spent on energy was \$6,200 in 2008. See AMERICAN COALITION FOR CLEAN COAL ELECTRICITY, THE DISPROPORTIONATE IMPACTS OF ENERGY COSTS ON LOWER-INCOME AND MINORITY FAMILIES, 2008 (2009) available at <http://www.americaspower.org/News/Research/The-disproportionate-impacts-of-energy-costs-on-lower-income-and-minority-families>.

¹³ CENTER FOR SOCIAL INCLUSION, ENERGY DEMOCRACY: COMMUNITY SCALE GREEN ENERGY SOLUTIONS (forthcoming in 2010).

¹⁴ DHARMA DAILY, MAKING BROADBAND AND CELL PHONES AFFORDABLE FOR ALL: PROPOSED REFORMS TO THE LIFELINE PROGRAM OF THE UNIVERSAL SERVICE FUND 1 (2009) available at www.mediaalliance.org/downloads/430_mjfreportlifelineprogram.pdf.

¹⁵ CENTER FOR MEDIA JUSTICE, NETWORK NEUTRALITY, UNIVERSAL BROADBAND AND RACIAL JUSTICE 2 (2010) available at http://centerformediajustice.org/wp-content/files/BroadbandNet_Neutrality.pdf.

¹⁶ Media and Democracy Coalition, “Statement of Public Interest Groups on Proposed Broadband Principles in Upcoming Economic Stimulus Package” (Dec. 22, 2008) available at <http://www.media-democracy.net/node/405>.

Data collection and reporting on BTOP and other broadband deployment projects is critical. Without this information, it is impossible for agencies and members of the public to assess whether investments are meeting goals set by Congress and the Administration.

CSI and the MS-NAACP recommend that the FCC require recipients of broadband deployment grants, including BTOP funds, to submit quarterly reports that include the geographic and demographic data necessary to assess whether projects are benefiting residents of low-income communities and communities of color hard hit by the economic crisis.

Recipients of BTOP Infrastructure and Comprehensive Community Infrastructure grants, for example, should be required to submit geographically disaggregated data on increases in speed. Reports should also include geographically disaggregated information on households and businesses passed, subscribing, subscribing to *new* broadband service and receiving improved access. In addition, infrastructure grantees must supply geographically disaggregated data on network miles deployed and leased in connection with funded projects.¹⁷

Recipients of Public Computer Center grants should be required to submit the exact addresses of institutions that have seen improvements¹⁸ and the scale of improvement at each Center.¹⁹ In addition, grantees must be required to share data on the speed of broadband, primary uses, number of users and demographic characteristics of users at each Center.²⁰

Grantees under the Sustainable Broadband Adoption program must be required to submit the exact addresses of institutions that have seen improvements and the scale of improvement at each location. In addition, reports should include geographically disaggregated data on the increase in the number of households, businesses and community

¹⁷ The January 22, 2010 NOFA requires grantees to report on these elements but does not require geographic disaggregation of this data. See 75 Fed. Reg. 3811. However, administering agencies and members of the public cannot accurately assess project impacts in low-income communities and communities of color unless data is reported in this fashion.

¹⁸ This is not currently required. See 75 Fed. Reg. 3811.

¹⁹ We define scale of improvements as the amount of award money or other resources flowing to a specific site.

²⁰ The January 22, 2010 NOFA requires grantees to report on these elements, but the NTIA must clarify that grantees must submit data for each PCC that is established or improved with BTOP funds. Grantees are not currently required to collect and submit data on the demographic characteristics of users. See 75 Fed. Reg. 3811. Data on the characteristics of individual PCCs and the individuals who utilize them are necessary to evaluate project impacts and the success of the federal broadband deployment projects as a whole.

anchor institutions subscribing to broadband service and the methodology used to measure the increase.²¹

To facilitate analysis and interpretation by members of the public, geographic data should be provided in the form of mapping files, and demographic and other data should be submitted in standard database formatting, such as .xml or .csv. These quarterly reports must be made available on a searchable website to allow the public to evaluate whether projects are meeting the goals of the Recovery Act.

