



MEMORANDUM

May 4, 2021

To: Subcommittee on Communications and Technology Members and Staff

Fr: Committee on Energy and Commerce Staff

Re: Hearing on “Broadband Equity: Addressing Disparities in Access and Affordability”

On **Thursday, May 6, 2021, at 11:30 a.m. (EDT) via Cisco Webex online video conferencing**, the Subcommittee on Communications and Technology will hold a virtual hearing entitled, “Broadband Equity: Addressing Disparities in Access and Affordability.”

I. BACKGROUND

A reliable, high-speed home internet connection is essential to everyday services such as education, telehealth, job searches and vaccine appointments.¹ Recent surveys indicate that Americans view internet service as being just as essential as other utilities, like electricity and water.²

However, not all households in the United States can subscribe to home internet service, sometimes due to non-existent or inadequate infrastructure and other times due to the inability to afford the cost of service.³ Recent surveys by Pew Research reveal that older Americans and those without higher educational attainment are also linked to internet non-usage.⁴ These problems are not isolated to rural areas but exist across the United States in all population densities. While a higher share of rural households lacks a broadband subscription compared to the share of urban households, by total numbers, three times as many non-subscribing

¹ Lara Fishbane and Adie Tomer, *Neighborhood Broadband Data Make it Clear: We Need An Agenda to Fight Digital Poverty*, Brookings Institute (Feb. 6, 2020) (www.brookings.edu/blog/the-avenue/2020/02/05/neighborhood-broadband-data-makes-it-clear-we-need-an-agenda-to-fight-digital-poverty/).

² Consumer Reports, *Importance of Broadband Internet*, Research Snapshot (Feb. 2021) (advocac.y.consumerreports.org/wp-content/uploads/2021/03/2021-Feb-Broadband-Survey.pdf).

³ Tom Wheeler, *5 Steps to Get the Internet to All Americans*, Brookings Institution (May 2020) (www.brookings.edu/research/5-steps-to-get-the-internet-to-all-americans/).

⁴ Andrew Perrin and Sara Atske, *7% of Americans don't use the internet. Who are they?*, Pew Research Center (www.pewresearch.org/fact-tank/2021/04/02/7-of-americans-dont-use-the-internet-who-are-they/) (Apr. 2021).

households are located in non-rural areas.⁵ As of February 2021, while 80 percent of White adults report having home broadband, this is true of only 71 percent of Black adults and 65 percent of Hispanic adults.⁶

These disparities are not without consequence. A September 2020 study by Deutsche Bank found that Blacks and Hispanics are “10 years behind Whites” in levels of broadband access due to “multiple aspects of economic and societal development,” and that the quality of the service to White households are four times that delivered to Black and Hispanic households.⁷ Given our rapid digitization, this lack of connectivity and other gaps in digital readiness could lead to large majorities of the next generation of Black and Hispanic individuals being underprepared and locked out of the vast majority of job opportunities in the country.⁸

This divide also affects educational outcomes for students that lack home internet connectivity. As many as 15 to 16 million students lack home internet access and/or necessary devices; of those 15 to 16 million students, Black, Hispanic, and Native American students collectively represent 54 percent, although they are only 40 percent of the overall student population.⁹ Studies have shown that students who are unable to access the internet at home have a lower grade point average, which is associated with lower earnings over an individual’s lifetime.¹⁰

⁵ Emily Stewart, *Give Everybody the Internet*, Vox (Sept. 2020) (www.vox.com/recode/2020/9/10/21426810/internet-access-covid-19-chattanooga-municipal-broadband-fcc).

⁶ Pew Research Center, *Internet/Broadband Fact Sheet* (accessed April 30, 2021) (www.pewresearch.org/internet/fact-sheet/internet-broadband/#who-has-home-broadband).

⁷ Deutsche Bank Securities, Inc., *America’s Racial Gap and Big Tech’s Closing Window*, Thematic Research (Sept. 2020) (www.dbresearch.com/PROD/RPS_EN-PROD/PROD000000000511664/America%27s_Racial_Gap_%26_Big_Tech%27s_Closing_Window.pdf?undefined&reload=Jqtax9S~4tLsJiFTQcY~IjeZMnZDTePGqT9ML2vJXaw3YTRNXeEmQfAf3cO3G32EgykyhNHUV6yYB45lJpdLw==).

⁸ *Id.*

⁹ Common Sense Media, *Looking Back, Looking Forward: What It Will Take to Permanently Close the K-12 Digital Divide* (Jan. 2021) (www.common Sense Media.org/sites/default/files/uploads/pdfs/final_-_what_it_will_take_to_permanently_close_the_k-12_digital_divide_vfeb3.pdf).

