Increasing the Use of Broadband Technology for Californians with Disabilities Report for the California Emerging Technology Fund
November 2008

Estimating the Need for Assistance

Over 4 million Californians have a disability. An estimated 749,000 live in poverty, including 607,000 who receive SSI benefits. Studies from 2001-2007 would imply that over 1 million Californians with a disability do not have broadband access. Within this group, 38% are seniors, 54% are ages 18-64, and 8% are youth. It is not known what percent have poor credit scores.

There are four strategies that other states have used in their programs for people with disabilities that are appropriate for increasing the use of broadband.
(1)   Providing assistance in the selection of equipment and ongoing technical assistance directly to the consumer.
(2)   Consolidating information about a range of related programs, such as AT loan, computer recycling, asset accumulation, funding guides, loans, grants, etc. on a website where professionals, including staff from senior centers, independent living centers, and others can find it.
(3)   Providing loans to the consumer.
(4)   Creating a last resort source of mini-grants for AT.

1. Consumer Assistance

Based on the experience of the various ATA centers in California and other agencies[i], getting a computer is not the biggest barrier for people with disabilities to get onto the internet using broadband. Using the computer with assistive technology is a far bigger hurdle because there are far fewer knowledgeable people to assist. The price of DSL is perceived as a barrier

as well, because very few people know about the $10-$12 introductory rates from AT&T and Verizon. They are more likely to have seen cable marketing with broadband rates of $33 (for the first 3 months only).

Consumers often need one-to-one assistance to determine what assistive technology is appropriate, advice on what computer is adequate, and help in setting up access to broadband. They may need initial training in using a particular piece of assistive technology or even in using a browser. There are currently 10 sites involved in the California AT Demonstration Loaner network, plus an additional 4 ATA sites that do equipment demonstration and loan.

(1)   Assistive Technology Exchange Center (ATEC) Santa Ana
(2)   Communities Actively Living Independent & Free (CALIF) Los Angeles
(3)   Center for Applied Rehabilitation Technology (CART) Downey
(4)   Central Coast Assistive Technology Center (CCATC) San Luis Obispo
(5)   FREED Center for Independent Living (FREED) Grass Valley
(6)   Harbor Regional Center (HRC)Torrance
(7)   Kern Assistive Technology Center (KATC) Bakersfield
(8)   Silicon Valley Independent Living Center (SVILC) San Jose
(9)   Tri-County Independent Living Center (TCILC) Eureka
(10)   United Cerebral Palsy Association of San Diego (UCP) San Diego
(11)   Center for Accessible Technology (CforAT) Berkeley
(12)   iTech- Parents Helping Parents, Santa Clara
(13)   EmpowerTech (formerly Computer Access Center), Los Angeles
(14)   TransAccess, San Jose

These sites are where consumers can find knowledgeable help enabling them to use broadband via assistive technology. The project would increase referrals for assistance with broadband to each of these sites. In addition, two sites would be involved in a pilot project to provide center-based, telephone, and even home-based assistance to get up & running with broadband and AT.

Action Steps:
• Provide AT sites with information needed to do training around broadband and related resources.

- ATA will do some statewide publicity about the service and make referrals to participating sites.
- ATA will fund two sites to provide 100 hours of technical assistance to consumers.
- ATA will contact consumers to evaluate quality of technical assistance and outcomes.

2. Consolidating Information

Not a single state has brought together all the resources that can answer all the questions that a person might have about getting onto broadband and financing AT, although a few have made efforts. Any given benefits counselor at an ILC, or AT Specialist may know half of the resources, if the consumer is lucky. A full information package for California would bring together the relevant materials from the Protection and Advocacy funding guides, the California and national loan programs, resources on microenterprise development and loans, asset accumulation, computer and AT recycling, the best introductory and on-going rates for broadband connection, minimum computer configurations for running up-to-date browsers, and information on computer alternatives for broadband access.

Action Steps
- Take information gathered for this process and put it online.
- Build a bot to consolidate computer-related AT listings from various AT reuse posting sites.
- Disseminate information about the site to over 1,000 agencies that work with people with disabilities.
- Include information in the ATNet senior guide.
- Translate information into Spanish.
- Keep the information up to date.
- Make sure other programs link to the information- CATE, agencies listed above, etc.

