U.S. Senate Subcommittee on Communications, Technology and the Internet Highlights of Testimony for "Broadband Adoption: The Next Mile" Sunne Wright McPeak, President and CEO, California Emerging Technology Fund October 29, 2013

Closing the Digital Divide with public policies and strategies to achieve ubiquitous broadband deployment and to accelerate broadband adoption is an imperative for economic prosperity, quality of life, and family self-sufficiency. Local, state and federal agencies must work collaboratively to establish measurable goals and leverage their resources most effectively.

The California Experience and Progress in Closing the Digital Divide

The California Emerging Technology Fund (CETF) was established at the direction of the California Public Utilities Commission (CPUC) in the orders approving the 2005 mergers of SBC-AT&T and Verizon-MCI. In 2008, California's statewide adoption rate for Internet use was 70% with 55% having broadband use at home. Today, 86% use the Internet and 75% access the Internet at home with a high-speed connection (including 6% by "smart phone" only).

Recommendations for Accelerating Broadband Adoption and Continued Federal Leadership

- Learn from successful broadband adoption programs, including working with community-based organizations (CBOs) that are the "trusted messengers" and "honest brokers" for disadvantaged populations. Data and experience indicate that the majority of people without broadband at home do want to adopt the technology when they understand the value proposition.
- Incorporate broadband adoption into "neighborhood transformation" strategies that include
 other services, such as education, workforce preparation, healthcare, and housing. On the
 federal level, integrate broadband and information technologies into all federal policies and
 programs with funding incentives to align efforts across departments.
- Set national goals and performance metrics for broadband deployment, including capacity and speed, and for adoption along with a timetable and assigned responsibilities. Affordable broadband is required to increase adoption among low-income households. This is likely to require an Affordable Broadband Lifeline Rate Program. Voluntary efforts to date have had modest market penetration, with the most extensive private provider program reaching less than 10% of those eligible.
- Request and support the Federal Communications Commission to structure Universal Services
 Fund reforms to encourage and reward providers who partner with non-profit intermediaries
 (such as EveryoneOn) and trusted CBOs. E-Rate reforms should prioritize low-performing schools
 and libraries in low-income neighborhoods that have established a coherent program with
 quantified goals and accountability to increase broadband adoption, especially as part of an
 overall "neighborhood transformation" initiative.
- Provide additional funding to National Telecommunications and Information Administration as a
 prudent investment in global competitiveness to establish the "next generation" broadband
 adoption program that builds upon the Broadband Technology Opportunities Program experience
 and leverages federal resources through partnerships (federal-state, public-private, providercommunity) to achieve explicit adoption goals and outcomes by 2020.