California Emerging Technology Fund Calls on FCC to Take Action on Affordable Broadband for America's Neediest

Poll Shows Wide Differences in Broadband Connectivity in Nation's Largest State;
Cost of Internet Service Cited as Major Reason

San Francisco and Los Angeles, CA – June 16, 2015 – The California Emerging Technology Fund (CETF) in partnership with The Field Poll (http://www.field.com/fieldpollonline/subscribers/Rls2509.pdf) released results today of a new survey examining who does not have broadband service at home in California. The survey found 79% percent of California households have a broadband connection at home, while 21 percent do not. Of the one in five households that do not, 77% cited the cost of Internet service or not having a computer or smart phone at home as the reason why. The new findings are particularly relevant as the Federal Communications Commission is preparing to vote this Thursday on a proposal to modernize Lifeline to include broadband for the nation's neediest households.

"The poll details how the lowest-income, least-educated Californians are living without an essential tool to access the educational, employment, healthcare and civic engagement opportunities that lead to self-sufficiency and a better quality of life," said Sunne Wright McPeak, President and CEO of the California Emerging Technology Fund. "We call on the FCC to enact meaningful reforms to Lifeline now that will enable the neediest among us to connect to broadband from home, and not just from a smart phone. We also continue to urge the FCC to hold companies under merger review accountable for delivering a real, measurable public benefit in the form of affordable broadband at home and digital literacy programs."

In California, the statewide goal is to achieve 80% home adoption by 2017, with no single demographic group or region below 70%. According to the Field Poll, several California demographic groups have home broadband adoption rates that fall more than 10 percentage points below the overall adoption* rate of 79%. They include:

Household income of less than $20,000 (65%)   **Adults 65 or older (57%)**
Spanish-speaking Latinos (63%)   **Not a high school graduate (52%)**
Adults who identify having a disability (59%)

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*This percentage includes adults accessing the Internet at home with a smartphone or through DSL, cable, satellite or fiber optic connections to a home desktop, laptop or tablet computer.

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Poverty and Broadband Adoption

While progress has been made since initial polling data showed California at 55% home broadband adoption in 2008, the stakes have grown much higher. It is nearly impossible, without at having at least basic digital skills, to find employment or have a pathway out of poverty to economic self-sufficiency. For the first time, the survey asked about broadband access outside the home. Adults with broadband connectivity at home are twice as likely as those without it to report also having broadband access to the Internet through a computer outside their home. Overall, 57% of adults have broadband connectivity at home and through a computer outside the home. More than half of those (36%) say they access the Internet through a computer at work.

By contrast, just 29% of adults without broadband connectivity at home have access to the Internet through a computer outside their home, with their most common broadband connection being through a computer at the library (11%). Libraries often must limit computer use to a block of 30-minute or less in order to meet patron demand.

Older Californians and Broadband Adoption

Older Californians are among the least-connected, according to the survey, which raises critical quality-of-life issues for this group. With the advance in telemedicine and the delivery of government services moving online, it is essential older adults have access to affordable broadband, digital literacy training and computing devices.

Smart Phones vs Computing Devices

With the rapid adoption of smart phones, the survey examined who among demographic groups are only connecting to the Internet by a smart phone. Among all California adults, 8% use a smart phone only to connect to the Internet. Earlier surveys have found "smart phone only users" were much less likely to visit government or community websites, bank online or transfer funds to family members, get health or medical information or communicate with their doctor or take a class online. All these are important activities linked to moving out of poverty. The subgroups most likely to only have broadband connectivity through a smart phone are:

Spanish-speaking Latinos (21%)

Unmarried parent of children under 18(19%)

Adults who have not graduated from high school (18%)

Household income of less than $20,000 (16%)

Parents of children under age 18 (13%)

Education and Broadband Adoption

"While smart phones are useful devices, they are not enough to help close the education Achievement Gap," McPeak said. For example, California public school students are now required to take assessment tests on a computing device and those without daily experience at home using a desktop, laptop or tablet will be at a disadvantage.

Noting how important broadband has become, FCC Chairman Tom Wheeler has proposed potentially giving households a choice of phone service, Internet service or a mix of both.

 "As technology is integrated in the classroom, students who only have smart phone access at home will be at a large disadvantage. We call on the FCC to ensure that the Lifeline for broadband program enables eligible households to obtain an affordable ($10-$15 a month) high-speed home connection to a computing device , otherwise when these students go home they will fall farther behind and we all will be worse off for it," McPeak said.

How to Subscribe to Affordable Broadband at Home
CETF partners with the Stride Contact Center, an independent, non-profit entity that provides free telephone consultations on how to find broadband service as low as $10 per month where you live. For more information, call 1-888-491-5982.

About the California Emerging Technology Fund
The mission of CETF is to close the Digital Divide. The goal is to reach 98% of all California residences with broadband infrastructure and to achieve 80% home adoption by 2017. This statewide goal can only be accomplished if the following specific hard-to-reach target communities achieve at least a 70% adoption rate: low-income populations, Latino households, rural communities, and people with disabilities. For more information, please visit www.cetfund.org.

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Internet For All Now
Recommendation to the FCC for the Broadband Lifeline Program
(WC Docket No. 11-42; WC Docket No. 09-197; WC Docket No. 10-90)
Endorsement Form
July 2015

Internet For All Now is urging the Federal Communications Commission to establish an affordable Broadband Lifeline Program through reform of the Universal Services Fund that addresses the 3 primary barriers to broadband adoption: (1) Cost; (2) Relevance; and (3) Digital Literacy. The following are the key components of an effective Broadband Lifeline Program:

- Establishment of an affordable high-speed Internet service plan for all low-income households offered by and through all broadband providers (in the $10/month range) with sufficient speeds and a wireless modem for compatibility with school-issued devices. A Broadband Lifeline Program should augment Telephone Lifeline and not force consumers to choose between the two necessary technologies and programs.

- Capitalization of an independent fund to support community-based organizations (CBOs), schools and libraries (as "trusted messengers") to assist in enrolling eligible low-income households and participate in true public-private partnerships:
  — Amount of capitalization and length of time set according to adopted goals for broadband adoption (such as 80% broadband adoption by 2020).
  — Administered through state regulatory commissions that opt in (a multi-state fund for rest of nation) with fund managers selected through an open, competitive process administered by an appropriate state agency.
  — Performance-based grants with accountability for results (subscriptions).

