

CENTERING ON CORONAVIRUS

THE DIGITAL DIVIDE

ZANE HEFLIN
POLICY ANALYST
THE NEW CENTER

Centering on Coronavirus: The Digital Divide

The COVID-19 pandemic has made Americans even more reliant on stable high-speed internet connectivity to work from home, participate in online classes, or entertain themselves as they quarantine. Since January 2020, broadband consumption during the hours of 9 a.m. to 5 p.m. has risen by more than 50%.

For the most part, the internet has held up to the recent influx of traffic. Broadband Now, a company that tracks U.S. broadband availability and speed, recently reported that the six most populous cities in the U.S. have seen little to no change in median internet speed since January.

However, millions of families still lack reliable or affordable broadband access, which is making them even more economically and socially vulnerable than they were before this crisis. In this paper, The New Center explores America's suddenly urgent digital divide problem and how to bridge the gap.

HOW HAS THE INTERNET HANDLED INCREASED TRAFFIC FROM COVID-19?

Internet Service Providers have built their capacity to meet peak demand rather than average use. Peak demand for internet usage typically takes place in the evening when people return home from work or school and use online video streaming. During the other hours of the day, that capacity isn't needed. As people have begun staying at home during the pandemic, the network capacity typically used after work hours has simply been available throughout the day for Zoom calls and Slack channels.



CENTERING ON CORONAVIRUS

WHAT IS BROADBAND?

The term broadband refers to wide bandwidth data transmission. Simply put, broadband is the most common form of internet access and is classified as being always connected without relying on a phone line connection. There are four main types of broadband internet which include DSL (Digital Subscriber Line), fiber-optic, cable, and satellite. As of 2015, the Federal Communications Commission (FCC) classifies broadband internet as having "a minimum download speed of 25 megabits per second (Mbps) and upload speed of 3 Mbps."

Who is Missing Internet Access?

The FCC's 2019 Broadband Deployment Report estimates that there are 21.3 million Americans who lack access to broadband. However, a 2020 study from BroadbandNow found that the number of people who lack access to broadband is closer to 42 million, twice that of FCC's estimate. This huge disparity can be attributed to the poor methodology used by the FCC in mapping broadband access in the country. For example, the FCC defines an area as "fully served" even if just one home in a census block has broadband service.

Additionally, the FCC fails to track one of the biggest barriers to expanding broadband access: pricing. A recent 2019 Pew study found that a majority of non-broadband subscribers cite affordability as the major reason why they lack service. Without accurate mapping of broadband access or pricing data, policymakers face an uphill battle in successfully closing the digital divide.

As classes have shifted online, students are another group whose internet access needs to be accounted for. According to the most recent Education Department data, 14% of children ages three to 18—about 9.4 million in total—are without home internet, though other estimates from internet advocacy groups peg that number much higher, at 12 million children. Of those homes surveyed by the Department of Education that didn't have internet, over a third cited affordability as the leading cause.

America's digital divide is a longstanding problem, but it has taken on a new urgency with Americans facing months or even more of social distancing and other disruptions that will make people even more dependent on the internet to work, to get groceries and supplies, and to educate their kids. Meeting this need will require an immediate response from tech, telecom, and the government with an eye toward a future in which long-term solutions can close the digital divide for good.

What are Telecommunications Companies Doing to Help Right Now?

More than 650 companies have signed the FCC's "Keep Americans Connected" pledge to not terminate phone or internet service for Americans who can't pay their bills for the next two months. But many Internet Service Providers are going even further and introducing additional changes to their service to provide better internet access during the COVID-19 pandemic. Some examples include:

Comcast—Low-income families who live in a Comcast service area are able to sign up to receive 60 days of complimentary Internet Essentials service, which is normally available to all qualified low-income households for \$9.95/month. Comcast is also increasing Internet speeds for the Internet Essentials service from 15/2 Mbps to 25/3 Mbps for all new and existing customers, which will be the speed of the service going forward.

