

**Partnership for Progress on the Digital Divide Conference
Remarks of Gigi b. Sohn, Counselor to the Chairman
Office of FCC Chairman Tom Wheeler
Scottsdale, Arizona
October 22, 2015**

Thank you to PPDD and Angela Siefer for inviting me to speak. More important, thank you for shining a light on one of the greatest social justice issues of our time – ensuring that everyone has affordable access to the broadband Internet.

Thank you to Doug Kinkoph (NTIA) and Martin Hilbert (UN) for your thoughtful remarks.

As this session's final speaker, I'm reminded of a line from a local legend -- Arizona Congressman Mo Udall – who often quipped: "Everything has been said, but not everybody has said it."

I promise to try my best to keep my remarks fresh and insightful. I can't promise I'll succeed, but I'm definitely going to try.

The natural launching point for a speech on the digital divide would be to go over the topline numbers to illustrate the challenge. Of course, you already know those numbers, so I'll try something a little different.

When thinking about the digital divide in America, I find that a useful number to wrap your brain around the nature of the challenge is 50/50.

Let me elaborate.

If you look at the broadband adoption numbers in the U.S., there are two categories where we have pretty much reached universal adoption – people under the age of 50 and people earning over \$50,000.

So what does that tell us?

It says that for those populations that face no significant barriers, market forces can be sufficient to get us to our goal of universal adoption.

But there's a flip side.

The fact that certain populations are approaching 100% adoption, but we still have significant digital divides tells us that there are limits to the power of free markets to drive universal broadband. There are significant barriers that will need to be overcome if we want broadband for all in the U.S.

Put another way: getting where we are now was relatively easy. Getting from here to universal adoption is the hard part.

To use a metaphor, think of our adoption challenge as a marathon. They say that the race really starts at mile 20, and those last 6 miles are a bear. Considering we have about 75% percent home adoption, that math is about right.

You can take this concept one step further. This marathon is an out-and-back course, where the first half is all downhill, meaning the back half is all uphill and just gets harder and harder as you approach your ultimate goal.

But to borrow a line from President Kennedy, “We choose to do these things, not because they are easy, but because they are hard.”

So what are we doing at the FCC to close the digital divide and make sure every American can enjoy the benefits of the Internet revolution?

For starters, we at the FCC strongly believe that it’s not enough to make sure the Internet is accessible to all. The Internet must also be fast, and the Internet must be open.

When I arrived at the FCC with Chairman Wheeler almost two years ago, the speed benchmark for broadband was 4 megabits-per-second download speed and one megabit per second upload speed. That’s less bandwidth than what is recommended to stream a single HD video. Now consider that the average connected household has seven Internet-connected devices -- including televisions, desktops, laptops, tablets, and smartphones.

Meeting the needs of a modern connected family with four megabit broadband isn’t just difficult; it’s impossible.

That’s why, earlier this year, the FCC set a new speed benchmark for broadband service of 25 Mbps down and 3 up – a standard that reflects recent advances in technology, market offerings by providers, and consumer demand. We’ve also

increased the speed that must be offered under our universal service program for rural areas to 10 Mbps down and 1 up.

Perhaps the biggest key to preserving the Internet as a platform for innovation is preserving its open design, which enables innovation without permission. This February, the FCC adopted the strongest open Internet protections ever proposed by the Commission. These rules flatly prohibit paid prioritization, blocking, and throttling by broadband Internet access service providers, and will assure the rights of consumers and innovators to use the Internet without interference from gatekeepers.

Now let me walk through some of the Commission’s key initiatives to close America’s broadband gaps. The use of the plural “gaps” is purposeful. As you all know, there is not just one digital divide – there is the rural gap, the income gap, the homework gap and the accessibility gap, among others.

CONNECT AMERICA FUND

One clear area of emphasis is rural America. Over half of Americans in rural areas lack access to broadband that meets our new speed benchmark. Nearly 10 million Americans have no access to wired broadband at any speed.