- Establishment of an oversight advisory body to ensure transparency and accountability with a broad base of stakeholders and community leaders knowledgeable about broadband adoption.

You are invited to support **Internet For All Now** and join the growing coalition of organizations and prominent civic leaders urging the FCC to adopt these recommendations by signing the form on the back.

I Support
Internet For All Now

Please include me as a supporter of
Internet For All Now!
I endorse the recommendations to the FCC.
You may list my name on the IFAN website and in correspondence to the FCC.

Name (Print): _____

Signature: _____

Title: _____

Organization: _____

Email: _____

Address: _____

_____

_____

Telephone: _____

Cell: _____

Date: _____

Internet Connectivity and the "Digital Divide" in California Households: 2015

- A statewide survey conducted for -
California Emerging Technology Fund

- by -
The Field Poll

May 2015

About the Survey

Population surveyed: California adults age 18 or older

Method of data collection: Interviews conducted by means of computer-assisted telephone interviewing by live interviewers

Sampling method: Random samples of adults developed from dual frame of random digit dial cell and landline phone listings covering California

Languages of administration: English, Spanish, Cantonese, Mandarin, Korean and Vietnamese

Sample size: 1,664 interviews completed:
English (1,237), Spanish (326), Chinese (51), Vietnamese (30), Korean (20)

Interviewing period: April 23 – May 16, 2015

Table 1
Internet connectivity in California households through any device* *(2015)*

No Internet access at home reported

13%

Report having Internet access at home
87%
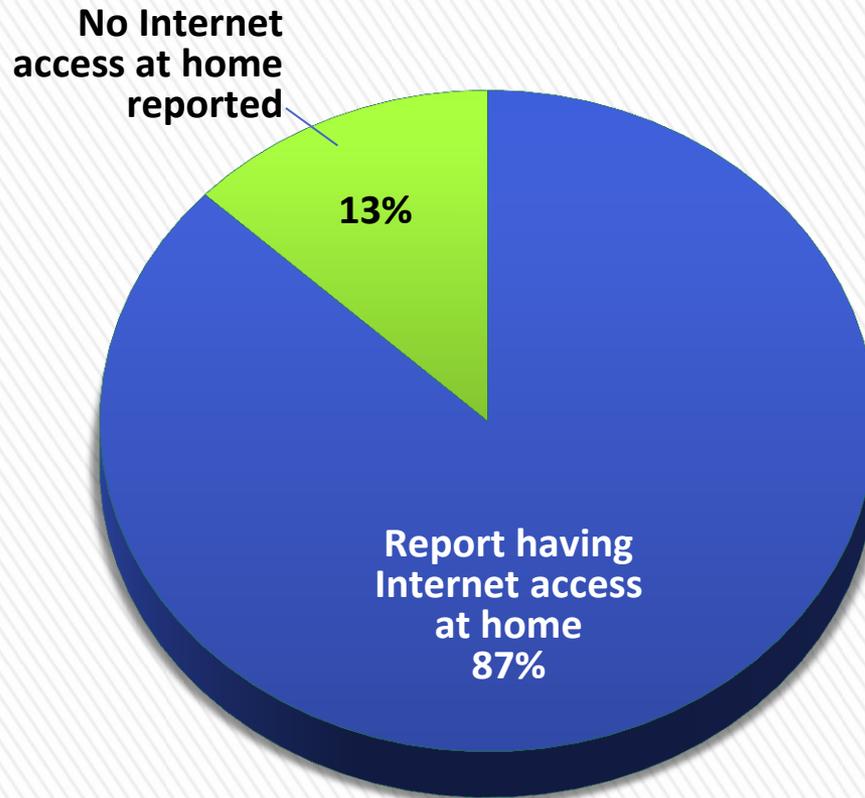
* *Includes Internet access through a smart phone or from a desktop, laptop or tablet computer.*

Table 2a
Reasons for not having Internet connectivity at home
(total mentions)

