



**For Immediate Release**

**July 22, 2014**

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## **California Emerging Technology Fund and Partners Urge FCC to Hold Comcast Accountable *Non-Profits Propose Affordable Broadband for All Low-Income Residents***

**San Francisco and Los Angeles, CA – July 22, 2014** – The California Emerging Technology Fund (CETF) and 20 leading broadband advocates today submitted formal comments to the Federal Communications Commission calling on regulators to hold Comcast accountable to improve its affordable home Internet program and expand the service to include all low-income residents.

The group, which has been working with federal, state and regional leaders in collaboration with more than 100 community-based organizations to close the Digital Divide in California, wrote: “Our nation’s economic well-being and ability to compete globally are at risk unless we get all residents connected to high-speed broadband at home. Now is the time to hold Comcast accountable for delivering a real, measurable public benefit.” Full comments and supporting documents are attached or can be accessed here [CETF link].

Comcast launched Internet Essentials, a \$9.95-a-month broadband plan plus a \$150 computer voucher for families of students eligible to receive free or reduced school lunch, to secure federal government approval to purchase NBC Universal in 2010. However, the current program threatens to leave millions of the very Americans who could benefit most without an affordable connection to the Internet, the group wrote in its comments.

Federal law says there must be a finding of public benefit to approve the proposed Comcast acquisition of Time Warner Cable and exchange of service territory with Charter Communications. “While this group is not taking a position on the whether federal regulators should approve the corporate consolidation, we are asking regulators to use the review process to require Comcast to improve and expand its Internet Essentials program, including setting subscriber goals and accountability measures to reach acceptable performance,” said CETF President and CEO Sunne Wright McPeak.

In 3 years, Comcast has signed up only 11% of the eligible households in California and the nation. In California, the company says it has signed 35,205 households for Internet Essentials out of more than 313,000 eligible families. At that rate, it would take another decade for Comcast to reach just half of the currently-eligible population. Further, conservative analysis indicates that if the acquisition is approved, an estimated 1.375 million California households (more than 3 million K-12 students—87% of all California students qualifying for free and reduced lunch) would be eligible for Internet Essentials in the new combined service territory of approximately 3.7 million households (including Charter Communications subscribers whom Comcast intends to acquire in a swap if the acquisition is approved.)

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CETF and its partners are strongly recommending the following requirements:

1. **Include All Low-Income Households:** Extend Comcast Internet Essentials to all low-income households, not just those with school children. For example, low-income seniors, people with disabilities and recently returned veterans are not covered today.
2. **Set Performance Goals:** Set a national goal for Comcast to increase Internet Essentials subscribership for eligible households (now at about 11% in California and the nation) to reach 45% in 2 years, and to continue the program until 80% adoption is achieved in low-income neighborhoods in each major Comcast market.
3. **Capitalize an Independent Fund and Coordinate with States:** Collaborate with states such as California that are major Comcast-TWC markets and have a strategic plan to close the Digital Divide and require Comcast to dedicate a sufficient amount to an independently-managed fund to engage experienced community-based organizations to assist in achieving subscriber goals.
4. **Establish an Advisory Oversight Committee:** Establish a national advisory oversight committee for Internet Essentials to provide feedback and input to the FCC in monitoring performance and progress. In the first 3 years, the program has been riddled with problems. (See attachment).
5. **Offer Stand-Alone Internet Service:** Offer consumers the opportunity to purchase stand-alone Internet access at a reasonable rate, not only more expensive TV, phone, and Internet bundled services.

Those signing the comments letter to the FCC include leaders at the Youth Policy Institute (Los Angeles), Mission Economic Development Agency (San Francisco), California Partnership for the San Joaquin Valley, The Stride Center (Oakland), California Foundation for Independent Living Centers, Radio Bilingüe, Chicana Latina Foundation, Korean Churches for Community Development, Latino Community Foundation, YMCA Long Beach, Computers for Classrooms, Families in School, iFoster, Eden Housing, Giving Sphere, Manchester Community Technologies (LA County), Southeast Community Development Corporation (LA County), Loaves, Fishes and Computers (Monterey County), KG Ouye (library consultant) and Cynthia Mackey (digital marketing consultant).

