

**Before the
NATIONAL TELECOMMUNICATIONS AND INFORMATION
ADMINISTRATION AND THE RURAL UTILITIES SERVICE OF
THE U.S. DEPARTMENT OF AGRICULTURE**

In the Matter of)
)
Joint National Telecommunications and) Docket No. 0907141137-91375-05
Information Administration-Rural Utilities)
Service Request for Information)

To: National Telecommunications and Information Administration of the United States
Department of Commerce and the Rural Utilities Service of the U.S. Department of
Agriculture

**COMMENTS OF THE ASIAN AMERICAN JUSTICE CENTER, LEAGUE OF UNITED
LATIN AMERICAN CITIZENS, MINORITY MEDIA AND TELECOMMUNICATIONS
COUNCIL, NATIONAL URBAN LEAGUE AND ONE ECONOMY CORP.**

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Summary

The Asian American Justice Center, League of United Latin American Citizens, Minority Media and Telecommunications Council, National Urban League and One Economy Corp. (“Civil Rights Organizations”) respectfully respond to the Joint Request for Information regarding the Broadband Initiatives Program and the Broadband Technology Opportunities Program.¹

The overriding priority of the grant program should be to apportion funds to provide broadband connectivity and adoption to both unserved and underserved communities, particularly the most structurally underserved populations - low-income minority consumers. To this end, the BBOC recommends several changes to the second round of funding to ensure this goal is met in accordance with legislative intent.

The Civil Rights Organizations recommend that NTIA and RUS increase funding for adoption programs and couple deployment measures for community anchor institutions and increased efforts in public and affordable housing, with proven adoption programs. We recommend NTIA and RUS place greater importance on the issue of affordability in round two by mandating that deployment efforts to low-income consumers include affordable broadband service and hardware. We also recommend that RUS correct the ineffective weighting measurement for SDBs by reserving a portion of round two funds solely for SDB use. Finally,

¹ See Joint Request for Information, In the Matter of Broadband Initiatives Program and Broadband Technology Opportunities Program, Docket No. 0907141137-91375-05 74 Fed. Reg. at 28940 (Nov. 16, 2009) (“Joint Request”). Due to the necessity of securing final consents of their principals, the Civil Rights Organizations are filing three hours out of time and respectfully request leave for these Comments to be considered.

we recommend that NTIA and RUS consider creating special rules and allocating increased funding for tribal areas to ensure these communities are included in the digital economy.

I. NTIA/RUS Should Increase Funding For Adoption

The primary barrier to broadband usage is adoption, not deployment. African American and Hispanic communities are hit hardest by the failure to focus on barriers to adoption. Only 46% of African Americans have broadband service in the home, compared to 65% of white Americans.² For Hispanic Americans, specifically the ESL community, the primary issue is relevant Spanish content. Only 32% of Spanish-speaking Hispanic adults use the Internet, as compared to 76% of English or bilingual Hispanic adults.³

We will not be able to achieve the significant increase in penetration of end-user adoption if we do not focus on the barriers to adoption such as the price for broadband and hardware, digital literacy training, and the dissemination of relevant content. For these reasons, the BBOC recommends that the \$250 million allocated for sustainable broadband adoption be set as a very low floor, and that NTIA/RUS consider increasing the final allocation of adoption funds to at least \$500 million.

II. The Second Round Of Funding Should Include An SDB Set-Aside

RUS should reserve a portion of Round Two funds solely for small disadvantaged businesses (SDBs) to correct the insufficient SDB weighting mechanism of 1% in the first round of funding that was easily susceptible to being overtaken by incumbents who received a 5%

² See John Horrigan, Home Broadband Adoption, 2009, Pew Internet & American Life Project, p. 13 (June 2009).

³ See Susannah Fox and Gretchen Livingston, Latinos Online, Pew Internet & American Life Project, i (March 2007).

score.⁴ If this set aside is not exhausted exclusively by SDBs, the balance should be awarded to applicants who can demonstrate significant SDB/MBE participation.⁵ This allocation would be instrumental to fulfilling the Congressional intent behind the Recovery Act, the Small Business Act and OMB Policy Guidelines for the Recovery Act,⁶ while reducing market barriers for small and minority owned businesses – such as excessive bonding, project bundling, number of years in business or previous large project experience — ensuring job creation, and funding companies ideally positioned to address the unique needs of unserved and underserved communities.⁷

III. The Second Round Of Funding Should Target Public And Affordable Housing

We believe that targeting investments to public and affordable housing is the most effective way of using broadband funding to address poverty and socioeconomic isolation; we concur with One Economy’s observation that a “21st century definition of public space must include public housing.”⁸ For this reason, both NTIA and RUS should aim to provide broadband to all public housing developments, work with other agencies to achieve this goal, and couple deployment with broadband adoption program.⁹ These programs should include affordable

⁴ See Letter from David Honig, Executive Director of the Minority Media and Telecommunications Council to Hon. Jonathan Adelstein, Administrator of the USDA Rural Utilities Service (Nov. 16, 2009).

