

Before the
Federal Communications Commission
Washington, D.C. 20554

In the Matter of)
)
Inquiry Concerning Deployment of) GN Docket No. 19-285
Advanced Telecommunications Capability)
to All Americans in a Reasonable and)
Timely Fashion)

COMMENTS OF THE NATIONAL DIGITAL INCLUSION ALLIANCE

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Introduction

The National Digital Inclusion Alliance (NDIA) respectfully submits these comments in response to the FCC's Fifteenth Broadband Deployment Report Notice of Inquiry (NOI), "Concerning Deployment of Advanced Telecommunications Capability to All Americans in a Reasonable and Timely Fashion".

NDIA represents leaders of local community organizations, public libraries, municipalities, housing authorities and other institutions working hard to reduce digital disparities among neighbors. To improve the daily lives of all community members, NDIA calls for digital inclusion public policies that reflect local expertise and diverse experiences.

NDIA's approach is based in the knowledge that digital inclusion is most effectively promoted by community-driven efforts combining:

- Affordable home broadband service,
- Public broadband access,
- Appropriate affordable devices and
- Locally trusted technology training and support.

The National Digital Inclusion Alliance represents organizations with a wide range of experience reducing the digital divide in the United States. The experiences of our affiliates include providing guidance to low-income parents connecting to their children's teachers, teaching seniors how to use their electronic health records, helping veterans learn digital skills in order to acquire a job, and enabling disabled adults to participate more fully in their communities. The services of our affiliates include digital literacy training, public Internet access, home broadband programs and digital inclusion advocacy.

NDIA currently has 395 affiliated organizations, including 51 national nonprofits and 343 local public and nonprofit organizations in 41 states, the District of Columbia and the U.S. Virgin Islands. Our local Affiliates include 41 municipal government bodies, 51 local public libraries and regional library councils, 22 college/university programs, 22 state government agencies, 8 local school districts, 15 housing authorities and 184 local nonprofit organizations. The full list of NDIA affiliates with links to their websites can be found at <https://digitalinclusion.org/members>.

Comments on the 2019 Broadband Deployment Report

There are many reasons for digital inclusion practitioners and advocates to be disappointed in the 2019 Broadband Deployment Report, but they all come down to this: The Commission reiterates its determination to reduce "the digital divide" but continues to distort the common meaning of that phrase to refer only to gaps in physical high-speed network availability. The Commission is ignoring the degree to which Americans are "digitally divided" by their ability or inability to pay the prices being demanded for access to the networks that are physically available. The Commission is not reviewing or considering the critical issues of broadband cost and affordability in its analysis of "whether advanced telecommunications capability is being deployed to all Americans in a reasonable and timely fashion."

In line with that distortion, the Commission continues to define the unmet need for “reasonable” broadband deployment as an exclusively rural problem, choosing not to consider the millions of unconnected and less-connected households in America’s urban centers, suburbs, and smaller cities and towns. The cost of home broadband service is a barrier for all residents of the U.S., regardless of geography.

The U.S. Census’ American Community Survey (ACS) tells us that more than 18 million American households lacked broadband Internet subscriptions of any kind – including mobile data plans — at any speed in 2018.¹

Households in rural areas (as identified by the Census) were over-represented among the unconnected, but not as dramatically as the Commission’s exclusive focus on rural broadband would suggest. In 2018, according to the ACS, 19.2% of households in rural areas had no home broadband of any type, compared to 13.8% of households in urbanized areas.² In numerical terms, these percentages amount to about 4.5 million unconnected rural households vs. 13.6 million in urbanized areas – i.e. 25% rural vs. 75% non-rural. The rural

disadvantage in connecting households to basic home Internet access is real, but is fairly modest.³

More striking, both rural and urban households with lower incomes are dramatically less likely to subscribe to home broadband than better-off households in their communities.

Eleven million of the nation’s “zero broadband” households in 2018 had annual incomes below \$35,000. Sub-\$35,000 households were just 28% of all U.S. households, but accounted for 60% of those without broadband.