Chairman Wheeler has traveled to Alaska, New Mexico and South Dakota to shine a light on the unique digital exclusion challenges in Indian Country. The Commission estimates that the percentage of Americans in rural Tribal communities without access to fixed broadband is 8 times higher than the national average.

When I think of the costs of digital exclusion in rural America, I often think of a woman I met earlier this year named Eva van Hoke. Eva lives in a rural area outside of Chattanooga, Tennessee. She told me how she has to drive her son 12 miles to their church to watch online material assigned by his biology teacher. Eva and her son deserve better.

In recent years, the Commission has launched a comprehensive effort to take our “Universal Service” programs for delivering telephone service in the 20th century and modernize them to support broadband access to all Americans in the 21st century.

Our Connect America Fund ensures that broadband is deployed in places where it is not economic for industry to build.

This August, the FCC announced that ten carriers had accepted \$1.5 billion in annual support for rural deployment from the Connect America Fund. Together with the carriers' own investments, these funds will expand broadband to nearly 7.5 million rural consumers in 45 states nationwide and one U.S. territory over the next few years. The carriers' acceptance of this support will result in the infusion of over \$9 billion from the Connect America Fund into rural broadband in the U.S. over the next six years.

E-RATE

One way to ensure that all Americans can access the Internet is to connect all of our schools and libraries, which brings me to another key Universal Service program: E-rate.

E-rate has helped to ensure that almost every school and library in America has at least a basic level of Internet connectivity. In fact, E-rate is America's largest education technology program.

In the 19 years since E-rate was established, technology has evolved, the needs of students and teachers have changed, and basic connectivity has become inadequate. But too many American schools and libraries –particularly those in rural areas - do not have Internet connections capable of supporting modern digital learning.

That's why last year the Commission adopted a major modernization of E-rate that will support fiber deployment to and Wi-Fi within the nation's schools and libraries. Our goal is to connect 99% of schools and libraries to high speed, scalable broadband connections over the next four years.

LIFELINE

But we're not done yet. The Commission recently launched another major initiative to modernize universal service and make broadband available to all Americans. I'm talking about Lifeline reform.

Starting in 1985, the FCC's Lifeline program has provided a small subsidy first for wireline and then for wireless telephone service. Over a span of three decades,

the program has helped tens of millions of Americans afford basic phone service. But as communications technologies and markets evolve, the Lifeline program also has to evolve to remain relevant.

This summer, the Commission launched a rulemaking that proposes to allow Lifeline to subsidize broadband. In the year long debate over our Open Internet rules, Americans told us unequivocally that access to broadband is essential to full participation in our society and our economy. The FCC must ensure that everyone, including the poorest and most vulnerable, can share in that benefit.

The rulemaking tackles a broad range of issues, and proposes reforms that supplement those from 2012, which drastically reduced waste, fraud and abuse. Let me highlight a few issues of greatest importance to this audience. First, to ensure Lifeline subscribers can tap the full benefits of broadband, we propose establishing minimum standards of service for voice and broadband. We refuse to allow Lifeline broadband service to be a second-class service. Second, we are looking at ways to incentivize greater competition for Lifeline service. The number of minutes for wireless Lifeline service has largely stagnated at 250 minutes per month, and we believe that the more carriers we can encourage to provide Lifeline service, the better that service will become. Third, we also propose an overhaul of the way we determine eligibility for Lifeline. Currently, Lifeline providers are responsible for ensuring eligibility, a situation that invites waste and burdens providers. Therefore, we are seeking comment on the feasibility of a national eligibility verifier, which would work in tandem with the state-run eligibility verifiers across the country.

ACCESSIBILITY

When it comes to Internet access in America, few communities have greater challenges and opportunities than people with disabilities. Chairman Wheeler has made harnessing the power of communications technology to improve the lives of Americans with disabilities one of his highest priorities.

For example, last year the FCC was the first federal agency to use broadband interactive video to launch a video consumer support service, the American Sign Language, or “ASL” Consumer Support Line. This exciting new offering allows sign language users who are deaf or hard of hearing to communicate directly with a customer service representative at the FCC, rather than using a video relay service (VRS), which uses third party communication assistants to handle telephone calls.