Reason	Percentage
Too expensive/no computer or smart phone at home (net)	77%
Internet service too expensive	60%
Don't have a computer or smart phone at home	50%
Not interested	46%
Concerns about privacy/computer viruses	44%
Too busy/don't have the time	42%
Too difficult to set up and learn	36%
Can connected to it from another place	27%
Internet service not available where I live	18%
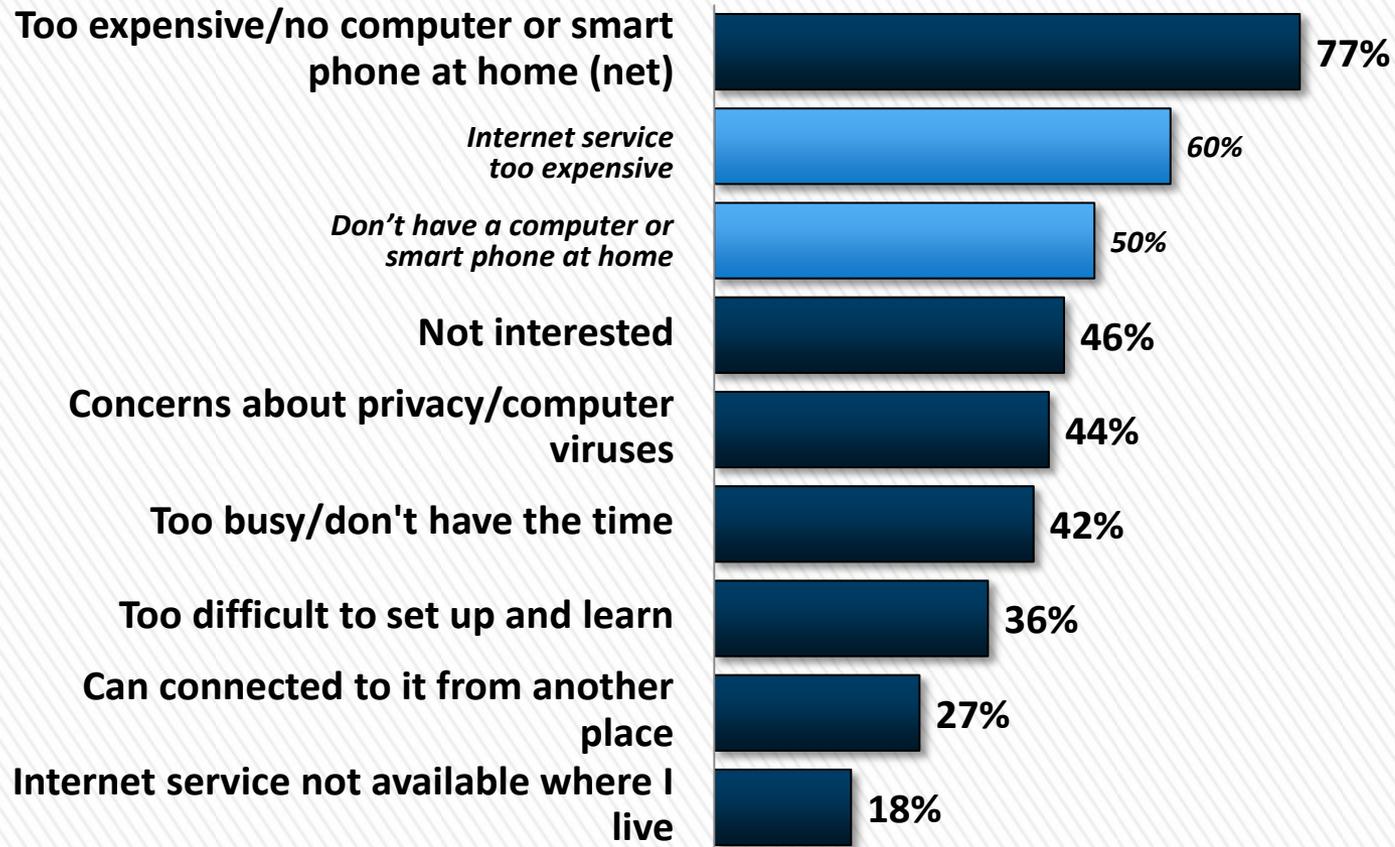
Percentages add to more than 100% due to multiple mentions.

Table 2b
Main reason for not having Internet connectivity at home
(single answer)

Reason	Percentage
Too expensive/no computer or smart phone at home (net)	41%
Internet service too expensive	29%
Don't have a computer or smart phone at home	12%
Not interested	21%
Too busy/don't have the time	11%
Concerns about privacy/computer viruses	6%
Can connect to it from another place	5%
Internet service not available where I live	5%
Too difficult to set up and learn	2%
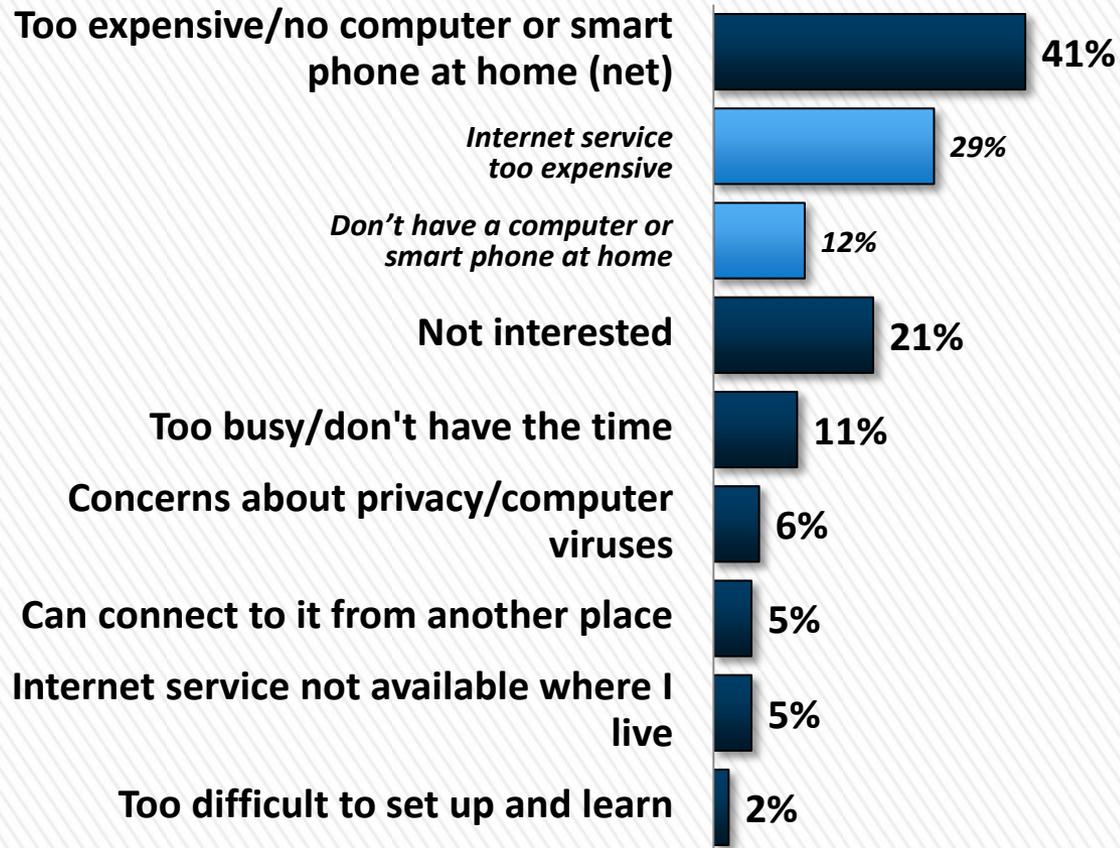
Note: Another 10% of those without Internet service at home did not give a reason for going without Internet service.