#### **About the California Emerging Technology Fund**

*Our mission is to close the Digital Divide in California by breaking down barriers to high-speed Internet access at home. The goal is to reach 98% of all residences with broadband infrastructure and to achieve 80% home adoption by 2017. For more information, please visit [www.cetfund.org](http://www.cetfund.org).*



July 11, 2014

Chairman Tom Wheeler  
Commissioner Mignon Clyburn  
Commissioner Ajit Pai  
Commissioner Jessica Rosenworcel  
Commissioner Michael O’Rielly  
Federal Communications Commission  
445 12th Street, S.W.  
Washington, D.C. 20554

Re: Comcast-Time Warner Cable  
*Docket #14-57*

Dear Chairman Wheeler, Commissioner Clyburn, Commissioner Pai,  
Commissioner Rosenworcel, and Commissioner O’Rielly:

**“Every American should have affordable access to robust broadband service, and the means and skills to subscribe if they so choose.”**

**— National Broadband Plan, 2010**

The Federal Communications Commission (FCC) set forth a bold vision to empower all Americans with high-speed Internet access in the National Broadband Plan. Yet, four years later, too many people in California and across the nation still live without high-speed Internet access at home. The California Emerging Technology Fund (CETF) and undersigned broadband champions have been working with federal, state and regional leaders in collaboration with more than 100 community-based organizations to close the Digital Divide in California.

California has a broadband adoption goal of 80% home use by 2017, with no single group below 70%. While our focused effort has resulted in significant progress in connecting the poorest Californians, the latest statewide survey shows that California is falling short. According to the 2014 Annual Statewide Survey conducted by the Field Research Corporation, fully one-quarter of California households do not have high-speed Internet at home. About half of households with Spanish-speaking Latinos or earning under \$20,000 a year do not have home broadband access.

Federal law says there must be a finding of public benefit to approve the proposed Comcast acquisition of Time Warner Cable and exchange of service territory with Charter Communications. This review process provides an opportunity for the FCC to hold Comcast accountable to improve its Internet Essentials program and achieve acceptable performance. Comcast launched Internet Essentials, a \$9.95-a-month broadband plan plus a \$150 computer voucher for families of students eligible to receive free or reduced school lunch, to secure federal government approval to purchase NBC Universal in 2010. However, the current program threatens to leave millions of the very Americans who could benefit most without an affordable connection to the Internet.

In 3 years, Comcast has signed up only 11% of the eligible households in California and the nation. That is 35,205 households in California out of more than 313,000 eligible families. At that rate, it would take another decade for Comcast to reach just half of the currently-eligible population. Further, conservative analysis indicates that if the acquisition is approved, an estimated 1.375 million California households (more than 3 million K-12 students—87% of all California students qualifying for free and reduced lunch) would be eligible for Internet Essentials in the new combined service territory of approximately 3.7 million households (including Charter Communications subscribers whom Comcast intends to acquire in a swap if the acquisition is approved.)

As you consider whether or not to approve the Comcast corporate consolidation, we strongly recommend the following requirements:

1. **Include All Low-Income Households:** Extend Comcast Internet Essentials to all low-income households, not just those with school children. For example, low-income seniors, people with disabilities and recently returned veterans are not covered today. According to 2014 Annual Statewide Survey, 6 in 10 of those who do not use the Internet at home suggested they might be interested if they had access to affordable broadband and equipment and the skills to use it.
2. **Set Performance Goals:** Set a national goal for Comcast to increase Internet Essentials subscribership for eligible households (now at about 11% in California and the nation) to reach 45% in 2 years, and to continue the program until 80% adoption is achieved in low-income neighborhoods in each major market within the combined service areas.
3. **Capitalize an Independent Fund and Coordinate with States:** Work through and collaborate with states that have an adopted plan to close the Digital Divide. In states such as California that are major Comcast-TWC markets and have a strategic plan to close the Digital Divide, require Comcast to dedicate a sufficient amount to an independently-managed fund to engage experienced community-based organizations to assist in achieving the 45% subscription sign-ups and overall 80% adoption rate.
4. **Establish an Advisory Oversight Committee:** Establish a national advisory oversight committee for Internet Essentials to provide feedback and input to the FCC in monitoring performance and progress. In the first 3 years, the program has been riddled with problems, including 8-12 week waits before getting service, credit checks on customers in violation of advertised program rules, a non-working online sign-up system, and customer representatives who give out wrong or inconsistent information. The oversight committee should be diverse, and include senior executives from Comcast, regulators, state officials, experienced non-profits with a mission to close the Digital Divide and a track record of accomplishment, and consumer representatives. The oversight committee should meet regularly to ensure accountability for performance.


