

Prepared Remarks of FCC Commissioner Mignon L. Clyburn

Promoting Broadband Policies to Improve our Nation

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Good evening and thank you, Walter, for that gracious introduction. I greatly appreciate the invitation to address the Telecommunications Policy Research Conference. For 38 years, you have been leaders in researching telecommunications and Internet issues that positively impact our nation's communications policies. And while most persons may be unaware of your contributions, we have all been the beneficiaries.

The role of academics in the policy arena is an incredibly important one. Through observation and study, we can better assess our choices—make modifications as necessary—and further improve our policies to better serve the American people.

I joined the Commission just over a year ago, and in that relatively short period of time, I have observed the transformation of our agency. Yes, its mission has always been to promote world-class communications networks, and that has not changed. What *has* changed, however, is *how* we are striving to achieve that goal. We are gathering facts and reaching out to many interested parties, including academics, to ensure that the policy choices we make are best-suited to achieve our mission.

This was most evident as the Commission staff developed the Congressionally-mandated National Broadband Plan. This was a significant and monumental project that required the resources from every Office and Bureau at the agency, in addition to a team of experts specifically hired and tasked with devising the Plan.

Throughout the process, FCC staff was gathering facts and data, and while they did obtain a significant amount of information from industry and consumer groups, they also received input from academia. For example, staff conducted dozens of workshops during the Plan's fact-gathering phase, and included many notable academics in that process. I am hesitant to recognize any of you by name because I don't want to offend those who I might inadvertently exclude, but you know who you are, and I thank you for your service to our mission. As a result of your work and participation, we have an incredibly well-adapted Plan.

Of course, the Plan is just that—a *plan*. Now the Commission (and the other agencies tasked with considering and implementing the Plan's recommendations), must take up the mantle and actualize the goals Congress gave us: to enact policies that ensure every citizen has access to affordable broadband service, and that our nation maximizes the use of broadband so that we can better address and advance the nation's health care delivery, energy independence, education, and job creation, among other national goals.

Greater Deployment of Broadband Services

It is evident that many of the challenges our country faces intersect with the availability and affordability of broadband. For those communities without sufficient broadband to serve all their constituents—large and small businesses, schools, libraries and other government buildings, and residents—the consequences are serious. These communities find it increasingly difficult to attract investment and jobs and to meet the everyday needs of their constituents.

Indeed, there are many areas that already have seen the harsh consequences of broadband being unavailable. Those communities that have lost their manufacturing base are unable to attract new businesses without adequate broadband infrastructure. President Obama recently affirmed that broadband is “vital infrastructure” and is “central to the daily economic life of almost every American.” I could not agree more. What this all affirms is that broadband is no longer a luxury. It is a necessity.

More businesses and government agencies are moving their information and services online. In order to find a job, most applicants need to use the Internet either to search for employment, apply for a job, or to communicate with prospective employers about job opportunities.

Likewise, our educational, health care, and public safety systems are all relying more and more on broadband every day. As such, it is imperative that we ensure broadband is available and robust enough throughout the nation to meet our growing needs.

We have a sizeable broadband availability gap. Approximately 14 to 24 million Americans do not have broadband infrastructure available where they live. Those citizens are at a significant disadvantage, as they do not have the ability to take courses online, research health information, or purchase goods and services available on the web from their homes. There are those who say we should be satisfied that 95% of American households have at least one wireline broadband provider available. If you haven't heard, I don't fall into that camp. I believe it is imperative to provide every single American household the opportunity to connect so that they can fully participate in the digital world.

So how do we do that? The Plan recommends that the Commission reform the current Universal Service Fund to support both telephone and broadband service. The Fund was instrumental in bringing telephone service to the nation, especially in low-income and rural areas, and the Plan recommends re-tooling it to bring broadband to every home. I believe this is the right approach. Of course, it's never easy when you discuss reforming a system that many have come to rely upon. But what the Plan recognizes is that our current system just isn't very efficient. We can do better, and we need to make the most out of the system we have.

In addition to wholesale reform of the Universal Service Fund, the Plan also recommends that the Commission promote policies that encourage robust broadband service to our anchor institutions. State, regional, research, and education networks that can deliver very high-speed service to our schools, libraries, government buildings, hospitals, and public safety agencies are *critical*. The economic benefits that our communities will attain as a result of one-gigabit service to their anchor institutions are unforeseen, but I believe we can expect that we will find a better-served public.