How California households with Internet access connect to it
(among the 87% of households with Internet connectivity)

Connection type
not reported
2%

Computer
connection via
dial-up modem
6%

Smart phone
connection only/
no computer
8%

Broadband
connection
via computer
71%

79%
Broadband
connectivity
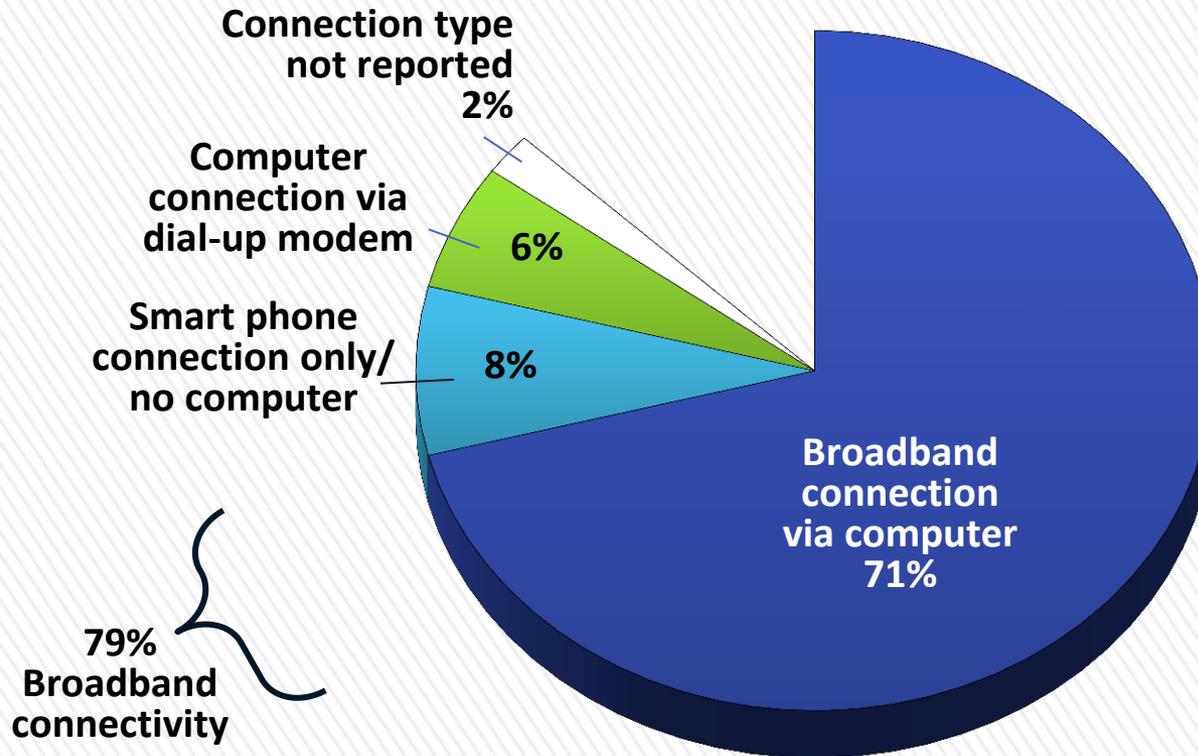
Note: Computer connection includes access to Internet through a desktop, laptop or tablet computer.

Table 3b
Broadband connectivity at home
(by region, household income and tenure)

	Computer	Smart phone only	Total
Total statewide	71	8	79%
Region			
Los Angeles County	66	10	76%
Inland Empire	69	13	82%
South Coast	78	5	83%
Central Valley	74	5	79%
San Francisco Bay Area	76	6	82%
Other California	66	7	73%
Household income			
Less than $20,000	49	16	65%
$20,000 - $39,999	66	10	76%
$40,000 - $59,999	77	4	81%
$60,000 - $99,999	86	4	90%
$100,000 or more	97	1	98%
Tenure			
Homeowner	78	3	81%
Renter/other	66	11	77%

Table 3c
Broadband connectivity at home
(by gender, age and race/ethnicity of householder)

	Computer	Smart phone only	
Total statewide	71	8	79%
Gender			
Male	74	8	82%
Female	69	7	76%
Age			
18-29	77	11	88%
30-39	72	13	85%
40-49	76	8	84%
50-64	71	4	75%
65 or older	56	1	57%
Race/ethnicity			
White non-Hispanic	85	2	87%
Latino (total)	56	14	70%
Spanish-speaking	42	21	63%
English-speaking	72	9	81%
Asian-American	70	3	73%
African-American	70	11	81%

Table 3d
Broadband connectivity at home
(by citizenship status, educational attainment and disability status of householder)