¹⁰ *Id.*

II. ISSUES

A. Access to High-Speed Networks

Large portions of the country still lack modern, high-speed broadband service.¹¹ While this is mostly concentrated in rural areas, the problem is particularly acute on Tribal lands, where over 20 percent of the population lacks basic broadband service.¹²

While nearly all urban areas have access to basic broadband service, not all of the networks have the same capacity and up-to-date equipment. Often networks in lower-income and, minority communities do not have as advanced and modern infrastructure as networks in wealthier and whiter communities.¹³ This is among the issues that are included in the term “digital redlining,” and deprives those communities of the robust broadband service offerings that are necessary to access online education and telehealth services, among other uses.¹⁴ Researchers have mapped “digital poverty” tracts within major metropolitan areas to demonstrate the disparities that exist in service in urban and exurban areas.¹⁵

B. Affordability of Service

The cost of monthly service remains a major factor in the number of American households without home internet. According to a National Telecommunications and Information Administration (NTIA) study that was conducted prior to the coronavirus disease of 2019 (COVID-19) pandemic, about six million unconnected households do not have internet access because it is too expensive, and 51 percent said they would purchase home internet at a lower price.¹⁶ Studies have found that Americans pay, on average, around \$60 per month for broadband internet service, though there is wide variation across the country and that may not

¹¹ Federal Communications Commission, *Fourteenth Broadband Deployment Report*, GN Docket No 20-269, FCC 20-18 (Jan. 2020).

¹² Federal Communications Commission, *Fourteenth Broadband Deployment Report*, GN Docket No 20-269, FCC 20-18 (Jan. 2020).

¹³ Communications Workers of America and National Digital Inclusion Alliance, *AT&T's Digital Redlining Leaving Communities Behind for Profit* (Oct. 2020) (cwa-union.org/sites/default/files/20201005attdigitalredlining.pdf).

¹⁴ Ernesto Falcon, *The FCC and States Must Ban Digital Redlining*, Electronic Frontier Foundation (Jan. 2021) (www.eff.org/deeplinks/2021/01/fcc-and-states-must-ban-digital-redlining).

¹⁵ Lara Fishbane and Adie Tomer, *Neighborhood Broadband Data Make it Clear: We Need An Agenda to Fight Digital Poverty*, Brookings Institute (Feb. 6, 2020) (www.brookings.edu/blog/the-avenue/2020/02/05/neighborhood-broadband-data-makes-it-clear-we-need-an-agenda-to-fight-digital-poverty/).

¹⁶ National Telecommunications and Information Administration, *Unplugged: NTIA Survey Finds Some Americans Still Avoid Home Internet Use* (Apr. 15, 2019) (www.ntia.doc.gov/blog/2019/unplugged-ntia-survey-finds-some-americans-still-avoid-home-internet-use).

capture other fees consumers must pay to receive the service.¹⁷ Surveys of low-income families in communities across the country suggest that internet service offered at \$10-15 per month would be affordable.¹⁸

C. Digital Literacy and Skills

To receive the full benefits of broadband internet access, individuals must have the digital literacy and skills necessary to use the service to meet their needs. The American Library Association defines digital literacy as “the ability to use information and communication technologies to find, evaluate, create, and communicate information, requiring both cognitive and technical skills.”¹⁹ As more employers require job applicants to apply online and be able to use computers, digital literacy is increasingly necessary to obtain and maintain a job.²⁰ Community-led digital inclusion efforts have shown positive outcomes.²¹

III. WITNESSES

The following witnesses have been invited to testify:

Joi Chaney

Executive Director of the Washington Bureau & Senior Vice President for Advocacy and Policy
National Urban League

Chris Lewis

President and Chief Executive Officer
Public Knowledge

Francella Ochillo

Executive Director
Next Century Cities

George S. Ford, Ph.D.

Chief Economist
Phoenix Center for Advanced Legal & Economic Public Policy Studies

¹⁷ Becky Chao and Claire Park, *The Cost of Connectivity 2020*, Open Technology Institute (July 2020).

¹⁸ Jonathan Sallet, *Broadband for America’s Future: A Vision for the 2020s*, Benton Institute for Broadband and Society (Oct. 2019).

¹⁹ What is Digital Literacy?, Education Week (Nov. 8, 2016).

²⁰ Amanda Bergson-Shilcock, *The New Landscape of Digital Literacy*, National Skills Coalition (May 2020).

²¹ Jonathan Sallet, *Broadband for America’s Future: A Vision for the 2020s*, Benton Institute for Broadband and Society (Oct. 2019).