Following our lead, the Small Business Administration, Census Bureau and Equal Employment Opportunity Commission have recently committed to use this technology. The Chairman will continue to use his bully pulpit to persuade others in government and industry to do the same.

The FCC is taking this innovative mindset even further to build a platform of open source, standards-based applications working on desktop and mobile operating systems, which will allow for interoperable text, voice and high quality video calling by individuals who are signed up with VRS and other telecommunications relay service providers. This platform is called Accessible Communications for Everyone, or ACE. Thus, for the first time, video technology outside the VRS system will be compatible with the video technology within the VRS system.

Under Chairman Wheeler, the Commission also has adopted a wide range of accessibility policies to promote adoption and facilitate access to broadband and other communications services by people with disabilities, including requirements for carriers to handle text-to-911 emergency calls, mandates for high quality closed captions on television programs and video clips delivered via Internet protocol, and obligations for television providers to offer video description used by people who are blind in a greater number of television markets.

ADOPTION

I've spent most of my remarks talking about the opportunities the FCC has for closing the digital divide. Let me talk briefly about our biggest challenge – broadband adoption.

I won't belabor the reasons why Americans don't adopt broadband – it's well-trodden ground and I bet most of you can recite the statistics by heart. But other than modernizing our Lifeline program to tackle some of the issues around broadband affordability, the FCC is trying to figure out how else we can be helpful.

It won't be easy. As NTIA so skillfully demonstrated when it spent a quarter of a billion dollars in stimulus money to promote sustainable broadband adoption, successful programs come from the bottom up, not the top down. NTIA staff sought out appropriate community leaders and anchor institutions, and they in turn knew how best to serve the communities most in need of education and

training. A small federal agency like the FCC has neither the competence nor the resources to know what works best for diverse communities.

So what more can the FCC do? I'm pleased to announce that under the leadership of Alison Kutler, our new Consumer Governmental Affairs Bureau Chief, we are going to explore and highlight best practices with four targeted communities that are very much on the wrong side of the digital divide – seniors, veterans, persons with disabilities and students. One of the goals of this effort is to develop a roadmap for these communities that can be used by advocates and the philanthropies and companies that support their work.

CONCLUSION

So that's an overview of the big-ticket items the Commission is working on to help close the digital divide. Now time for a few closing thoughts.

You've just heard three speeches about digital inclusion – two from the American perspective, and one from an international perspective.

The main unifying thought of all of these speeches – of this entire conference – is that access to broadband equals access to opportunity. Opportunities for jobs; for education; for health care; for civic participation; for our environment.

This is less about technology, and more about people.

This is less of an infrastructure challenge, and more of a civil rights and human rights challenge.

That's why one of the Sustainable Development Goals ratified by the United Nations General Assembly last month was to “[s]ignificantly increase access to information and communications technology and strive to provide universal and affordable access to the Internet in least developed countries by 2020.”

Access to broadband is so valuable in the 21st century that universal access must be the goal for all nations.

Earlier I spoke about the Lifeline program, which was established in the 1980s to assure universal adoption of telephone service in the U.S. Here's a curious

statistic about Lifeline's inception: When this program was created telephone adoption in the U.S. was 92 percent.

At first blush, 92 percent probably sounds pretty good. Until you think that this number means millions of Americans were shut off from our primary communications network.

I hope that we can get to 92 percent broadband adoption in the not-too-distant future. And if and when we do, I hope we will show the same resolve to keep pushing toward 100 percent.

Earlier, I quoted President Kennedy's famous line about going to the moon and how we do these things because they are hard. Let me read the rest of the quote, "We do these things not because they are easy but because they are hard, because that goal will serve to organize and measure the best of our energies and skills, because the challenge is one that we are willing to accept, one we are unwilling to postpone, and one which we intend to win."

Time and again, the American people have proven that we can overcome the odds and accomplish great things. The job of closing the digital divide won't be easy, but if we work together and show the same urgency as our predecessors, we will prevail and expand the benefits of the Internet revolution to all Americans.

Thank you.