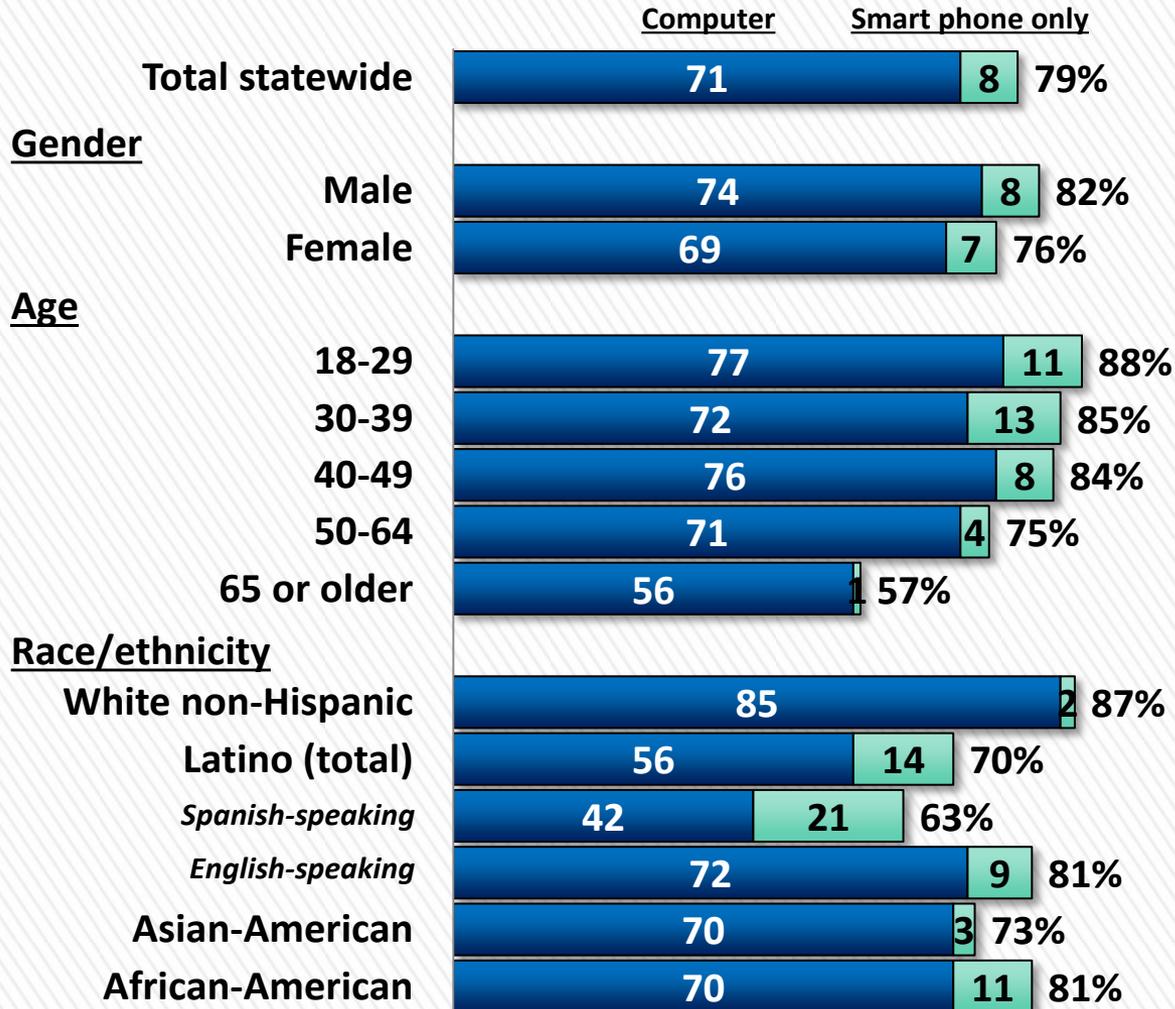|	Computer	Smart phone only	
Total statewide	71	8	79%
Citizenship status			
U.S. born	79	6	85%
Naturalized citizen	67	4	71%
Non-citizen	52	16	68%
Educational attainment			
Not a high school graduate	34	18	52%
High school graduate	62	12	74%
Some college/trade school	77	6	83%
College graduate (B.A./B.S.)	89	3	92%
Post-graduate work	93	1	94%
Disability status			
Disabled	51	8	59%
Not disabled	77	8	85%
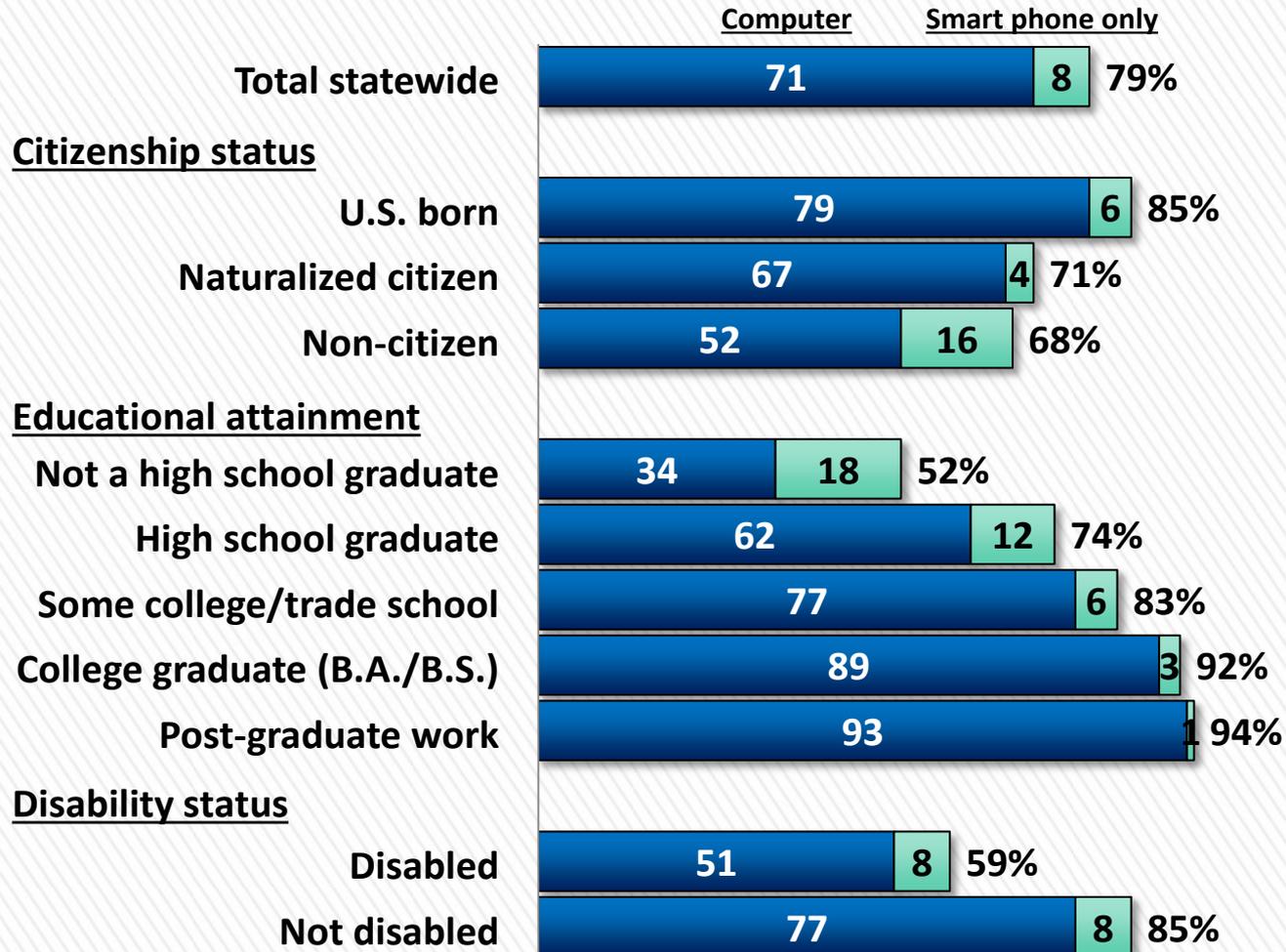
Table 3e
Broadband connectivity at home
(by marital and parental status of householder)

