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FCC LAUNCHES COMPETITION TO IDENTIFY THE BEST WAYS TO INCREASE BROADBAND ADOPTION AMONG LOW-INCOME AMERICANS

Winners will receive funding for Lifeline pilot projects that test how best to increase adoption of high-speed Internet among low-income Americans, a group with strikingly low adoption levels

Washington, D.C. – For the first time ever – and as a result of tens of millions in savings from reform of its <u>Lifeline</u> program – the Federal Communications Commission is <u>launching a competition</u> to discover the best ways to increase broadband adoption rates among low-income Americans. The competition is funded by the newly created "Broadband Adoption Lifeline Pilot Program." It builds on the <u>Connect to</u> <u>Compete</u> initiative, a public-private partnership aimed at helping to close the broadband adoption gap that was launched by the Commission last year.

Robust, affordable broadband has become essential to access jobs, education and economic opportunity. For example, more than 80 percent of Fortune 500 companies today – including Wal-Mart and Target – require online job applications. And students with broadband at home have a 7 percent higher graduation rate.

According to a recent study by the Pew Research Center, the top three barriers to broadband adoption include digital literacy, relevancy and cost. Low-income households adopt broadband at much lower rates than the average household, even when access to high-speed Internet is readily available. According to the U.S. Census Bureau, fewer than 36 percent of families with incomes less than \$25,000 subscribe to broadband at home, compared to nearly 92 percent of families with incomes over \$75,000.

This competition uses \$25 million in savings from <u>major reforms earlier this year</u> of the Lifeline program to launch pilot projects across the country to test best practices around issues of cost, digital literacy and relevancy. A Public Notice released today announces criteria for the competition and a deadline of July 2, 2012 for applications. Winners will begin their year-long projects in the fall of this year.

The Pilot will gather high-quality data that will guide long-term efforts to increase broadband adoption among low-income Americans. Applicants must be telecommunications carriers eligible to participate in Lifeline. But they are encouraged to partner with existing broadband adoption programs as well as schools, libraries, state and local governments, non-profits and others. The winners will reflect a diversity of geographic areas (rural, urban), technologies (fixed, mobile), and service plans. At least one project will explore providing support on Tribal lands.

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