3. Loan Programs

Alternative financing programs in other states are meeting the needs of relatively few individuals with reasonable credit histories and enough

disposable income to make loan payments, with loans for as little as $100. Some buy-down the interest rate for all consumers, regardless of income level. Most guarantee the loans which has the effect of making the interest rate more reasonable. Some states are addressing the needs of those with poor credit histories through credit counseling. Others are meeting the needs of some of those without enough income by setting up a last resort grant fund. The total number of people who received loans for all types of assistive technology, including vehicles, was just over 1,100 in 31 states in 2007.[ii]

Current Loan Options: Californians with disabilities who meet low-income guidelines[iii] can borrow $1,000 or more for assistive technology at 2% interest, though the California AT Loan Guarantee Program, currently being managed by CSUN. They need to have a letter from a professional knowledgeable in the field, such as an independent living specialist, rehabilitation engineer, or a private rehabilitation counselor concerning their functional capabilities and the specific type of equipment, aid or device that will be required, in order for the individual to engage in employment or live more independently. About 10 applications (for all types of AT) have been made in the past year for this program. Interested applicants have been turned away due to three main reasons:

a. household income exceeds the income guidelines
b. credit score is not high enough (prior bankruptcy)
c. income/expense ratio is not favorable

Individuals looking for equipment to start a small business have additional loan options through micro-lending programs and a new national program for people with disabilities. PASS plans and other asset building strategies are another option for people with disabilities that allow saving for assistive technology.

Estimating Demand for Loans in California: Based on the experience of other states that have successfully been making loans for computers and related assistive technology, California's existing loan program is most likely under-utilized (since it's practically unknown) but it's hard to say because California is one of the few states with income restrictions. Also based on other states, we estimate there would be a demand for loans as low as $500 that carried an interest rate of 2-5%. Finally, there would be

some demand for loans for $1,000 if available to people with incomes that exceed the HUD levels, probably even with an interest rate as high as 8%.

Action Steps
- Increase the awareness of the current loan program among professionals by:
  - o Posting accurate and detailed information about the program on ATnet, including the income limits by metropolitan area, the fact that the interest rate is only 2%, and examples of broadband technology for independent living.
  - o Training members of the ATNet network on the state loan program, computer equipment recycling programs, and other related resources.
  - o Recruiting teams of benefits counselors and AT specialists at ILCs to assist people with disabilities in completing loan applications.
  - o Putting out a PSA in English and Spanish with information on loans and the 800 #.

- Expand the number of Californians receiving a loan by expanding an existing loan program and:
  - o Making loans available for $500-$999, in addition to those available though the State, through a revolving loan fund at 3-5% interest. Target = 20 loans over 2 years.
  - o Finding a partner who can lobby the state to make loans of $1000 and up for those with income levels are above HUD levels (by a percentage to be determined.)

4. Mini-Grants

Other states have recognized that there are people who are ineligible for any type of loan due to poor income/expense ratios or poor credit and have created last resort funds. The number of grants made is small depending on annual amounts of funding. For very low-income Californians with disabilities, the monthly fee for DSL could be the barrier.

Action Steps
- Create a last resort fund that would cover costs of monthly broadband usage and needed AT for low income individuals with disabilities. First year target= 8 grants of $500 each

o Identify sources of initial and on-going contributions.
o Submit proposals and raise funds.
o Develop eligibility, screening, and selection processes. (Must be Lifeline eligible.)
o Publicize widely.

Conclusion

The original plan was to determine a need for a financial loan program that supports the purchase of assistive technology or equipment. Several findings after meeting with banks and credit unions concluded that demand is low nationally and that CETF should help grow usage of what already exists. The banks and credit unions asked why institutionalize a program that does not present enough demand to staff to ensure there is a quality service. Practically it is a problem if there is not enough demand; the highest state demand in Florida was only 10 in a year. A CETF Board member also shared that Verizon and AT&T vetted a loan program and found the same conclusions.

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[i] Consumer responses to an evaluation of training sessions provided by 4 disability agencies in the Bay Area, on using the Internet with assistive technology in 2007, showed that few knew that DSL to the home could be had for under $15 per month but that being able to use the computer effectively was also a major hurdle.

[ii] RESNA AFP Outcomes Database:
http://rsaafp.ed.gov/report/selectReport.asp
The reporting states include 5 that have been making loans since 2001.

[iii] HUD low-income maximums by area for 2008

Household Size	Statewide	San Francisco	Alameda Co	Los Angeles	Sacto. Area	Glenn Co
1 person	$36,400	$63,350	$46,350	$42,500	$39,500	$30,150
2 person	$41,600	$72,400	$53,000	$48,500	$45,500	$34,450
3 person	$46,800	$81,450	$59,600	$54,600	$51,000	$38,750
4 person	$52,000	$90,500	$66,250	$60,650	$56,800	$43,050