

## October 8, 2019

The Honorable Roger Wicker Chairman Committee on Commerce, Science, & Transportation United States Senate Washington D.C. 20510

The Honorable Frank Pallone, Jr. Chairman
Committee on Energy & Commerce
United States House of Representatives
Washington D.C. 20515

The Honorable Maria Cantwell Ranking Member Committee on Commerce, Science, & Transportation United States Senate Washington D.C. 20510

The Honorable Greg Walden Ranking Member Committee on Energy & Commerce United States House of Representatives Washington D.C. 20515

Dear Chairmen Wicker and Pallone, Ranking Members Cantwell and Walden,

We, the undersigned public interest organizations, submit this letter as members of the Broadband Connects America coalition ("BCA") in order to add to the discussion on the path forward to improving broadband deployment and national broadband mapping. BCA is a coalition of national, state-based, and local nonprofit organizations that advocate for policies to promote broadband deployment and adoption in underserved areas.

Last month the House Energy & Commerce Subcommittee on Communications & Technology held a hearing entitled: "Legislating to Connect America: Improving the Nation's Broadband Maps," which addressed five bills related to broadband mapping and fixing the Federal Communications Commission's misleading broadband coverage maps. While BCA fully supports Congress' efforts of reforming the nation's broadband mapping system, fixing the maps is a means to an end. The ultimate goal of improving the FCC's maps to is to ensure policymakers have accurate data to inform efforts to close the digital divide. As such, there are three key values that must go hand in hand with the discussion of broadband mapping and closing the digital divide.

## 1. Affordability of broadband is essential.

Even with a perfect national broadband map and 100% deployment to all American households, millions of Americans will not be able to afford broadband. Lower-income households, in rural and urban communities alike, are unlikely to adopt the high-speed broadband service they need if it is too expensive. Studies show that cost factors, from monthly fees to devices, are the main reasons that people do not subscribe to broadband.

There is a strong connection between one's income and whether one can afford to subscribe to broadband services. The majority of rural households lacking home broadband subscriptions of any kind in 2017 had incomes below \$35,000, and one out of three had an income below \$20,000. According to a recent Pew study, 29% of adults with household incomes below \$30,000 a year do not own a smartphone and more than four-in-ten don't have home broadband services (44%) or a traditional computer (46%). By comparison, each of these technologies is nearly ubiquitous among adults in households earning \$100,000 or more a year. 1 Moreover, 64% of adults living in high-earning households have home broadband services, a smartphone, a desktop or laptop computer *and* a tablet, compared with 18% of those living in lower-income households. In addition, according to the Census Bureau's 2013-17 American Community Survey (ACS) data for "All American Indian Areas/Alaska Native Areas/Hawaiian Home Lands," 89% of these households have no wireline broadband subscriptions, and 32% of households have no broadband Internet subscriptions of any type. Broadband access is critical to civil engagement and has a direct impact on jobs and GDP growth. 2 As such, we must ensure that every American has affordable broadband access.

Competition among internet service providers (ISPs) is key to promoting affordable broadband. For example, after Google Fiber announced its new service in 2015 and deployed fiber to 11 cities, consumers began seeing cheaper, faster service as rival companies reacted to the new competition.3 Moreover, ISPs should be required to submit pricing data when filing their Form 477 data with the FCC. In our experience, locally rooted ISPs - public and private - offer transparent and simple pricing information whereas the largest cable and telephone companies offer a confusing assortment of bundles and additional fees that make it difficult for subscribers to predict what prices they will actually pay. After a hearing this year, Senator Blumenthal asked witnesses about collecting pricing data and Hood Canal Communications responded that sharing

<sup>1</sup> https://www.pewresearch.org/fact-tank/2019/05/07/digital-divide-persists-even-as-lower-income-americans-make-gains-in-tech-adoption/.