Charter Communications—Charter Communications is providing free broadband for two months to households with students, as a number of U.S. schools are shutting down because of concerns about the COVID-19 pandemic. Charter also offered free Spectrum broadband and Wi-Fi access for 60 days through June 30 to households with K-12 and/or college students—which do not already have a Spectrum broadband subscription—at any service level up to 100 megabits per second. The move follows Comcast's announcement that it would extend free broadband to low-income families, also for a 60-day period, as well as boost speeds for the service.

AT&T—AT&T is suspending data caps for its fixed wireless internet service and eliminating fees for consumers. They are also offering a \$10-a-month Access From AT&T program for qualifying low-income households.



CENTERING ON CORONAVIRUS

Solutions

The efforts by telecom companies and localities to sustain and expand internet access amid the coronavirus lockdown are welcome and essential. But many are temporary, and given the scale of America's digital divide, Washington needs to step in to bridge the gap now and in the years to come.

“Eliminating the digital divide permanently is a long-term problem that requires sustained resources and commitment. But the federal government and the technology and communications sector should work together—right away—to take immediate, emergency actions to get high-quality broadband into homes in communities hit by the coronavirus.”

—Geoffrey Starks, former commissioner of the FCC

CARES Act Provides Funding for the ReConnect Program

The \$2 trillion stimulus package included \$100 million in funding for the ReConnect Program, which issues grants and loans to fund the costs of construction, improvement, or acquisition of facilities and equipment needed to provide broadband service in eligible rural areas. The ReConnect Program, administered by the U.S. Department of Agriculture (USDA), helps generate private investment to deploy broadband infrastructure to many rural communities including homes, healthcare facilities, schools, farms, factories, and other businesses. But infrastructure takes time to approve and build, which is why this longer-term investment needs to be paired with more immediate help, like the FCC's Lifeline program.

House Democrats Release Plan for Broadband Expansion

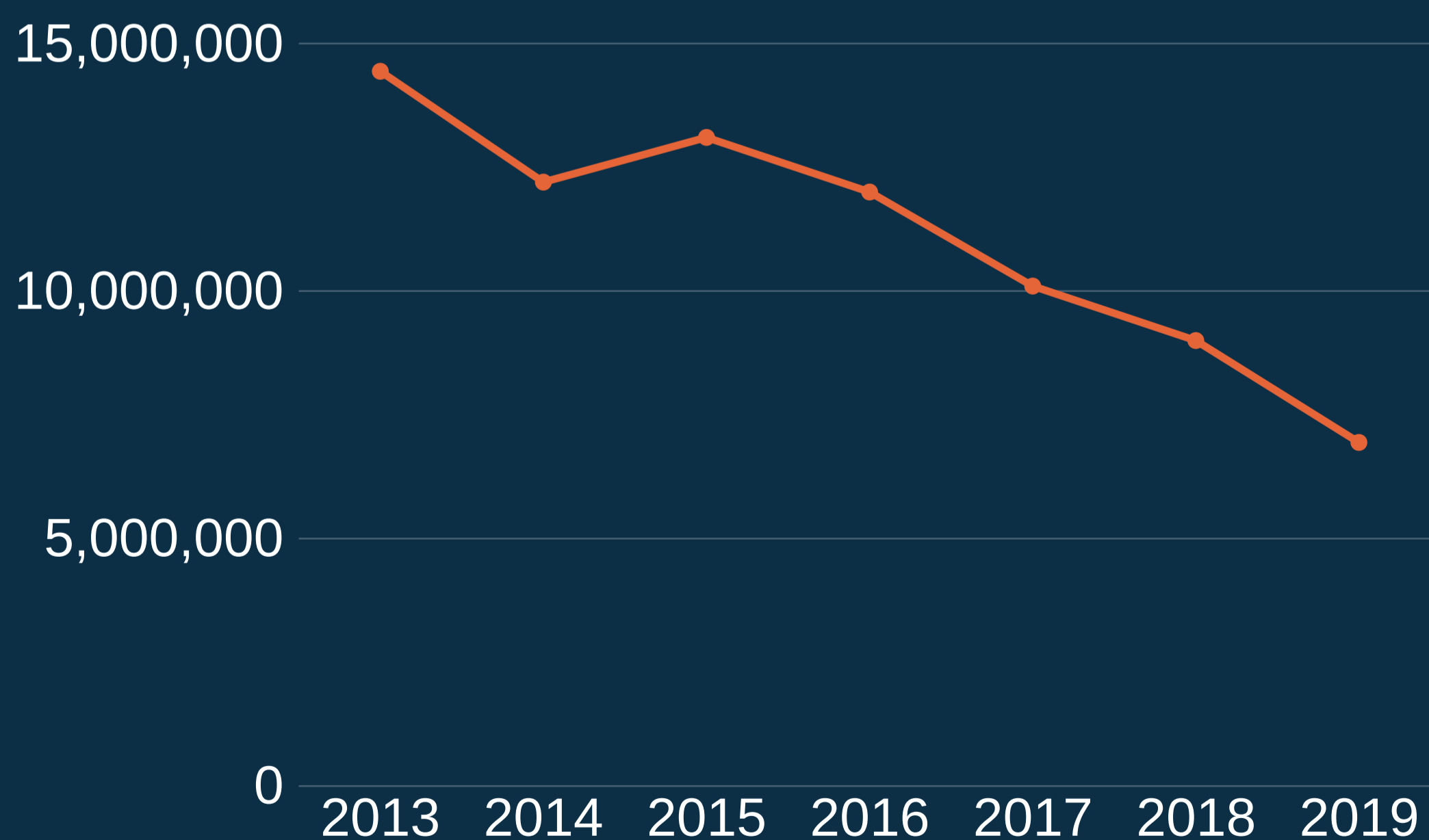
House Democrats have pushed for \$5.5 billion in funding to go towards closing the digital divide in the HEROES Act, a major new coronavirus relief bill, which is set for debate in Congress. The bill calls for immediate funding to the FCC's E-Rate program, which purchases mobile hotspots for schools and libraries to give internet access to students who may need to rely on more distance learning during the pandemic. Additionally the bill calls for providing up to \$50-a-month subsidies to low-income families and laid-off and furloughed workers to help pay for internet service. Finally, the bill would also make it unlawful for telecommunications and voice service providers to shut off internet service to customers unable to pay their bill due to the pandemic.