D. Achieving National Purposes

The FCC's National Broadband Plan must advance national purposes, such as health care delivery, education and job creation, by calling for funding for projects that address the last mile problem for providers.

The need for improvements in health, education and economic development in Mississippi's Delta counties cannot be overstated. The high school completion rate in the 2nd Congressional District, which encompasses the region, for example, is the lowest in the state at 75.3%.²² Residents of the Delta also lack sufficient access to health care. In Issaquena County for instance, there are no practicing obstetrician/gynecologists. In others, like Panola, Holmes and Rankin counties, these physicians carry loads that range from double to more than quadruple recommended levels.²³ The percentage of residents living in poverty is the highest of any congressional district in the state at 28.9%, and the area has the lowest median household income at \$30,578.²⁴ Access to broadband is also extremely limited in the 2nd Congressional District, with an average of only 1.57 providers per zip code in the area.²⁵ This is alarming, given the correlation between broadband access and economic opportunity: places with eight or more Internet providers average 13,212 jobs. The average number of jobs drops to 646 in zip codes with one, two or three Internet providers. On average, only 76 jobs per zip code are found in places with no Internet access.²⁶

²¹ The January 22, 2010 NOFA requires grantees to report on the total increase in these measures but does not require geographic disaggregation of this data. 75 Fed. Reg. 3811. However, accurate assessment of project impacts in poor communities and communities of color requires collection and submission of this data.

²² U.S. Census.

²³ Mississippi State University, "Access to Primary Medical Care in the Mississippi Delta," presentation by Caleb Butts (on file with author).

²⁴ U.S. Census.

²⁵ CENTER FOR SOCIAL INCLUSION AND THE MISSISSIPPI NAACP, BROADBAND IN THE MISSISSIPPI DELTA: A 21ST CENTURY RACIAL JUSTICE ISSUE (2010) available at www.centerforsocialinclusion.org.

²⁶ See *id.* at 4.

As previously noted, broadband infrastructure development must be linked to job creation, community access and demand generation.²⁷ As networks expand, so too does the universe of community purposes for which broadband might be deployed. Service can be extended beyond telework centers and selected community sites to a larger body of schools, health centers and other institutions, resolving the last mile challenges that often prevent these actors from providing the most efficient and effective services.

With full broadband capability, local leaders can implement promising new strategies. For example, broadband can allow students to access educational content despite financial or geographic barriers and facilitate teacher training,²⁸ both of which are especially important in under-resourced rural areas. With broadband, basic health centers in rural communities can share patient information with regional hospitals, resulting in improved care.²⁹ And broadband can drive economic development, not only through job training and telework,³⁰ but also by enabling low-income farmers to implement computerized management practices that improve efficiency and profitability.³¹

III. Conclusion

CSI and the MS-NAACP urge the FCC to incorporate the recommendations above into its National Broadband Plan. Only by developing policy that is informed by challenges and opportunities in low-income communities and communities of color, like Mississippi's Delta region, can the Commission meet its goal of guaranteeing access to broadband for all Americans.

²⁷ See *supra* section II.

²⁸ See NATIONAL BLACK CAUCUS OF STATE LEGISLATORS ET AL. *supra* note 1 at 15.

²⁹ Testimony of Dr. Aaron Shirly.

³⁰ See *supra* section II.

³¹ See Ashwani Srivastava et al., "Computer Adoption Project (CAP) for Limited-Resource Audiences in Mississippi" (on file with author).



The Center for Social Inclusion works to unite public policy research and grassroots advocacy to transform structural inequality and exclusion into structural fairness and inclusion. We work with community groups and national organizations to develop policy ideas, foster effective leadership, and develop communications tools for an opportunity-rich world in which we all will thrive.

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Founded in 1909, the NAACP is the nation's oldest and largest civil rights organization. Its adult and youth members throughout the United States and the world are the premier advocates for civil rights in their communities, conducting voter mobilization and monitoring equal opportunity in the public and private sectors.

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