 $<sup>{\</sup>tt 2~https://blogs.microsoft.com/on-the-issues/2019/04/08/its-time-for-a-new-approach-for-mapping-broadband-data-to-better-serve-americans/.}$ 

<sup>&</sup>lt;sup>3</sup> https://fiber.google.com/ourcities/; *see also* https://www.zdnet.com/article/i-wish-google-fiber-was-in-my-neighborhood/; https://hbr.org/2018/09/why-google-fiber-is-high-speed-internets-most-successful-failure.

this data would be a simple matter.4 The FCC already requires this data to publicized in the transparency section of the Restoring Internet Freedom Order, and the FCC's 2010 National Broadband Plan featured a major recommendation to "benchmark and publish" pricing data.5 Given all of this, there is no good reason why the FCC is not collecting and sharing this essential data needed to understand where broadband is truly available. We urge Congress to make sure that any broadband mapping legislation includes provisions to require the collection of pricing data and that this data is made publicly available.

## 2. Broadband deployment is a rural and urban issue.

While getting access to rural communities is critical, we cannot overlook the millions of Americans in urban communities who also lack service. Maps of urban areas are extremely misleading because areas that appear to have multiple broadband options will include apartment buildings locked to a single, unaffordable provider or entire blocks where the only affordable option maxes out far below the FCC broadband standard. Millions of households cannot afford the options that are available to them or have a combination of past debt and poor credit that prevent them from subscribing.

Although a higher percentage of rural households lack a home broadband subscription than non-rural ones, the number of households without a broadband subscription is larger in non-rural areas. The ACS 2017 estimate shows there are 20.4 million U.S. households overall without a broadband subscription – 5.1 million in rural areas with the remaining 15.3 million in urban or metro areas. When creating policies to close the digital divide, Congress must not overlook urban America.

## 3. An effective broadband strategy must include investment in digital inclusion initiatives to help the least connected residents acquire basic digital skills and support.

Public investments in broadband infrastructure must be accompanied by funding for community digital inclusion initiatives, such as digital skills training and device subsidies, in order to ensure everyone benefits from the federal investments. Broadband services provided to and through local community anchor institutions to underserved communities can provide an effective strategy to leverage local public investments and advance the goals of universal access to secure open networks that are inclusive and equitable to meet local community needs and interests. We urge Congress to adopt the Digital Equity Act of 2019 (S.1167) introduced by Senator Murray

https://www.blumenthal.senate.gov/imo/media/doc/Broadband%20Mapping%20QFR%20Responses%20 -%20Senator%20Richard%20Blumenthal.pdf.

*<sup>5</sup> See* Executive Summary https://transition.fcc.gov/national-broadband-plan/national-broadband-plan.pdf. 6 https://www.dailyyonder.com/analysis-digital-divide-isnt-just-a-rural-problem/2019/08/14/.

and its companion bill introduced by Representative McNerney (H.R. 4486) that support digital equity, literacy, and inclusion.

You can visit BCA's website at <u>broadbandconnectsamerica.com</u> to see our principles. If you have any questions, please reach out to Lindsay Stern at Lindsay@publicknowledge.org.

Respectfully Submitted,

Access Humboldt Akaku Maui Community Media Benton Institute for Broadband & Society7 California Center for Rural Policy The Center for Rural Strategies Institute for Local Self-Reliance The Maine Broadband Coalition The National Consumer Law Center, on behalf of its low-income clients National Digital Inclusion Alliance **Next Century Cities** Open Technology Institute at New America Palmetto Care Connections Public Knowledge Schools, Health & Libraries Broadband (SHLB) Coalition Tribal Digital Village Network X-Lab

<sup>&</sup>lt;sup>7</sup> The Benton Institute for Broadband & Society is a non-profit organization dedicated to ensuring that all people in the U.S. have access to competitive, high-performance broadband regardless of where they live or who they are. It believes communication policy - rooted in the values of access, equity, and diversity - has the power to deliver new opportunities and strengthen communities. These comments reflect the institutional view of the Benton Institute for Broadband & Society, and, unless obvious from the text, is not intended to reflect the views of its individual officers, directors, or advisors.