	Computer	Smart phone only	Total
Total statewide	71	8	79%
Marital status			
Married	74	6	80%
Not married/live together	65	11	76%
Single/never married	76	9	85%
Widowed/separated/divorced	60	9	69%
Parent of child under age 18			
Non-parent	73	5	78%
Parent (total)	68	13	81%
Married parent	73	9	82%
Unmarried parent	60	19	79%
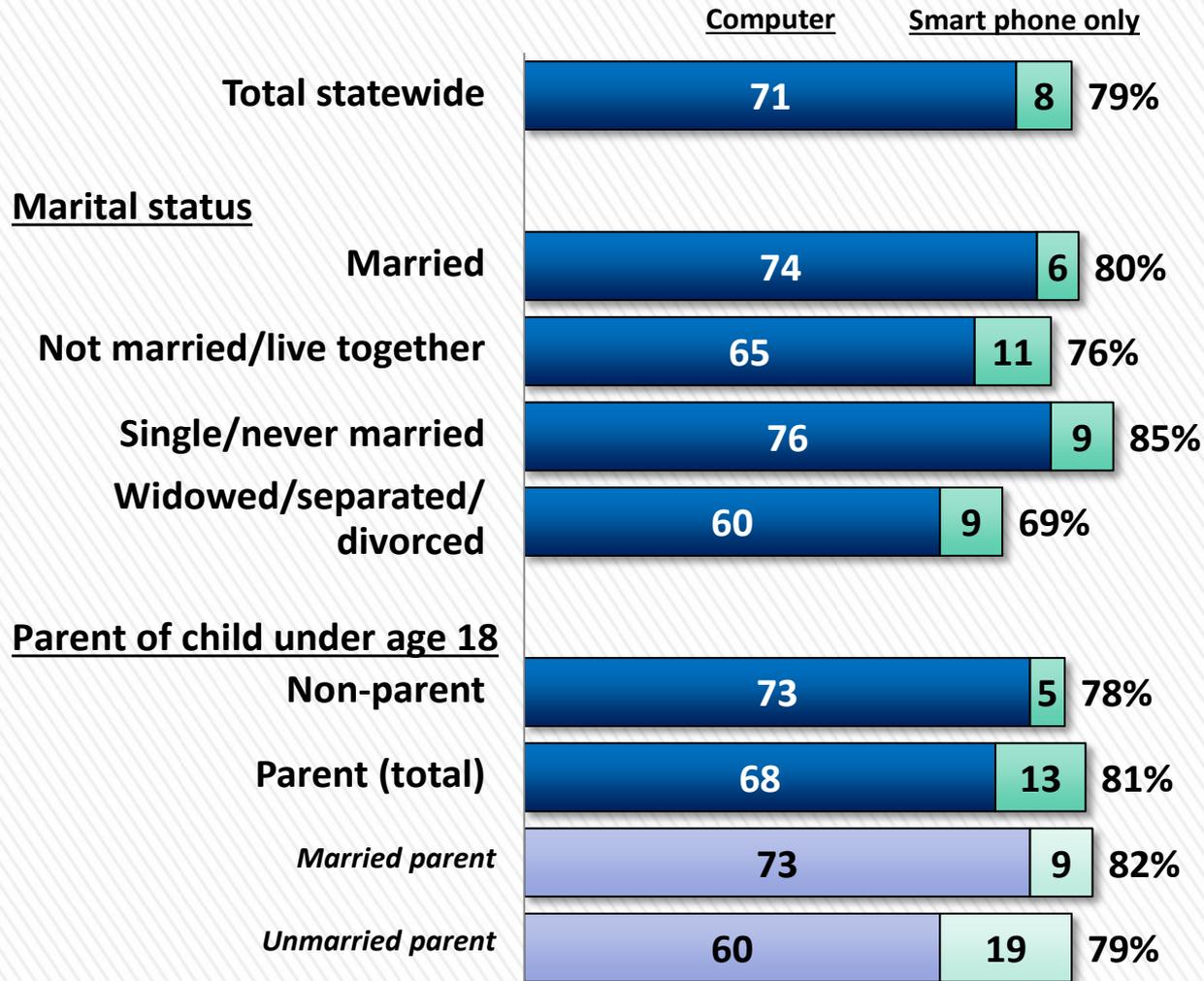
Table 4

Trend of California households with broadband connectivity
(2008 - 2015)

Broadband connectivity at home (total)

