



NYS Broadband Flash Bulletin

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FCC Launches Competition to Identify the Best Ways to Increase Broadband Adoption Among Low-Income Americans — Application Deadline July 2, 2012

The Federal Communications Commission (FCC) is using \$25 million it saved from its low-income broadband Lifeline program to fund a competition to identify pilot programs that can best increase high-speed broadband adoption in households making less than \$25,000 annually.

The FCC says the money comes from savings tied to its Universal Service Funds last year. The Pilot will gather high-quality data that will guide long-term efforts to increase broadband adoption among low-income Americans. Applicants must be telecommunications carriers eligible to participate in Lifeline and are encouraged to partner with existing broadband adoption programs as well as schools, libraries, state and local governments, non-profits and others. The winners will reflect a diversity of geographic areas (rural, urban), technologies (fixed, mobile), and service plans. At least one project will explore providing support on Tribal lands.

"Low-income Americans are disproportionately excluded from the \$8 trillion dollar global Internet economy, and all of its benefits," said FCC chairman Julius Genachowski in a statement. "By reforming the Lifeline program earlier this year to eliminate waste, fraud and abuse, we were able to save tens of millions of dollars to support this competition. The data we collect will help identify the best ways to close the broadband adoption gap and unleash the benefits of high-speed Internet for every American."

According to the New York State Broadband Adoption Rate Study, (<http://www.broadbandmap.ny.gov/documents/adoption-study/NYS-Broadband-Adoption-Study-BW.pdf>), the State's broadband adoption rate is approximately 70%, or 6.4 million people who are either unable to subscribe to broadband or do not see the value in subscribing. Notable disparities between demographic groups exist. People with lower incomes, lower education levels, minorities, non-family households and the non-employed tend to lag behind other groups in home broadband use.

The major barriers to adoption include affordability, perception of need, and digital literacy. Low-income households adopt broadband at much lower rates than the average household, even when access to high-speed Internet is readily available.

The Adoption Rate Study data indicated the following gaps in adoption rates according to demographics:

Income: The adoption rate for New Yorkers earning less than \$20,000 was 37%, compared to an adoption rate of 84% for those earning \$60,000—\$100,000.

Race: The adoption rate for Asian New Yorkers was 82%, compared to non-Hispanic White New Yorkers at 69% and African-American New Yorkers at 60%.

Education: While New Yorkers with a Bachelor's Degree subscribed to broadband at a rate of 84%, those with only a High School Diploma subscribed at a rate of 58%.

Age: In general, younger New Yorkers tend to use broadband at much higher rates than older New Yorkers, with those in the 18-24 year old range adopting at an 82% rate, followed by 73% for 25-34 year old, leaving those at 65 years old or above adopting at the lowest rate of 39%.

Employment: New Yorkers with a full-time job adopted at almost 80%, while those who have been out of a job for more than one year adopt at a rate of 53%.

A Public Notice, http://transition.fcc.gov/Daily_Releases/Daily_Business/2012/db0430/DA-12-683A1.pdf, released by the FCC announces criteria for the competition and a **deadline of July 2, 2012 for applications**. Winners will begin their projects in the fall.

The press release can about the funding can be found on the Commission's website at <http://www.fcc.gov/document/fcc-launches-broadband-adoption-lifeline-pilot-program-competition>.

Broadband—Fast Fact

If all homes had basic broadband service — The U.S. economy would gain 1.2 million jobs and \$500 billion per year.



New York City Launches Broadband Initiatives to Encourage Citywide Build Out

On June 22, New York City Mayor Michael Bloomberg and City Council Speaker Christine Quinn announced a series of new initiatives to expand New York City's broadband connectivity. The initiatives developed in partnership with the New York City Economic Development Corporation and the Department of Information Technology and Communications are designed to capitalize on the growth currently taking place within the City's technology sector by addressing critical ongoing broadband challenges including last mile coverage, underserved pockets in industrial and manufacturing neighborhoods and low adoption rates.

The initiatives to increase connectivity will be implemented over the several months, and include the following programs:

- ConnectNYC:** a competition to build out fiber connectivity for commercial and industrial buildings across the five boroughs. Through ConnectNYC, the City will assist small and medium-sized businesses, including industrial businesses, in unwired or underwired buildings to apply for free fast-track wiring. Companies would apply through a competitive process that will make awards based on a demonstration of how additional connectivity would help them grow their business.
- WiredNYC:** a building certification program that will evaluate the broadband infrastructure of New York City buildings in order to encourage and accelerate deployment of leading broadband technologies. This program will create transparency about broadband infrastructure in the commercial real estate market, giving businesses information about a building's connectivity when choosing where to locate, and allowing landlords to market their buildings' assets and compete for tenants. WiredNYC will have a goal of cataloguing and ranking more than 300 commercial office buildings totaling more than 16 million square feet in the next two years.
- NYC Broadband Connect Map:** the NYC Broadband Connect map will fill knowledge gaps in the market. The Broadband Connect map will be a crowd-sourced, dynamic website in which businesses can learn about connectivity availability and capabilities in a given building or neighborhood. The map will incorporate multiple sources of data, such as the WiredNYC grades and information from several NYC fiber providers who are partnering with the City. Businesses around the City will also share details on their current service, as well as the type of service they would ideally like to have in their buildings – allowing the City's broadband companies to understand where the demand for service exists. This new resource for businesses will be launched by the end of 2012.
- Broadband Express:** the City will begin a process of simplifying operational issues as well as regulatory hurdles for Internet Service Providers (ISPs). The City will immediately identify a City point-person for ISP street operations permitting as well as other related issues. This position will help ensure that businesses get the service they need when they need it, and the City will soon begin to commit to processing all standard broadband-related street operations permits within two business days, on average, and gather data in order to be held accountable. This program could ultimately facilitate nearly 25,000 broadband-related permits in the next two years. In addition to immediately focusing on permitting, the City will also begin to explore the streamlining of additional broadband connectivity regulatory issues for ISPs in the future.
- CitizenConnect:** Building on the work that the City is already doing to target the "Digital Divide", including the expansion of more than 100 free public computing centers across the five boroughs and the securing of tens of millions in federal Recovery Act monies to increase broadband access for public school students and families, NYC will create a competition to develop mobile applications to help City residents access workforce development opportunities, jobs listings and worker support programs such as childcare, healthcare and transportation. These services typically require a computer or laptop, which many low-income City residents do not have access to in their homes. While residents seeking jobs can currently use computers at public computing centers across the five boroughs, including any one of the City's 15 Workforce Centers, providing these unconnected communities with access to services via available mobile platforms – which have much higher penetration throughout the City than other forms of technology – will better connect the City and community based organizations and the services they provide to their clients.

Collectively, these initiatives, are expected to lead to hundreds of buildings being wired for connectivity in the next two years, tens of thousands of permits issued through more efficient and streamlined processes, thousands of buildings being certified and placed on the City's digital map, and a significant increase in online resources for thousands of residents of the five boroughs.

To read the New York City Economic Development Corporation's full press release visit <http://www.nycedc.com/press-release/mayor-bloomberg-and-speaker-quinn-announce-new-initiatives-expand-new-york-city-s>.

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