

**Before the  
FEDERAL COMMUNICATIONS COMMISSION  
Washington, D.C. 20554**

|                           |   |                      |
|---------------------------|---|----------------------|
| In the Matter of          | ) |                      |
|                           | ) | GN Docket No. 09-47  |
| A National Broadband Plan | ) | GN Docket No. 09-51  |
| For Our Future            | ) | GN Docket No. 09-137 |

**Reply Comments  
NBP Public Notice #30**

**Communications Workers of America**

Debbie Goldman  
501 Third St. N.W.  
Washington, D.C. 20001  
(202) 434-1194 (phone)  
(202) 434-1201 (fax)  
[dgoldman@cwa-union.org](mailto:dgoldman@cwa-union.org)

January 27, 2010

## TABLE OF CONTENTS

|  |    |
|--|----|
| SUMMARY.....   | i  |
| INTRODUCTION.....  | 1  |
| 1. Safeguard Workers and Consumers in Transition to IP-World.....  | 2  |
| 2. Establish Ambitious, Yet Achievable Goals.....  | 4  |
| 3. Implement Truth-In-Billing Consumer Protections.....  | 6  |
| DEPLOYMENT   |    |
| 4. Reform the Universal Service Fund.....  | 8  |
| 5. Establish Tax Incentives to Encourage Investment in Higher Speeds.....  | 9  |
| 6. Support the Creation of Public-Private Partnerships<br>And State and Local Broadband Task Forces.....                   | 10 |
| ADOPTION   |    |
| 7. Provide Universal Service fund Subsidies to Low-Income Households.....  | 12 |
| 8. Make it Easier for Consumers to Access the Internet over Television.....  | 12 |
| 9. Establish a National Digital Ambassadors Outreach and Literacy Program.....   | 12 |
| 10. Promote No Child Off-Line National Subsidized Computer Program.....  | 13 |
| 11. Provide Tax Deduction for Employers Who Pay for Devices and Connectivity<br>for Low-Income, Non-Adaptor Employees..... | 13 |
| 12. Leverage Public Programs to Promote Broadband Solutions.....   | 13 |
| CONSUMER PROTECTIONS AND JOB CREATION  |    |
| 13. Maintain and Grow Good Jobs.....   | 14 |
| Conclusion.....  | 14 |

## SUMMARY

Nine months ago, the Commission launched this proceeding to develop a National Broadband Plan. After numerous workshops, public hearings, and comment cycles, the Commission enters the final phase in the development of the plan that it will present to Congress. The Communications Workers of America applauds the Commission for the data-driven, open process that it has adopted in the development of the plan.

The National Broadband Plan will drive public and private initiatives to upgrade our networks and expand broadband adoption for many years to come. The Commission must put job-creating investment at the top of its agenda, and ensure that workers in the industry benefit from broadband build-out and adoption programs. While the Commission must focus on short-term achievable recommendations that ensure that all Americans have access to high-speed networks, it must also set ambitious goals and recommend policies that speed widespread deployment of world-class next-generation advanced networks.

The National Broadband Plan must address three broadband gaps: 1) the access gap, located largely in higher-cost, low-density rural areas; 2) the speed gap, which puts our nation 28<sup>th</sup> in the world in broadband capacity, lacking the bandwidth capacity to realize the full potential of advanced two-way networks; and 3) the adoption gap, in which one-third of U.S. households (disproportionately low-income, older, African-American or Hispanic, or people with disabilities) do not subscribe to broadband because of barriers of cost, digital illiteracy, lack of computer ownership, or no perceived value.

CWA urges the Commission to include these elements in the National Broadband Plan which will help our nation close the digital divide and restore our U.S. global leadership in high-speed communications technology and innovation.