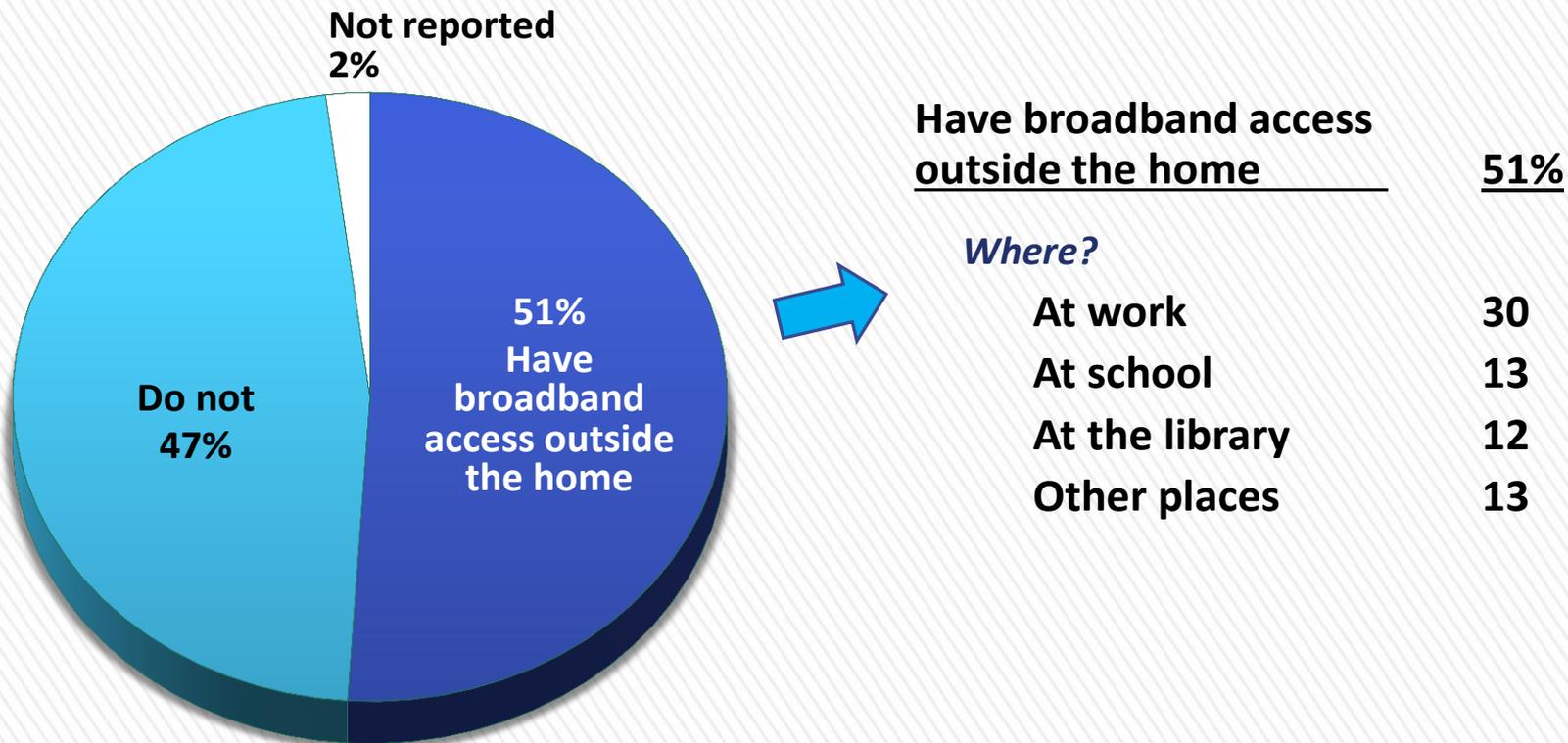| Year	Value
2008	55%
2009	62%
2010	70%
2011	72%
2012	73%
2013	75% *
2014	75% *
2015	79% *

8%
Smart phone only/no computer

69%
67%
71%
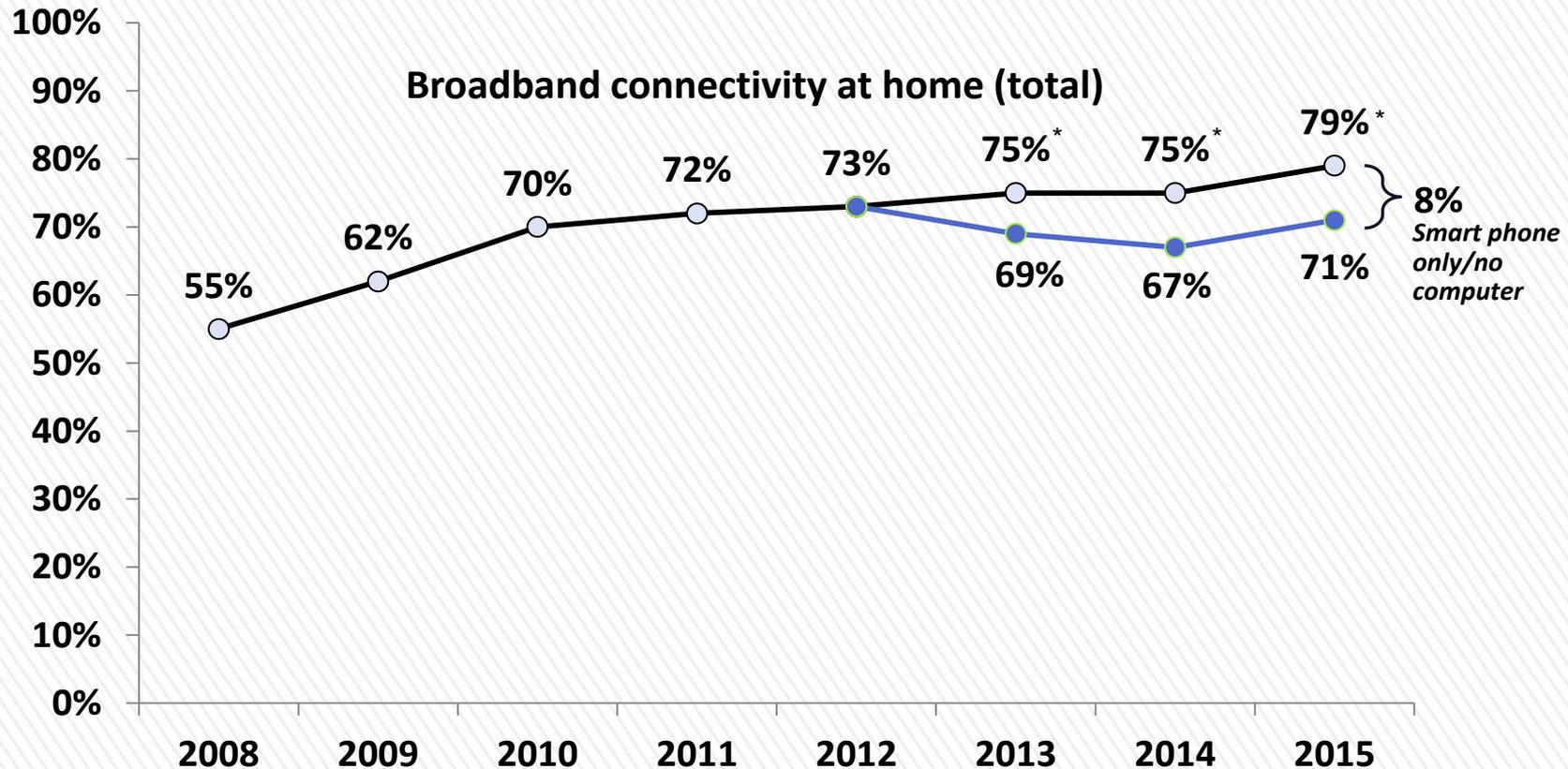
* *For all years prior to 2013, broadband Internet connectivity included those accessing the Internet through DSL, cable, satellite or fiber optic connections to a home desktop, laptop or tablet computer. For 2013 and thereafter, this also includes those connecting to the Internet at home solely through a smart phone.*

Source: 2015 and 2014 surveys conducted for the California Emerging Technology Fund by The Field Poll, while prior years' surveys conducted by the Public Policy Institute of California.

