

Broadband USA Applications Database

Applicant Name: Connected Nation

Project Title: EVERY CITIZEN ONLINE

Project Type: Sustainable Adoption

Executive Summary

SOLUTION- Every Citizen Online is an innovative program that brings together public and private partners to help vulnerable households enter the broadband economy. Connected Nation is partnering with technology companies (including Intel, Dell, Fujitsu, Lenovo, Velocity Micro, ZT Systems, and various broadband service providers as determined by location of program implementation) to work with state and local community service organizations and local public sector partners (e.g., state departments of education, health and family services agencies). The parties will leverage federal stimulus dollars to enable low income and other unconnected consumers to purchase a new computer (from their choice of a broad range of computers) at a deeply reduced price using an instant rebate and discounted monthly broadband service – with the benefit of local community support to facilitate the process and enable localized digital literacy education. The Applicant, Connected Nation, has significant experience in impacting broadband adoption through the introduction of broadband-enabled computers in previously unconnected households. Connected Nation has conducted statewide assessments of computer recipients in states where the organization has successfully distributed computers to underprivileged and disadvantaged individuals.

PROBLEM STATEMENT- The top reasons that non-Internet users cite for not having broadband at home are lack of relevance, price, and lack of a personal computer (PC) [2009 Pew Internet & American Life Project]. According to Pew research, 21% of those who cite price as a barrier to broadband adoption are African Americans, 27% are age 65 and older, and 27% live in rural areas. Based on similar surveys conducted by Connected Nation, if the barriers of computer ownership and broadband subscription affordability were removed, an additional seven million households could begin subscribing to home broadband service.

TARGET AUDIENCE AND IMPACT ON BROADBAND USE- Every Citizen Online will target low income households (based on US HHS national poverty guidelines) who do not own home computers and other unconnected households. In the initial phase of the Program, Connected Nation affiliates (e.g., Connected Texas) in 20 states will coordinate the Program collaboratively with national, state, and local partners from the public and private sector to target the Program to those households where it is needed most. The initial phase of the Program will target 150,000 PCs (bundled with discounted broadband service) introduced to households with a goal to convert 150,000 unconnected homes to broadband and thus approximately a half million or more new home broadband users. According to the analysis of ConnectKentucky's 2005 and 2007 Residential Technology Assessments, this type of program has had a dramatic impact on broadband adoption among low-income and other vulnerable families with the opportunity to extend such impacts nationally:

- Computer ownership among low-income families in targeted counties grew nearly four times faster than these families in other counties.
- During the same two-year period,

Internet adoption among low-income families in targeted counties grew more than ten times faster relative to these families in other areas of the state. - Broadband adoption among low-income families grew five times faster in counties that received computers through the program. In the last two years, home broadband adoption among low-income families grew by over 200% in participating counties.

QUALIFICATIONS OF THE APPLICANT- In Kentucky, Computers 4 Kids (C4K), a Connected Nation program, has successfully facilitated cooperation among private partners, corporate foundations, and state government to place computers into the hands of disadvantaged individuals. In Tennessee, C4K is an innovative initiative designed to positively impact the future of children in need in Tennessee by awarding computers to kids and families facing economic challenges, in the foster care system, or struggling with behavioral disorders and other issues. Connected Tennessee is coordinating the Computers 4 Kids project with the state of Tennessee, the Department of Children's Services, and the Department of Human Services. In Ohio, the overarching goal of Connect Ohio's program is to meet the needs of any student whose opportunity to access the advantages of broadband technology are impaired by circumstances outside their direct control and to create opportunities for these students to improve their lives and the communities of which they are a part through the use of computers and broadband technology. In total, Connected Nation's computer distribution programs have distributed 5,356 computers to recipients through community-based public private partnerships. The program has leveraged more than \$3.5 million in cash and in-kind support from the private-public partnerships for hardware, program coordination, local outreach, and literacy efforts.

JOBS TO BE SAVE OR CREATED- Assuming that Every Citizen Online will create 150,000 new broadband households and approximately a half million or more new home broadband users it is expected that this program will create or save 31,701 jobs. In Every Citizen Online enables the federal government to invest a modest \$757 per job created or saved through this program.

PROGRAM COST- The Program cost will be \$30,000,000 (\$24,000,000 federal and \$6,000,000 private) over two years. The proposed funding for Every Citizen Online will create a proof of concept that can be sustainably replicated in every state. This application will introduce the Program through the distribution of 150,000 computers in the following states: Alaska, Florida, Georgia, Idaho, Illinois, Iowa, Kansas, Kentucky, Louisiana, Michigan, Minnesota, Mississippi, Nevada, New York, Ohio, Puerto Rico, South Carolina, Tennessee, Texas and West Virginia. SEE SUPPLEMENTAL ATTACHMENT A FOR ADDITIONAL INFORMATION