- 1. Safeguard Workers and Consumers in the Transition to an IP-World.** As communications networks and services transition from circuit-switched to an all IP network, the Commission must update the framework to protect consumers' rights to universal, affordable, quality service and communications workers' rights to quality employment with good wages, benefits, retirement security, and training.
- 2. Establish Ambitious, Yet Achievable Goals.** The National Broadband Plan should set as a goal that all people of the United States shall have access to networks capable of sending and receiving video, with speeds at 10 (megabit per second) mbps downstream and 1 mbps upstream. By 2015, at least 80 percent of Americans shall have access to networks capable of 50 mbps downstream and 10 mbps upstream. The Commission should establish separate benchmarks for community anchor institutions such as schools, libraries, health care providers, and government agencies.
- 3. Implement Truth-In-Billing Consumer Protections.** The Commission should establish a truth-in-billing program that would require broadband operators and service providers to provide common, clear information about the products and services they offer, including actual and advertised speeds, price, fees, reliability, latency, contract terms, service limits, privacy policies, and traffic management policies.
- 4. Reform the Universal Service Fund.** The National Broadband Plan should recommend that the Commission immediately open a proceeding to reform the federal \$7 billion annual Universal Service Fund to support broadband in high-cost rural areas.
- 5. Establish Tax Incentives to Encourage Investment in Higher Speeds.** The National Broadband Plan should urge Congress to establish a program of targeted, temporary tax incentives to support new high-speed broadband deployment.
- 6. Support the Creation of Public-Private Partnerships and State and Local Broadband Task Forces.** The National Broadband Plan should recommend that each state establish a broadband task force to promote sustainable capacity building over the long-term.
- 7. Provide Universal Service Fund Subsidies to Low-Income Households.** The National Broadband Plan should recommend that the Commission move forward expeditiously to implement a pilot program to provide USF subsidies to low-income households for broadband access and equipment.

8. **Make it Easier for Consumers to Access the Internet over Television.** The National Broadband Plan should include specific recommendations to open the set top box market to competition and innovation.
9. **Establish a National Digital Ambassadors Outreach and Literacy Program.** The National Broadband Plan should recommend a national program of digital ambassadors working in communities to promote digital literacy.
10. **Promote No Child Off-Line National Subsidized Computer Program.** The National Broadband Plan should recommend a national program to provide subsidies to low-income families with children to purchase computers.
11. **Provide Tax Deduction for Employers Who Pay for Devices and Connectivity.** The National Broadband Plan should recommend that Congress establish a program to provide tax deductions to employers who pay for devices and connectivity for low-income and non-adopter employees.
12. **Leverage Public Programs to Promote Broadband Solutions.** The National Broadband Plan should recommend specific programs and policies that leverage broadband solutions to meet our nation's challenges in health care, education, job training, energy conservation, civic engagement, public safety and cyber security, housing, and economic development.
13. **Maintain and Grow Good Jobs.** With unemployment at 10 percent, the National Broadband Plan should encourage the Commission to open an inquiry into the employment situation in the communications industry, and policies to encourage the growth of good jobs in the industry.

The Communications Workers of America (“CWA”) submits these Reply Comments in response to the Commission’s NBP Public Notice #30.<sup>1</sup> CWA represents 700,000 workers in communications, media, airlines, manufacturing, and public service. CWA has been an active participant in the public comment process in this proceeding.<sup>2</sup> We focus in these Reply Comments on the core elements that the Commission should include as it enters the last phase in the development of the National Broadband Plan due to Congress in March 2010.

CWA applauds the data-driven, open process that the Commission has adopted in developing the National Broadband Plan. CWA supports many components of the general framework that the National Broadband Task Force has outlined in its presentations to the Commission. CWA agrees that high-speed Internet is a critical infrastructure that enables economic growth, job creation, and numerous public benefits; therefore, there is an important government role in fostering high-speed broadband deployment and adoption. CWA also agrees that the private sector will largely build broadband networks, with public resources targeted to address three broadband gaps: 1) the access gap, focused largely in higher-cost, low-density rural areas; 2) the speed gap, which puts our nation 28<sup>th</sup> in the world in broadband capacity, with insufficient bandwidth to realize the full potential of advanced two-way networks; and 3) the adoption gap, in which one-third of U.S. households (disproportionately low-income, rural, older, African-American or Hispanic, or people with disabilities) do not to subscribe to

---

<sup>1</sup> Federal Communications Commission, Reply Comments Sought in Support of National Broadband Plan, NBP Public Notice #30, GN Docket Nos. 09-47, 09-51, 09-137, Jan. 13, 2010.

