Remarks of Chairman Tom Wheeler

As Prepared for Delivery

Forum on "Digital Equity: Technology and Learning in the Lives of Lower Income Families"

New America Foundation

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Good morning.

Thank you, Jeff Dunn, for that introduction and for your leadership at Sesame Workshop. The valuable research presented moments ago is just one example of the important advocacy you and your team are doing on behalf of America's children and families.

Thank you to New America for inviting me. More important, thank you for assembling a conference that goes beyond headlines or demographics and digs into how our country's children are truly experiencing the digital divide. It is crucial to have a clear understanding so we can craft sustainable solutions that will work.

The digital divide matters, because it constrains the benefits of the fabulous new network in very personal ways. We can talk all we want about statistics, but what we're talking about is people....People, who for one reason or another aren't benefiting from the most powerful and pervasive platform in history.

The digital divide has been talked about for years. Events like this are important because in the digital age, access to high-speed Internet equals access to opportunity. And if we are not for opportunity, then just what are we for?

In 2016, the Internet is the first place people go to find and apply for a job. Americans need broadband to keep a job, as companies increasingly require basic digital literacy skills. Our kids rely on broadband to do their homework – whether it's completing an online assignment or researching a topic for their class. When we get sick, we go online to find out what's wrong, and as telemedicine expands we can consult with health specialists remotely. More and more, veterans need to go online to apply for their hard-earned benefits. Broadband even helps us save money – one study estimated that broadband helps a typical U.S. consumer save $8,800 a year by providing access to bargains on goods and services.

The FCC has a statutory mandate to ensure "consumers in all regions of the country, including low-income consumers . . . should have access to . . . advanced telecommunications services."

It's not just the law that says we have to do something about the digital divide. It's our guiding principles.

The title of this morning's Sesame Workshop report gets it exactly right: "Opportunity for All." It reminds us that the struggle for digital equity is part of the struggle to uphold our most fundamental American values.

We can do better. We must do better.

One way we will do better is by retooling the FCC's Lifeline program. Commissioner Clyburn has long been a champion of such reforms, and Commissioner Rosenworcel has helped us focus on what she dubbed the "homework gap." By my math, that's three votes for reforming Lifeline.

Lifeline was established by the FCC in 1985 to help low-income Americans afford access to vital communications - in those days that was a telephone call. Over a span of three decades, the program has helped tens of millions of Americans afford basic phone service. But in the digital era having a phone doesn't mean you're connected.

That's why, last June, the Commission initiated a proceeding to recast Lifeline for the broadband era.

At a time when our economy and lives are increasingly moving online, it doesn't make sense for Lifeline to focus only on 20th century narrowband voice service.

Low-income children and families need and deserve a modernized Lifeline that will help make broadband more affordable. A modernized Lifeline that allows participants the opportunity to move to the other side of the digital divide, eventually erasing the line between Internet haves and have-nots.

So the first principle of Lifeline reform is allowing the program to support both fixed and mobile broadband service. We will propose establishing minimum standards of service that Lifeline providers must deliver to receive funds, and because technology is constantly improving, the opportunity for that service to also evolve.

We will improve Lifeline's management and design. Our current proceeding will get to the heart of the historic issues that have undermined this program's efficiency, so we get more bang for our Lifeline buck.

We want to make it easier for carriers to participate in the Lifeline program. Too many of our country's leading service providers as well as many local, innovative, small providers do not provide Lifeline service. The more service providers we can encourage to participate, the better that service will become. This will mean streamlining the requirements to become a Lifeline provider and taking a hard look at the burdens we place on those providers.

Finally, we will encourage robust participation in the program by eligible consumers. We want low-income, offline Americans to have multiple options for getting online – just like other Americans – and that means choice, and my favorite word: Competition.

I hope you have noted my choice of words. I haven't been saying "we should," but, "we will." In the not-too-distant future we will vote on new rules. There is no good reason why the Commission shouldn't be able to come together to fix this program for the digital age.

But modernizing Lifeline is just part of the answer to the digital equity challenge.

Promoting adoption of broadband goes hand-in-hand with efforts to ensure access. At the Commission, we've updated other telephone-era universal service programs to support broadband, bringing Wi-Fi and gigabit fiber connections to our schools and libraries and expanding broadband networks to over 7.3 million rural consumers.

But the cause of promoting digital equity extends far beyond the work of the FCC. This is a national challenge that requires a national effort.

The work of groups like New America and Sesame Workshop to identify challenges and develop solutions is invaluable.

On-the-ground community activists play an important role in providing digital literacy training and informing residents about opportunities to get connected, including but not limited to Lifeline.

The private sector plays a hugely important role, investing tens of billions each year to expand and upgrade their networks continually. Private companies like Alphabet and Comcast have also stepped up to promote adoption.

We need leadership from government officials at all levels. HUD Secretary Julian Castro in his first month on the job, asked to come and meet to discuss how urban development could expand connectivity for its constituents. The ConnectHome initiative is the laudable result.

ConnectHome offers a great example of the collaborative approach needed to tackle the digital divide. Secretary Castro and his team worked with private- and public-sector leaders to build local partnerships and gather commitments that will increase access to the Internet for low-income Americans. These partnerships will bring broadband, technical assistance, and digital literacy training to students living in public and assisted housing across America in 28 communities, reaching over 275,000 low-income households.

New York City Mayor Bill de Blasio exemplifies the creativity and commitment needed to close the divide, pledging $70 million in the city's budget for free or low-cost wireless broadband service for low-income communities and negotiating a plan to turn old pay phones into high-speed Wi-Fi hot spots.

If we are bold and we work together, we can make real progress toward closing the digital divide.

Moving forward, when we talk about digital equity, we need to remember that we're talking a key part of the answer to many of our nation's greatest challenges – issues like income inequality, job creation, economic growth, U.S. competitiveness.

The stakes couldn't be much higher. That's why the FCC won't let our foot off the gas in our efforts to promote opportunity and prosperity through communications technology. And that's why we all need to continue working together to expand the benefits of broadband to all Americans.

On that note, have a great forum, and let's get to work.