⁵ See id.

⁶ See id., citing Letter from the Broadband Opportunity Coalition to Hon. Gary Locke, Secretary of the United States Department of Commerce and Hon. Tom Vilsack, Secretary of the United States Department of Agriculture (July 14, 2009) (on file with MMTC).

⁷ See Comments of the Broadband Diversity Supporters, Joint National Telecommunications and Information Administration-Rural Utilities Service Request for Information, Docket No. 090309298-9299-01, p. 12, 39 (April 13, 2009) (“Round One Comments”).

⁸ See Comments of One Economy Corporation, Joint National Telecommunications and Information Administration-Rural Utilities Service Request for Information, 0907141137-91375-05 (November 30, 2009).

⁹ See Section I supra (addressing the need for robust broadband adoption programs).

connection and hardware, digital literacy, and culturally relevant content.¹⁰

IV. NTIA/RUS Should Allocate Funds To Ensure Affordable Service And Equipment

Access to an affordable broadband connection and hardware is one of the largest barriers to adoption,¹¹ yet the first NOFA provided an extremely small portion of the sustainable adoption funds for affordability. This especially disadvantaged the communities we represent where broadband infrastructure exists but at prices residents are unable to pay.¹² NTIA and RUS should address this issue in the next funding round by creating rules that require broadband deployments to low-income residents include affordable broadband connection and hardware. Furthermore, we recommend that NTIA and RUS provide a substantial amount of money for this effort, which could be derived from a significant increase in sustainable adoption funds, via a separate set-aside that pull from deployment funds, or from a separate pool of funds established for this purpose.

V. NTIA/RUS Should Target Complementary Community Anchor Institutions

Community anchor institutions provide a welcome complement to home-based broadband. These institutions include, but are not limited to, Historically Black Colleges and Universities, Hispanic Serving Institutions, Native American Serving Institutions, Asian American Serving Institutions, community-based for profit and non-profit organizations,

¹⁰ See Round One Comments at 28-32.

¹¹ See Round One Comments at 3-4 (“Low income consumers, disproportionately including racial ethnic minorities, have a long history of being last in line to obtain the new generations of technology and communications access which are the basic steppingstones to social and economic advancement in our society...”).

¹² See *id.* (recommending that grants be tailored to address unique limitations of low income communities by requiring fund recipients to provide access to those without good credit scores, eliminate large deposits or up-front payments for service and equipment, and provide affordable value packages that account for the needs and usage patterns of low-income consumers).

community technology centers, economic development centers, workforce training centers and others.¹³ We recommend that schools, community organizations, and libraries receiving funding for broadband connectivity should be required to structure adoption programs managed by entities with proven adoption records,¹⁴ that can encourage community members and demonstrate how they can use the technology to improve their lives. These programs should include digital literacy, distance education, job training, financial literacy, and personal health management.

VI. NTIA/RUS Should Consider Special Rules And Increase Funding For Tribal Areas

Tribal communities, including Native Hawaiians, are especially at risk of missing out on the benefits of broadband.¹⁵ We recommend that NTIA and RUS consider creating special rules that separate tribal areas from the national application process to ensure these communities receive adequate funding for broadband infrastructure and sustainable adoption programs. We also recommend that additional funding be allocated to promote capacity building efforts among local tribal nations. This funding would allow separate tribal areas to organize and create a comprehensive plan to fully maximize broadband funds in their communities.

¹³ See Round One Comments at 20, 30.

¹⁴ See Round One Comments at 30-31 (detailing examples of broadband adoption entities).

¹⁵ See Comments of the Minority Media and Telecommunications Council, Rural Broadband Strategy, GN Docket No. 09-29, p. 2 (March 25, 2009) (“Generally, when deploying rural broadband, the norm has been to construct a backbone along main highways, then branch out broadband service from that backbone...An isolated rural community generally is expected to bear the cost of building a node to itself from the backbone line. For decades, this approach has had a negative impact on rural minority communities which, because of historic racial segregation...or (in the case of Native American reservations) land theft, are situated far from major highways and to which these highways are not easily accessible”).

Respectfully submitted,

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