<sup>2</sup> See CWA Comments, In the Matter of A National Broadband Plan For Our Future, GN Docket Nos. 09-47, 09-51, 09-137, June 8, 2009 (“CWA Initial Comments”); CWA Reply Comments, In the Matter of Comments Sought on Defining “Broadband” NBP Public Notice #1, GN Docket Nos. 09-47, 09-51, 09-137, Sept. 8, 2009; National Broadband Plan Staff Workshop on Job Training, August 26, 2009.

broadband because of cost, lack of digital literacy, equipment inaccessibility, or no perceived value.<sup>3</sup>

The National Broadband Plan will drive public and private initiatives to upgrade our networks and expand adoption for many years to come. The Commission must put job-creating investment at the top of its agenda, and ensure that workers in the industry benefit from broadband build-out and adoption programs. While the Commission must focus on short-term achievable recommendations that ensure that all Americans have access to high-speed networks, it must also set ambitious goals and recommend policies that speed widespread deployment of world-class next-generation advanced networks.

In these Reply Comments, we outline 13 priority elements that should be in the National Broadband Plan to achieve these objectives.

### **1. Safeguard Workers and Consumers in the Transition to an IP-World**

As part of the National Broadband Plan development process, the Commission issued a Public Notice seeking comment on whether the Commission should issue a Notice of Inquiry examining the appropriate policy framework to facilitate and respond to the transition from circuit-switched network to all-IP network. The Commission sought to identify the relevant policy questions that such an inquiry should raise.<sup>4</sup> Because we are indeed in the midst of a fundamental transformation in communications technology and services, it is appropriate for the Commission to examine the policy framework needed to protect consumers and workers during and after the transition.

---

<sup>3</sup> National Broadband Task Force Presentation, Sept. 19, 2009; National Broadband Task Force Presentation, Broadband Gaps, Nov. 18, 2009; National Broadband Task Force Presentation, National Broadband Policy Framework, Dec. 16, 2009.

<sup>4</sup> Public Notice, "Comment Sought on Transition from Circuit-Switched Network to All-IP Network," NBP Public

In the circuit-switched world, telephone workers earn good wages, benefits, pensions, and retiree health provisions and have had access to training in new skills to enable career growth as technology changes. These costs have been built into the rate base over many years. Consumers benefit from quality service provided by a skilled, career workforce. Women and minorities, in particular, have benefited from the good jobs available in this industry. In the transition to an IP-world, policymakers and employers must develop specific programs and plans to ensure that consumers and workers do not suffer a reduction in the quality of employment simply due to changing technology. Any Commission proceeding that explores the appropriate framework to transition from circuit-switched to IP networks must include employment transition issues.

Similarly, a Commission inquiry into transition issues must address ways to maintain the important goal of universal, affordable, quality service in an IP world in which voice is just one among many network applications, and must establish a regulatory framework that subjects providers of similar services to the same rules, regardless of the technology used to deliver the service. Other important questions to be examined include how to structure carrier-of-last-resort obligations, service quality requirements, emergency services, public safety, disability access requirements, and other consumer protections.

While these are fundamental questions that the Commission must address, it is not appropriate for the Commission to set a firm deadline for sunset of the public switched telephone network in order to force resolution of these issues, as one commentator has advocated.<sup>5</sup> Nor is it appropriate to abandon all regulatory protections that have served us well in the voice world.

---

Notice #25, GN Docket Nos. 09-47, 09-51, 09-137, Dec. 1, 2009.