In contrast, households making \$75,000 or more constituted 42% of all U.S. households, but included just 13% (about 2.4 million) of those without home broadband connections.

Community-level data from the ACS shows large gaps in broadband access between poorer and better-off residents in big cities, small towns and rural areas alike — even in major metropolitan markets where cable and fiber broadband networks have been fully deployed for years.

The Report acknowledges this fact in passing. Figure 13 on page 31, based on the Commission’s own adoption data, shows average county broadband adoption rates increasing dramatically with median household incomes, and decreasing as county poverty rates rise. But the rest of the report is completely silent about this striking correlation.

¹ 2019 American Community Survey 1-Year Estimates, Table B28002.

² 2018 American Community Survey 1-Year Estimates, Table GCT2801.

³ Unfortunately the ACS, which still uses the term “broadband” to mean virtually any Internet technology faster than dial-up, does not compare rural to non-rural access in terms of specific technologies or higher speeds. We can safely assume that such a comparison would show somewhat wider urban/rural “divides” in home subscription rates at speeds of 25/3 Mbps or more.

NDIA has compared the most recent ACS data on home broadband subscription rates, by household income, for 702 “100% rural” counties⁴ and 134 “95% urbanized” counties⁵. If these are not literally the most rural and most urbanized counties in the U.S. they are a very close approximation. The following table summarizes what we found:

	Median percentage of households in income group with no home broadband subscriptions of any type		Households with annual incomes below \$20,000		Households with annual incomes of \$75,000 or more	
	Households with annual incomes below \$20,000	Households with annual incomes of \$75,000 or more	Median % share of all households	Median % share of households without home broadband	Median % share of all households	Median % share of households without home broadband
702 “100% rural” counties (2.1 million households)	61%	14%	20%	36%	26%	11%
134 “95%+ urbanized” counties (45.8 million households)	44%	6%	16%	35%	40%	13%

Computations by National Digital Inclusion Alliance using county data from 2013-2017 American Community Survey 5-Year Estimates, Table B28004. See Appendix A.

Three things are evident from this comparison:

Rural households *are* at a genuine disadvantage vis-a-vis urban households when it comes to basic Internet access. But that disadvantage is significantly greater for lower-income rural households than for their wealthier neighbors.

The gap in home broadband connection rates between poorer and wealthier households, *whether rural or urban*, is much bigger than the gap in connection rates between rural and urban households at any income level.

⁴ Counties where 100% of residents lived in areas classified by the Census as rural in 2010, the last time this determination was made. (Source: 2010 Decennial Census Summary File 1, Table P2: Urban and Rural)

⁵ Counties where at least 95% of residents lived in areas classified by the Census as urbanized in 2010, the last time this determination was made. (Source: 2010 Decennial Census Summary File 1, Table P2: Urban and Rural)

Addressing the nation’s “digital divide” primarily as a rural broadband infrastructure problem, with no consideration for the affordability of home broadband services – or for other barriers to broadband adoption, particularly digital training – is extremely short-sighted.

The physical presence of fast broadband infrastructure in a community is only valuable to the extent that community residents, institutions and businesses can afford to subscribe to it. Evidence from the Census, summarized above, shows a very strong inverse association between household incomes and actual home broadband connections. The simplest, most straightforward explanation of this evidence is that current home Internet costs – with monthly bills of \$60, \$70 or more for even the slowest service in most markets – are a serious barrier to home broadband access for millions of households, both urban and rural.

In our comments filed in GN Docket No. 18-238, the proceeding which led to the 2019 Broadband Deployment Report, NDIA urged the Commission to *“expand its examination of broadband adoption, as well as its metrics for progress on deployment, to include: a) developments in the cost of household broadband access, whether that cost is a barrier to access for a significant number of households, and whether that cost of access is being increased by unreasonable or anti-competitive policies and practices; and b) much greater detail regarding the rate of adoption of broadband services in different types of locality (rural, city, suburban, tribal) and by classes of consumer, particularly household income cohorts.”*

We repeat our recommendation.