From: Sean Mickens
To: BOCrfc2015

Subject: Broadband Opportunity Council: National Urban League Comments

Date: Wednesday, June 10, 2015 9:43:30 PM

Attachments: Broadband Opportunity Council Comments - National Urban League.pdf

Importance: High

On behalf of Marc Morial, the President & CEO of the National Urban League, I am submitting the attached comments for the Broadband Opportunity Council. Please let me know if you need any additional information, and we look forward to the Council's report to the President at the end of the summer.

Best,

Sean

Sean E. Mickens

Broadband & Technology Fellow



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VIA E-MAIL

National

Urban League

June 10, 2015

Broadband Opportunity Council
National Telecommunications and Information Administration
U.S. Department of Commerce
1401 Constitution Avenue NW
Room 4626
Washington, D.C. 20230

Dear Broadband Opportunity Council Members:

On behalf of the National Urban League, I write to support the Broadband Opportunity Council's efforts to recommend actions the federal government can take to promote broadband deployment, adoption, and completion; and to respond to the Council's request for comment on how to achieve these objectives.

The National Urban League has been a major proponent of universal broadband adoption recognizing the nexus between technology-enabled opportunity and our historic mission: to enable African Americans to secure economic self-reliance, parity, power and civil rights. High-speed broadband access is an essential tool to spur economic growth, job creation, and greater economic inclusion for all communities. We believe that access to high-speed Internet is no longer a luxury but a necessity. It is the way in which we, in the 21st Century, connect to jobs, essential government services, educational tools, health services and economic opportunity.

The Internet is an equalizing tool for many in the communities the National Urban League serves, and can bridge the gaps of inequality. Although the U.S. has made tremendous strides in building a strong Internet ecosystem and infrastructure to be globally competitive, there is still work to be done nationwide for historically disadvantaged communities to be able to leverage the economic benefits of the Internet. In the most recent Pew Survey on at home broadband adoption, African Americans and Hispanics still lag behind whites by 12 to almost 20 percentage points, respectively. For those with lower incomes and less education, the gaps are even wider.

The Broadband Opportunity Council is uniquely positioned to significantly aid in addressing the barriers to broadband deployment and adoption. To not act on this, specifically for the hardest to reach communities, is to further exacerbate the inequality gaps for millions of disadvantaged Americans. Therefore, the following should be top priorities for the Broadband Opportunity Council as you seek to expand broadband deployment and adoption:

¹ Pew Internet & American Life Project. (December 27, 2013). Broadband Technology Fact Sheet. Retrieved from http://www.pewinternet.org/fact-sheets/broadband-technology-fact-sheet/.

² Pew Internet & American Life Project (December 27,2013) at 2. Smith A., & Zickuhr, K. Pew Internet & American Life Project (August 26, 2013). Home Broadband 2013 at 1. Retrieved from http://pewinternet.org/Reports/2013/Broadband.aspx.

- 1. Job creation;
- 2. Digital literacy; and
- 3. Encouraging entrepreneurs to utilize technology and the Internet

1. Job Creation

As our country continues to recover from the greatest economic crisis the nation has faced since the great depression, no discussion should be done in isolation from the essential question: Will it create jobs and economic opportunity? As of April 2015, the national unemployment rate was 5.4 percent. However, for African Americans and Hispanics the unemployment rate was 9.6 percent and 6.9 percent, respectively.

The technology industry is the fastest growing sector of the U.S. economy that provides a host of job opportunities, and the newly enacted Workforce Innovation and Opportunity Act (WIOA) provides a federal workforce development framework that places high emphasis on preparing our workforce with the skills necessary to meet the needs of in-demand industry sectors and occupations – such as the technology industry. We applaud the Department of Labor in its implementation of WIOA which recognizes the need for a seamless collaboration of the business/industry sector, labor, private non-profits community-based organizations, and public education and workforce training programs to connect individuals who are under- and unemployed to the needs of local and regional industries.

2. Digital Literacy

In recent years, the FCC, NTIA, local governments, non-profits and the telecommunications industry have invested in low-cost broadband offerings as part of a strategy to close the adoption gap. These efforts have been met with enthusiasm by low-income communities; but require additional outreach efforts in order to ensure that all eligible households participate. Where gaps continue to exist and/or where income levels are so low that any additional costs are impossible to absorb, we believe there is a clear role for government investment. The government should use the lessons learned from the various low cost broadband adoption programs, such as the Broadband Technology Opportunities Program (BTOP), to provide incentives that work for all involved.

3. Encouraging entrepreneurs to utilize technology and the Internet

A 2013 Boston Consulting Group (BCG) of small and medium businesses in five countries—the United States, Germany, Brazil, China, and India—found that across all industry sectors, those businesses who were leaders in technology adoption from 2010 through 2012 created jobs almost twice as fast as other small businesses did.³ Small businesses, specifically minority business enterprises (MBEs) have always played a critical role in the economic well-being of communities of color as job creators and wealth generators. Moreover, small businesses have been critical to the growth of the U.S. economy. The most recent Survey of Small Business Owners by the U.S. Census Bureau shows that minority-owned firms grew faster than all other groups of firms in the number of firms, gross receipts and employment between 2002 and 2007.⁴ The U.S. Small Business Administration should create more incentives and resources for Minority Business Enterprises (MBEs) to attain broadband service, and technology for

³ Boston Consulting Group, David C. Michael, Neeraj Aggarwal, Derek Kennedy, John Wenstrup, Michael Rüßmann, Ruba Borno, Julia Chen, and Julio Bezerra, Lessons on Technology and Growth from Small Business Leaders: Ahead of the Curve, October 15, 2013. p.6. Accessed at https://www.bcgperspectives.com/content/Slideshow/technology_simpact_small_business_performance_five_global_markets_ahead_curve/#ad-image-0.

⁴ U.S. Department of Commerce, Minority Business Development Agency. (August 2011). Minority-Owned Business Growth & Global Reach at 1. [Data File] Retrieved from (http://www.mbda.gov/sites/default/files/Minority-OwnedBusinessGrowthandGlobalReach Final.pdf.

businesses. The economic impact would not only help these entrepreneurs but the nation's economy as a whole.

Overall, in order to maximize the full utility of the Internet, it will take a collective action from the public, private, and non-profit sectors. We need business, government regulators, and advocacy organizations to be all in the game, and to recognize that we're not only creating jobs, we're creating a tool of empowerment. We applaud the undertaking by the Broadband Opportunity Council to advance broadband adoption and deployment, and look forward to the ongoing efforts to ensure all people have and benefit from high speed Internet access.

Sincerely,

Marc H. Morial President & CEO

National Urban League