<sup>5</sup> Comments of AT&T Inc. on The Transition from the Legacy Circuit-Switched Network to Broadband, NBP Public

Rather, as the California Public Utilities Commission emphasizes, the Commission’s inquiry should address the appropriate mechanisms to safeguard consumers, and we would add workers in the industry, as communications technology and services change.<sup>6</sup>

## **2. Establish Ambitious, Yet Achievable Goals and Benchmarks**

Congress instructed the Commission to write a plan that will “seek to ensure that all people of the United States have access to broadband capability and shall establish benchmarks for meeting that goal.” Congress also told the Commission to develop “a plan for use of broadband infrastructure and services in advancing consumer welfare, civic participation, public safety and homeland security, community development, health care delivery, energy independence and efficiency, education, worker training, private sector investment, entrepreneurial activity, job creation and economic growth, and other national purposes.”<sup>7</sup>

In defining “broadband capability,” the Commission must establish benchmarks that enable “all people of the United States” to access broadband networks with sufficient capacity and service to participate fully in the socially beneficial uses that Congress articulated in the statute.<sup>8</sup> This means that the Commission must set short- and medium-term goals that enable households and businesses to access networks capable of two-way video transmission. While recognizing the challenges in rural areas, CWA recommends that the Commission establish an

---

Notice #25, GN Docket Nos. 09-47, 09-51, 09-137, Dec. 21, 2009.

<sup>6</sup> Comments of California Public Utilities Commission and the People of the State of California, NBP Public Notice #25, Dec. 18, 2009.

<sup>7</sup> American Recovery and Reinvestment Act, H.R. 1, Feb. 12, 2009, Sec. 6001(k)(1).

<sup>8</sup> According to the National Broadband Task Force, a streamed standard definition video classroom lecture requires up to 5 megabits per second (mbps) downstream, while two-way video teleconferencing or high-resolution imaging for medical diagnosis requires 5-10 mbps downstream. National Broadband Task Force Presentation, Sept. 29, 2009, p. 23. *See also* CWA Initial Comments, page 7.

initial broadband benchmark that would enable “all people of the United States” to access broadband networks capable of *actual* speeds of 10 mbps downstream and 1 mbps upstream.<sup>9</sup>

But we must be even more ambitious. Many of the promises of telemedicine, distance learning, smart meters to realize energy conservation, and other important applications and services require higher speed and service, particularly if people in the same location are online simultaneously.<sup>10</sup> Moreover, our global competitors such as Japan and South Korea are wired with all-fiber networks capable of 100+ mbps reaching more than 90 percent of their population. To drive innovation and competitiveness, the U.S. should set benchmarks that drive deployment of broadband networks that meet global standards. Therefore, CWA recommends that the Commission explicitly endorse a goal for minimum *actual* broadband speeds of at least 50 megabits downstream and 20 megabits upstream reaching at least 80 percent of the population by 2015.<sup>11</sup>

Finally, the Commission should set separate benchmarks for community anchor institutions such as libraries, schools, health care providers, and government agencies. It is clear that most public and community anchor institutions need greatly expanded capacity to deliver the cost-effective services and applications that will benefit the public. Establishing benchmarks for these anchor institutions will drive public policy initiatives to realize the goals.<sup>12</sup>

---

<sup>9</sup> CWA Initial Comments, 3-7; CWA Reply Comments, NBP Public Notice #1.

<sup>10</sup> CWA Initial Comments, 3-7; Fiber to the Home Council Ex Parte Letters to Marlene Dortch, Nov. 2, 2009 and Dec. 14, 2009

<sup>11</sup> See Letter to Chairman Julius Genachowski from Rep. Rick Boucher dated Dec. 17, 2009.

<sup>12</sup> Reply Comments of the Schools, Health and Libraries Broadband Coalition, NBP Notice #15 (citing State Educational Technology Directors Association recommendation that over the next five to seven years, K-12 schools should have an external Internet connection capable of at least 100 mbps per every thousand students/staff, and an internal wide area network connection from the district to each school of at least 1 Gbps per every thousand students/staff., See State Educational Technology Directors Association “High-Speed Broadband Access for All Kids: Breaking Through the Barriers.”)