Reinvesting in the Lifeline Program

Lifeline is a federal program that provides discounted phone and internet service through participating carriers to qualifying low-income Americans. The Lifeline program was created under President Reagan in order to assure low-income Americans could call 911 by subsidizing their telephone service. It went on to be further expanded to cover wireless service, which included using a smartphone to access the internet. The current \$9.95 monthly subsidy from the program isn't enough to provide low-income Americans the support they need to pay for internet access during a period of record job loss, and the CARES Act didn't include any additional funding or changes for the program. The Lifeline program should be expanded in order to support at least one fixed and one mobile broadband connection per household, which would provide participants with a temporary \$25-50 discount per connection each month. There is precedent for expanding the Lifeline program in times of crisis; President George W. Bush expanded the program in the aftermath of Hurricane Katrina. Now is certainly the time to expand the program once more.

Lifeline Subscribers Have Dropped By Half Since 2013

Number of subscribers to a federal phone and internet service for low-income Americans has been dwindling since 2015, according to the program's operator



SOURCE: FEDERAL COMMUNICATIONS COMMISSION

CENTERING ON CORONAVIRUS

AUTHOR

Zane Heflin

Policy Analyst

zane@newcenter.org

ABOUT CENTERING ON CORONAVIRUS

Centering on Coronavirus is a new policy series from The New Center that provides insights and analyses of how coronavirus is progressing, how it is impacting our health system, economy and workers, and the extraordinary human, policy, and technological resources that are being mobilized to fight it.

ABOUT THE NEW CENTER

American politics is broken, with the far left and far right making it increasingly impossible to govern. This will not change until a vibrant center emerges with an agenda that appeals to the vast majority of the American people. This is the mission of The New Center, which aims to establish the ideas and the community to create a powerful political center in today's America.

THE NEW CENTER

1808 I Street NW, Fl. 5

Washington, D.C. 20006

www.newcenter.org