I have heard numerous anecdotes of communities that have been transformed by the availability of high-speed broadband—I am sure you may have heard of them as well. While I believe the qualitative stories are quite compelling, we should strive to obtain data that demonstrate the quantitative benefits of a citizenry that is well connected through high-speed broadband. When we have a more informed understanding of the overall economic benefits broadband offers, our nation’s policymakers can better assess the inputs required to achieve those benefits. If we know that with an investment of X, we can attain a very significant benefit of Y—then X may not appear as considerable, and the right policy choice is more evident and acceptable.

With recent broadband deployment grants, as a result of NTIA’s Broadband Technologies Opportunities Program, I believe there may be some ripe opportunities for academics to study and assess the effectiveness and impact of these grants on surrounding communities. As the Commission retrofits its policies to further encourage broadband deployment—both wireless and wired—feedback on the wholesale impact on our nation will be valuable.

Greater Adoption of Broadband Services

How I wish that promoting policies that encourage deployment of broadband to our nation is all that we have to do. What we have learned from the National Broadband Plan, however, is that there is a sizeable broadband adoption gap in the U.S. Altogether, 93 million Americans do not have broadband at home. And adoption rates are much lower among certain populations, including rural Americans, the elderly, persons with disabilities, low-income Americans, African Americans, and Hispanics.

Let me re-state this very important fact—*one-third of Americans who have access to broadband do not purchase it*. What are their reasons for not doing so? Affordability, lack of digital literacy, and relevance. For those consumers who cannot afford it, the reasons vary—the expense of hardware or the monthly price of service. Others do not consider broadband relevant enough to them in order to adopt it. But for the majority of those who haven’t adopted broadband, they face *multiple* barriers. For example, a person may not believe broadband to be relevant to her life and, therefore, she never developed digital skills to use the technology.

And let’s be honest, many Americans simply do not have the skills necessary to use broadband and use it effectively. This means they do not have the knowledge to conduct a basic search, download content, or use the Internet safely. Growing broadband

adoption is essential to ensuring that all Americans can be informed, participate in our 21st Century digital economy and in our interactive, online democracy.

It isn't enough for us to promote policies that make broadband available everywhere. It also needs to be affordable, and citizens need to know how to use it. To be truly connected, citizens can't just have access to broadband, they also need to know how to use it for their benefit. Only then can we ensure that *all* citizens can take advantage of it, and that we can attain as many benefits as possible from a connected nation.

Broadband is one of our generation's most important challenges, primarily because it presents one of our most monumental opportunities. Universal broadband and the skills to use it can lower barriers of means and distance to help achieve a more equal opportunity for *all* Americans, including those who have traditionally been under-represented and are currently the least likely to adopt it.

To address these critical issues, the Plan recommends the creation of a Digital Literacy Corps that would rely on face-to-face training provided by trusted resources within local communities. I strongly support the establishment of such a Corps. But it will take Congress's approval and funding to get this Corps up and running. In the meantime, NTIA has awarded grants through its Broadband Technologies Opportunities Program to several programs that are designed to promote digital literacy and adoption of broadband. Please indulge me as I highlight several of these projects.

One Economy Corporation, which has been a leader in digital literacy for minorities and low-income communities, has received approval for a \$28.5 million grant to implement a comprehensive program of computer training, wireless Internet access, broadband awareness marketing, and online content and applications, to residents of 159 affordable and public housing developments, and low-income communities in 50 cities and towns across 31 states, and the District of Columbia. One Economy also obtained additional private sector support in the amount of \$23 million for this project.

One Economy's project plans to implement several principle programs: to train 2,500 youth to become "Digital Connectors" who will then provide digital literacy training to others in their communities; to deploy localized broadband networks in public housing development; and to develop online content and applications aimed at low-income, low-literacy communities. It is important that we have digital literacy programs, like One Economy's, that specifically address minority and low-income communities.

There also have been several grants to address digital literacy and adoption in rural and tribal areas. For example, in Minnesota, NTIA approved a grant of almost \$5 million to reach each of Minnesota's 80 rural counties through education, training, and technical assistance. In rural San Diego County, California, ZeroDivide's Tribal Digital Village project aims to increase broadband adoption, which currently stands at 17 percent to 70 percent by providing 8,900 tribal residents and 2,000 residents living in adjacent communities with broadband training and awareness. Programs designed to specifically address the adoption needs of rural and tribal citizens are crucial as the needs in these areas are likely to differ from those in urban areas.