### 3. Implement Truth-In-Billing Consumer Protections – Report Actual Not Just Advertised Speeds

The National Broadband Task Force reports that *actual* U.S. Internet speed – estimated at an average of three mbps downstream in September 2009 – trails by half the *advertised* Internet average speed of 6.0 mbps downstream.<sup>13</sup> This is consistent with the findings of CWA’s speedtest.org report.<sup>14</sup> The National Broadband Task Force notes that “more transparency” for consumers regarding their broadband service has multiple benefits by “providing greater confidence in the online environment,” thereby encouraging greater adoption and use and opening up benefits of the online marketplace to all consumers. Broadband transparency allows consumers to make informed choices, to monitor whether they are getting what they are paying for, and fosters competition by encouraging providers to deliver better service.<sup>15</sup>

The Broadband Task Force has indicated that it will propose a Broadband Transparency Initiative to enable consumers to have better information about the actual performance of different services.<sup>16</sup> CWA supports immediate Commission action to adopt a measurement system that allows consumers to see the difference between average and advertised speeds, using a speedtest application available in the market, similar to the speed test that we use to gather data for our annual *Internet Speeds in 50 States* report. CWA urges the Commission to post the speedtest on the Commission website, and to work with the federal Chief Technology Officer

---

<sup>13</sup> National Broadband Task Force Presentation, Sept. 29, 2009, page 27.

<sup>14</sup> See CWA Reply Comments, Sept. 2008 reporting on speedmatters.org 2009 speed test finding of an average (mean) download speed of 5.1 mbps and average upload speed of 1.1 mbps. This places the U.S. 28<sup>th</sup> in the world in average Internet connections speeds. The 2009 speedmatters.org report found that 18 percent of those who took the speed test recorded download speeds that were slower than 768 kbps; half (51 percent) of those who took the speed test connected at speeds between 768 kbps and 6 mbps, 13 percent between 6 and 10 mbps, 17 percent at 10 to 25 percent, and two percent at greater than 25 mbps.

<sup>15</sup> National Broadband Task Force Presentation, Sept. 29, 2009, page 151; National Broadband Task Force Presentation, Dec. 16, 2009, pages 22-23.

<sup>16</sup> National Broadband Task Force Presentation, Dec. 16, 2009, pages 22-23.

and CTOs of other federal agencies to place the speedtest on multiple government websites. CWA also urges the Commission to include educational institutions, non-profit organizations, state and local governments, and others such as CWA in the outreach effort to gather as much information as possible.<sup>17</sup>

The Commission should also move forward expeditiously to implement a broadband truth-in-labeling requirement applicable to all providers in the broadband Internet ecosystem. The New America Foundation's broadband truth-in-labeling proposal would require broadband operators to provide common, clear information to consumers about the products and services they offer, including price, fees, advertised and actual speeds, reliability, latency, traffic management policies, service limits and guarantees, legal and privacy policies, and contract terms.<sup>18</sup>

## **BROADBAND DEPLOYMENT**

The Broadband Task Force has estimated that it will cost \$350 billion to upgrade our nation's Internet infrastructure to networks capable of the global standard of 100+ mbps downstream, and it will cost \$50 billion to achieve a more short-term goal of universal networks capable of 10-30 mbps downstream.<sup>19</sup> Federal resources are limited to the \$7 billion annual Universal Service Fund (which includes a capped \$2.25 billion for the schools, libraries, and rural health centers program) and the one-time stimulus funding.<sup>20</sup> The Columbia Institute for Tele-Information estimates that private capital has spent about \$30 billion annually on broadband investments and will continue to invest at this rate through 2015.<sup>21</sup> Federal resources

---

<sup>17</sup> CWA Initial Comments, pages 8-9.

