



Engagement of Internet Service Providers to Get All Californians Online

Overview of Challenges

The pandemic has laid bare the Digital Divide—actually exposed a “Digital Cliff” with low-income digitally-disadvantaged residents falling off into deeper poverty and greater isolation. The new reality of millions of students, workers, and patients trying to be online simultaneously has spotlighted the inadequacies of Internet infrastructure throughout the state, especially in unserved rural communities and poor urban neighborhoods. This requires the Governor and Legislature to authorize increased funding for Internet infrastructure construction through the California Advanced Services Fund (CASF) and innovative financing with Revenue Bonds. This action would not impact consumers today but would jumpstart economic recovery from the pandemic shutdown. The State also should consider submitting a General Obligation Bond Measure to voters because investment in high-speed Internet infrastructure has a proven high return on investment for overall economic competitiveness.

Since school began again in 2020 the need for upgraded Internet infrastructure in urban poor neighborhoods has become abundantly apparent in spite of the State and Districts spending millions of dollars on hotspots to connect low-income students. Unfortunately, unless the available infrastructure is adequate to support a large number of simultaneous users at sufficient speeds, the hotspots alone won’t allow students to connect and remain online for distance learning. Sadly, Districts throughout California, including in Silicon Valley, are reporting that students living in low-income neighborhoods are unable to sustain Internet connections through new recently-issued hotspots because of the lack of sufficient bandwidth in poor areas. Of course, it always has been clear that there is a need for Internet infrastructure construction in unserved rural communities, including Tribal Lands.

In addition to the need for investments in upgrading infrastructure, Internet Service Providers (ISPs) need to: (a) substantively improve their available affordable offers for low-income households; (b) remove barriers to signing up for affordable service; and (c) significantly increase advertising. More than half of low-income households eligible for affordable Internet service offers still are not aware of their availability because ISPs have not adequately advertised their offers—not one of the ISPs has increased their advertising of affordable offers during the pandemic even though they all have announced various incentives such as interim free service. One ISP continues to advertise only a website in its affordable subscription ads instead of a telephone number, which is useless for households not online. Further, half of those who are aware say in surveys and focus groups that they don’t trust the ISPs because they had heard horror stories about being treated shabbily by ISP call center personnel or being upsold.

Where Internet infrastructure is adequate—middle and higher-income neighborhoods—ISPs easily could make available higher-speeds and allow more data as part of their affordable offers and still make money. However, instead of improving and advertising affordable offers, ISPs are trying to get lucrative contracts from Districts at costs of \$25-\$35+ per month per student—outrageous.

Call to Action for ISPs

While the ISPs are to be commended for responding to calls by the FCC, Superintendent of Public Instruction Tony Thurmond and the California Department of Education, Governor, and Economic Recovery Task Force to respond to the pandemic and to cooperate to get digitally-disadvantaged residents online, particularly students, they all need to do a lot more to improve and advertise their affordable offers:

- Increase advertising of their affordable offers in a concentrated period of time to raise awareness by eligible households: a good target is what can be termed a “Triple Play”: \$30M in 30 Days to Sign Up 3M People (about 750,000 households). The Triple Play calls upon ISPs to invest their proportionate share of \$30M based on statewide market share to advertise their own affordable offers, which must be improved. ISPs need to establish and advertise a phone number dedicated to helping residents sign up for the affordable offers.
- Extend interim free service to the end of 2020 (and advertise along with affordable offers).
- Improve speeds and allowed data sufficient to support distance learning and telehealth.
- Remove barriers to signing up for affordable service so that eligible low-income households are treated with respect, sensitively screened for eligibility when they call, and can switch to an affordable offer on the first call. ISPs should strive for a performance standard of signing of eligible low-income households on the first call in 30 minutes with no upselling. (Comcast and Charter require existing customers to drop service for 90 days and 30 days respectively.)
- Auto-enroll schools (declare all students eligible) with 70% or more NSLP eligibility.
- Obtain commitments from ISPs to report progress (subject to NDAs) in signing up low-income households through the end of 2020
- Mobilize ISPs to request assistance from State Agencies to help with distribution of information about interim free and affordable offers.

The following summarizes by ISP what are good policies and practices and the focus for improvement in addition to the above actions needed by all ISPs.

ISP	Good Policies and Practices	Problems and Focus for Improvement
AT&T (Access)	<ul style="list-style-type: none"> ● Immediately signs up eligible HHs. ● Trains courteous call-center personnel. 	<ul style="list-style-type: none"> ● Increase speeds and data (by a lot). ● Auto-enroll schools (all students eligible).
Charter (Assist)	<ul style="list-style-type: none"> ● Provides reasonably good speeds. ● Pre-qualifies residents in target areas. ● Provides funding for CBOs (CETF MOU) 	<ul style="list-style-type: none"> ● Eliminate requirement for 30-day drop. ● Train call-center personnel not to upsell. ● Auto-enroll schools (all students eligible).
Comcast (Internet Essentials)	<ul style="list-style-type: none"> ● Provides better speeds than AT&T. ● Trains courteous call-center personnel. ● Auto-enrolls schools (all students eligible). 	<ul style="list-style-type: none"> ● Eliminate requirement for 90-day drop. ● Advertise a telephone number. ● Increase speeds and data.
Cox (Connect2 Compete)	<ul style="list-style-type: none"> ● Trains courteous call-center personnel. ● Works collaboratively with Districts. ● Coordinates with CBOs (doesn't fund). 	<ul style="list-style-type: none"> ● Increase speeds and data.
Frontier (Fundamentals)	<ul style="list-style-type: none"> ● Improved offer (is “harmonizing”). ● Provides funding for CBOs (CETF MOU). 	<ul style="list-style-type: none"> ● Increase speeds and data. ● Complete bankruptcy reorganization.

	<ul style="list-style-type: none"> ● Shares information about sign-ups. 	
T-Mobile (LifeLine)	<ul style="list-style-type: none"> ● Added service and unlimited data to LifeLine telephone service (CETF MOU). 	<ul style="list-style-type: none"> ● Launch Internet service with LifeLine. ● Offer home Internet service (CETF MOU).
Verizon	<ul style="list-style-type: none"> ● Is missing in action. 	<ul style="list-style-type: none"> ● Provide an affordable offer.

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