What is also important is that the Plan highlights a need for a renewed emphasis on program evaluation and measurement, and a National Best Practices Clearinghouse. Despite over 15 years of efforts focused on bridging the digital divide, data on "what works best" is scarce. This is where you have a great opportunity to help us figure out what is working and what isn't so that we can learn from our investments, and from each other, to inform future policy and programmatic decisions.

I also understand that there is an opportunity for the broadband adoption programs funded through NTIA to be evaluated so that we can benefit from understanding which aspects of the various programs are successful in achieving their goals. It is essential that we properly assess our successes and failures so that we can make proper adjustments going forward. In conjunction with a broader evaluation of the impact broadband adoption has on local communities and our nation, we should discern the *totality* of the benefits that result.

To further encourage adoption, the National Broadband Plan contains recommendations about how the FCC's policies can make broadband more affordable for low-income Americans. The Plan encourages the FCC to take a number of steps to promote robust competition for broadband which typically leads to cheaper prices for consumers. In addition, the Plan recommends that the Commission consider extending the Lifeline and Link-Up programs that currently provide basic telephone service to low-income recipients to include broadband.

FCC Consideration of the Plan's Recommendations

Honestly, our work on considering the recommendations in the Plan has recently begun, and we know that we have a long way to go. But we believe that we are taking the steps necessary to fully consider the recommendations and change our policies to encourage the deployment and adoption of broadband.

Case in point: Last week, the Commission adopted an Order to further improve its E-Rate program, which allows schools and libraries to purchase telecommunications and Internet services at a discount. It has been very successful and has brought access to the Internet to most schools in the nation, but it's not perfect, and the Commission implemented some important improvements.

First, we changed the E-Rate rules in order to encourage competition and higher speeds of Internet service to schools and libraries. This will allow the dollars for E-Rate to be stretched further so that we can address the needs of even more schools and libraries. It has the added benefit of helping us to reach the Plan's goal of connecting these anchor institutions to very high-speed networks.

So not only are we promoting digital literacy of our students, but we are providing them more educational opportunities through the E-Rate program. Elementary school students can improve their math skills using innovative games offered online. They can explore the wonders of science and be introduced to other countries and cultures currently out of reach, right from their desktops. For schools that cannot currently offer certain subjects, their students can still learn those subjects through online opportunities.

Second, we removed disincentives for schools to permit community use of their computer labs and Internet service after school hours. Sounds simple, but oh what a difference I know this will make. I am hopeful that with the additional resources at schools, local officials can better address the digital literacy needs of their communities. Third, we adjusted E-Rate funding cap so it is indexed to inflation. By doing so, we are protecting the purchasing power of schools and libraries so they can continue to acquire the critical broadband elements they need to serve and educate our fellow citizens.

Next month, we will be considering how to address the 3G wireless availability gap. The Plan proposed a Mobility Fund to infuse capital in those states which lag behind in their wireless 3G builds. I am pleased that we will be focusing on those areas that remain unserved by 3G wireless. Wireless consumers expect to have coverage, no matter their location. While certain geographical and topographical barriers may be too difficult to overcome in the short-run, that is not the case for all unserved areas. We are confident that with additional capital, wireless carriers can further build their networks to reach consumers who currently aren't served. For those consumers who have become accustomed to their mobile voice and Internet service—I have to confess this includes me and my entire staff—they will have more capabilities and reach farther than ever before.

Finally, before the end of the year, I am expecting that the Commission will begin a proceeding to address wholesale reform of the Universal Service Fund to support broadband in hard-to-serve areas.

Conclusion

Before I go, I would like to take a moment and acknowledge my appreciation for the work of Dr. John Horrigan on the National Broadband Plan. Last week, I learned that John—we are on a first name basis, so I don't think he will mind me taking the liberty to use his first name—will be leaving the FCC to pursue a new opportunity. In fact, yesterday was his last day with the Commission. I am so happy for you, John, but very sad that you will be leaving us. Thank you for all of your contributions to the Plan, and especially for your work on the adoption and utilization chapter in the Plan. I am grateful

for your collaboration and collegiality with me and my office during your time at the FCC. You will be missed.

The task before us is not easy, but I believe that once the challenges have been met, we all stand to benefit. Ubiquitous broadband service that every citizen can use to improve his or her life is a noble goal. I ask you to join me in assessing the policies we propose to achieve our goals and their effectiveness after implementation. Help me prove that a nation connected to high-speed broadband is well worth it. Thank you and good evening.