Access to broadband connectivity through a computer outside the home
(among California adults)

Not reported 2%

51% Have broadband access outside the home

Do not 47%

Have broadband access outside the home   **51%**

Where?

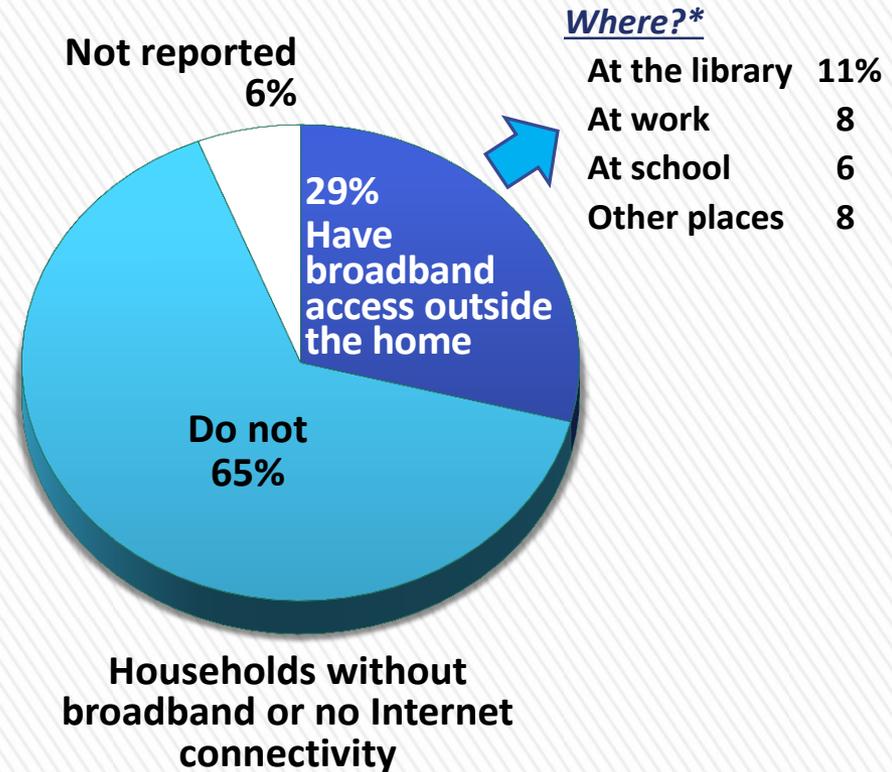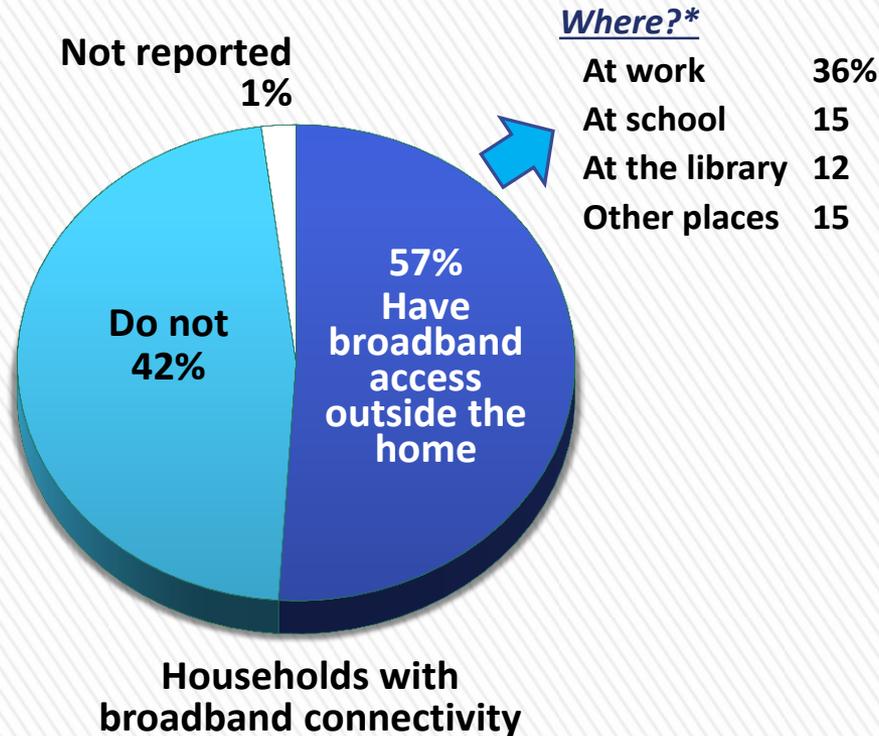|	
At work	**30**
At school	**13**
At the library	**12**
Other places	**13**

Note: Sum of places where adults report having broadband access adds to more than subtotal due to multiple mentions.

Table 5b
Access to broadband connectivity through a computer outside the home
(among adults with and without broadband connectivity at home)

Not reported 1%

Where?*

At work	36%
At school	15
At the library	12
Other places	15

57% Have broadband access outside the home

Do not 42%

Households with broadband connectivity

Not reported 6%

Where?*

At the library	11%
At work	8
At school	6
Other places	8

29% Have broadband access outside the home

Do not 65%

Households without broadband or no Internet connectivity

* Percentages add to more than subtotal with broadband access outside the home due to multiple mentions.

Table 6
Access to broadband connectivity either at home or outside the home

Pie chart segments:
- No broadband access at home or outside home 15%
- Broadband outside the home only 6%
- Broadband both at home and outside the home 45%
- Broadband at home only 34%%