<sup>18</sup> New American Foundation, "Open Technology Initiative Broadband Truth-in-Labeling," Sept. 24, 2009, GN Docket No. 09-51.

<sup>19</sup> National Broadband Task Force Presentation, Dec. 16, 2009, page 45.

<sup>20</sup> *Id.*, page 14.

<sup>21</sup> The largest telco, cable, and wireless companies invested \$58.9 billion in 2008 and \$51.5 billion in 2009 in capital

in the form of the Universal Service Fund and tax incentives should be targeted to reduce the cost of capital and create a business case for private investment in high-speed broadband networks in order to reach the benchmarks we have recommended for broadband deployment.

#### **4. Reform the Universal Service Fund**

There is broad consensus that it is time to reform the federal Universal Service Fund (USF) in conjunction with reform of the access charge regime to provide explicit support for broadband networks in high-cost rural areas. The National Broadband Plan should recommend immediate Commission action to open a USF Reform proceeding conducted in conjunction with access charge reform to be completed within nine months designed to transform the USF to support specific broadband goals, while providing a transition path for existing recipients. USF reform should include these elements: limit USF support to one provider in an area; stabilize the fund by assessing contributions based on a combination of phone numbers, connections, and capacity; make broadband a supported service and require recipients to meet designated speed and price requirements. All equivalent services regardless of technology should contribute equally to the expansion of the network. In addition, the system of support must be changed to allocate subsidies to high-cost rural wire centers or census tracts. The current distribution system – by averaging costs across an entire state -- unfairly discriminates against customers served by carriers that were part of the Bell system. Although AT&T, Verizon, and Qwest serve the

---

expenditures. CITI estimate that about half of that was spent on broadband, or \$31 billion in 2008 and \$30 billion in 2009. CITI projects broadband cap-ex spending in the \$30 billion annual range through 2015. Robert C. Atkinson and Ivy E. Schultz, Columbia Institute for Tele-Information, “Broadband in America: Where It Is and Where It Is Going (According to Broadband Service Providers),” Preliminary Report Prepared for the Staff of the FCC’s Omnibus Broadband Initiative, Nov. 11, 2009. Comments on the report were solicited in MBP Public Notice #23, Nov. 20, 2009. The CITI findings are consistent with CWA cap ex calculations for wireline, wireless, cable, and satellite companies based on annual reports filed with the Securities and Exchange Commission: \$63.7 billion in 2007; \$63.4 billion in 2008; and \$39.4 billion through third quarter 2009. *See* CWA Comments, In the Matter of Preserving the Open Internet Broadband Industry Practices, GN Docket No. 09-191, WC Docket No. 07-52, Jan. 14,

majority of rural customers, they receive only 14 percent of federal USF high-cost support. As a result, 82 percent of the U.S. access lines not upgraded to broadband are owned by these companies.<sup>22</sup>

Finally, the National Broadband Plan should include recommendations for the E-Rate program of subsidies to schools, libraries, and rural health centers to enable these public institutions to upgrade and expand the capacity of their networks.

### **5. Establish Tax Incentives to Encourage Investment in Higher Speeds**

Private capital is building world-class high-speed networks in some parts of the country, but is leaving the vast majority of the nation with little if any choice for connection to an advanced network.<sup>23</sup> While 4-G wireless networks will provide Internet connection at an estimated actual speed of about 5 mbps downstream, this is not sufficient capacity for many video-enabled Internet applications. Furthermore, robust wired networks enable wireless carriers to transfer traffic off their wireless networks, thereby increasing the capacity of the wireless network. Therefore, the National Broadband Plan should include policies to incent investment in advanced generation high-speed wired networks throughout the United States.

The most cost-effective policy to encourage and accelerate the deployment of high-speed networks is a program of targeted, temporary tax incentives that will lower the cost of capital for these investments. Such a program could increase the number of communities with more than

---

2010, page 6 and Appendix charts.

<sup>22</sup> National Broadband Task Force Presentation, Sept. 29, 2009, page 47.

<sup>23</sup> The National Broadband Task Force estimates that once the cable industry completes the DOCSIS 3.0 build-out, as many as nine percent of U.S. households will not have access to a broadband network capable of 10 mbps downstream, and even more remarkable, only one in every seven U.S. households (14 – 16 percent) will have more than one choice of broadband provider capable of delivering a truly high-speed connection of more than 25 mbps downstream (with much more limited upstream capacity). National Broadband Task Force Presentation, Sept. 29, 2009, page 39.

one high-speed broadband provider, providing competitive pressure to improve service and price. Other countries, such as Japan and South Korea, became leaders in the deployment of high-speed advanced networks by allowing companies to accelerate the write-off of new high-speed broadband investments. CWA recommends a program of temporary, targeted tax credits to companies investing in broadband networks for two purposes: 1) a 20 percent tax credit or 100 percent expensing to companies that build current generation networks in unserved areas (areas without non-satellite broadband); and 2) a 40 percent tax credit or 100 percent expensing for investment in next-generation advanced broadband anywhere. Consistent with similar recommendations by the Fiber-to-the-Home Council, the credit would be available only for investments above a historic baseline amount, and the credit for next-generation advanced (“NGA”) broadband would be available only to networks certified as “NGA” by the Commission.<sup>24</sup>

#### **6. Support The Creation Of Public-Private Partnerships And State And Local Broadband Plans.**

State and local broadband task forces provide multiple functions, serving to disseminate successful local models, identify policy solutions, mobilize support, and build public-private partnerships to spur deployment and adoption. To date, about 12 states have established broadband task forces; these states have lead the way in state-based broadband initiatives. State programs that provide technical assistance to locally-based community planning teams can assist in the development of public-private partnerships, demand aggregation programs, technology

---

<sup>24</sup> CWA Initial Comments, pages 17-18. *See* also Fiber to the Home Council Ex Parte Letter to Marlene Dortch, Dec. 14, 2009.

training, dissemination of model programs, applications for funding, computer distribution programs, community surveys and other initiatives to spur broadband deployment.<sup>25</sup>

## **ADOPTION AND USE**

Perhaps the most-repeated statistic during the course of this proceeding has been the fact that one-third of households that have access to broadband do not subscribe, with higher rates for those who are older, more rural, have less education and income, and are either African-American or Hispanic.<sup>26</sup> Respondents to the Pew Internet and American Life surveys report that they do not subscribe to broadband because it is too expensive, they do not have a computer (or other Internet-enabled device), or do not see the value in broadband.

The National Broadband Task Force has put forward a number of innovative options to increase broadband adoption. CWA urges the National Broadband Plan to prioritize the initiatives described below, and to include a rigorous evaluation of these initiatives to determine which most effectively increase broadband adoption by low-income households. CWA endorses the US Telecom proposal – in which they commit “real resources in the form, for example, of discounts on broadband services” to such a study that would examine such programs as discounts on broadband service, discounts on hardware (e.g. computers, modems); digital literacy programs, and provision of relevant content and education on the benefits of broadband.<sup>27</sup>

---

<sup>25</sup> CWA Initial Comments, pages 15-16.

<sup>26</sup> National Broadband Task Force Presentation, Sept. 19, 2009, pages 80-82.

<sup>27</sup> Letter to Marlene H. Dortch from Jonathan Banks, Senior Vice President, Law & Policy, United State Telecom Association, GN Docket Nos. 09-47, 09-51, 09-137, Jan. 25, 2010.

## **7. Provide Universal Service Fund Lifeline and Link-Up Subsidies to Low-Income Households for Broadband Access and Equipment**

There is broad agreement among commentators to move forward with a pilot program that would provide Universal Service Fund Lifeline subsidies to low-income households to offset the cost of broadband access. The National Broadband Plan should also recommend options for a pilot program to use USF Link-Up subsidies to offset the cost of purchasing a computer. The Commission should implement a rigorous evaluation of the pilots to guide planning to transition USF low-income voice subsidies to a program of support for broadband access and equipment.

## **8. Make it Easier for Consumers to Access the Internet over the Television**

Delivering Internet video to the television could driver higher broadband adoption and utilization, as 99 percent of households have TV sets compared to 79 percent with computers. But the convergence of television and the Internet is hindered by the lack of innovation in the set top box market. Opening the set-top box to competition could be a first step toward the important pro-consumer benefit of separating the ownership of content from the ownership of distribution systems. The National Broadband Plan should include specific recommendations to the Commission to open the set top box market to greater competition and innovation.<sup>28</sup>

## **9. Establish a National Digital Ambassadors Outreach Program**

As the Pew studies indicate and multiple presentations to the National Broadband Task Force confirm, many Americans benefit from programs that teach them digital skills, spurring broadband adoption and demand for network services. The American Recovery and Reinvestment Act provides a minimum of \$250 million to support broadband adoption programs and another \$200 million to support public computing centers. While these grants will help

identify scalable projects, the National Broadband Plan should recommend a national program with grants available to community-based institutions.

**10. Promote No Child Off-Line with a National Program of Subsidized Computer Distribution to Low-Income Families with Children**

Computer ownership is essential not only to broadband access, but so children and adult learners can access the unlimited information available over the Internet. Students cannot write term papers or conduct research from a web-enabled cell phone. Low-income students who do not have computers at home are at a disadvantage when they must rely on a library or community center with limited hours and access to do their schoolwork. There are many proven models, including many that have made presentations or submitted comments to the National Broadband Task Force. The National Broadband Plan should include a recommendation to create a national program of subsidized computer distribution to low-income families with children.

**11. Provide a Tax Deduction for Employers Who Pay for Devices and Connectivity for Low-Income, Non-adopter Employees**

The National Broadband Plan should include a recommendation to Congress to create a program that would provide a tax deduction to employers who pay for computers and broadband connectivity for low-income and non-adopter employees. Sweden is a model for such a cost-effective program.

**12. Leverage Public Programs to Promote Broadband Solutions to Meet our Nation's Challenges in Health Care, Education, Job Training, Energy Conservation, Civic Engagement, Public Safety and Cyber Security, Housing, and Economic Development**

The National Broadband Task Force has sponsored many workshops and solicited public comments from multiple experts to guide its recommendations on how broadband can help

---

<sup>28</sup> National Broadband Task Force Presentation, Dec.16, 2009, pages19-20.

address national challenges in health care, education, job training, energy conservation, civic engagement, public safety and cyber security, housing, and economic development. CWA encourages the Commission to make specific recommendations for ways in which publicly-funded programs can leverage existing resources to support affordable high-speed broadband access and adoption.

## **SAFEGUARD WORKERS AND CONSUMERS**

### **13. Maintain and grow good jobs**

To ensure that the National Broadband Plan creates good jobs for American workers in the industry, the National Broadband Plan should recommend that the Commission open a proceeding to benchmark the status of employment in the communications industry and to explore policy options to grow good jobs in this dynamic sector. At a time of 10 percent unemployment, it is absolutely essential that this important federal initiative explore mechanisms to create good jobs for workers in the industry.<sup>29</sup> The employment study would form a baseline against which to measure progress as we move forward on implementation of the National Broadband Plan.

### **Conclusion**

Broadband is the critical infrastructure for communications and economic development in the 21<sup>st</sup> century. Therefore, the National Broadband Plan should lay out a bold, yet realistic set of initiatives that will engage the public and private sectors to spur deployment and adoption of broadband to bring our nation up to global standards. The 13 priorities we have discussed will move us forward toward that goal.

---

<sup>29</sup> CWA Initial Comments, pages 20-22.

Respectfully Submitted,

Debbie Goldman  
Telecommunications Policy Director

January 27, 2010