- 5. Offer Stand-Alone Internet Service:** Offer consumers the opportunity to purchase stand-alone Internet access at a reasonable rate. If the acquisition is approved, its expanded California market will include Southern California where Comcast will heavily promote TV, phone, and Internet bundled services. Keep in mind that AT&T was required to provide a stand-alone Internet access service after its merger with SBC along with low-cost DSL for a specified period of time after being acquired by SBC.


As you, we care deeply about the future of California and America. Our nation's economic well-being and ability to compete globally are at risk unless we get all residents connected to high-speed broadband at home. Now is the time to hold Comcast accountable for delivering a real, measurable public benefit.

Sincerely,


  
Sunne Wright McPeak  
California Emerging Technology Fund


  
Dixon Stingerland  
Youth Policy Institute

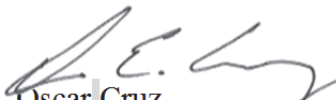
  
Teresa Favuzzi  
California Foundation for Independent Living Centers


  
Mike Dozier  
California Partnership for the San Joaquin Valley


  
Olga Talamante  
Chicana Latina Foundation

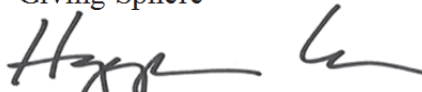
  
Pat Furr  
Computers for Classrooms

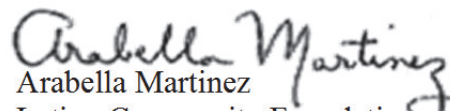
  
Linda Mandolini  
Eden Housing

  
Oscar Cruz  
Families in Schools

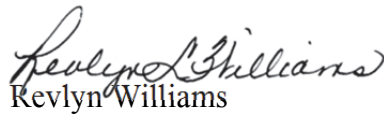
  
Joseph Mouzon  
Giving Sphere

  
Serita Cox  
iFoster


  
Hyepin Im  
Korean Churches for Community Development

  
Arabella Martinez  
Latino Community Foundation

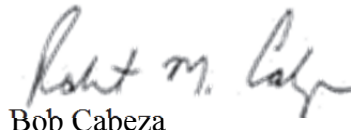
  
KG Ouye  
Library Consultant


  
Revlyn Williams  
Manchester Community Technologies

  
Hugo Morales  
Radio Bilingüe

  
Cesar Zaldivar-Motts  
Southeast Community Development Corporation

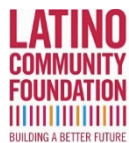
  
Barrie Hathaway  
Stride Center

  
Bob Cabeza  
YMCA of Greater Long Beach

  
Arlene Krebs  
Loaves, Fishes, and Computers

  
Luis Granados  
Mission Economic Development Agency (MEDA)

  
Cynthia Mackey  
Winning Strategies LLC





## **SUMMARY OF CHALLENGES TO SIGNING UP ELIGIBLE FAMILIES FOR COMCAST INTERNET ESSENTIALS**

The California Emerging Technology Fund (CETF) and its partners since 2011 have been helping eligible low-income families living in Comcast service areas in California to sign up for Comcast Internet Essentials (CIE), the program proposed by Comcast to secure approval from the Federal Communications Commission (FCC) for purchase of NCB Universal. Currently, households with school children on the free-or-reduced-lunch program are eligible for CIE. The following is a summary complaints from experienced community-based organizations (CBOs) working in the Bay Area, San Joaquin Valley and Sacramento regions regarding the challenges encountered by actual prospective customers in attempting to subscribe to CIE. Although the CIE offer approved by the FCC (\$9.95 per month until a student graduates from high school or is no longer eligible for the school lunch program plus a \$150 voucher for a computing device) is a very good price point for low-income households with school children, there continues to be numerous hurdles to signing up for CIE. As a consequence, in 3 years Comcast has signed up only 11% of eligible households. The FCC and other federal regulators must hold Comcast accountable for resolving these problems and increasing CIE subscriptions.

### **Sign-Up Restrictions**

**Comcast makes the sign-up process long and cumbersome.** The application process often takes 2-3 months, far too long for customers who are skeptical about the product in the first place, and have other pressing demands on their budgets. The waiting period between the initial call to Comcast and the CIE application arriving in the mail can stretch 8-12 weeks, if it comes at all. After submitting the application, another 2-4 weeks elapse before the equipment arrives. Many low-income residents do not have Social Security Numbers (SSNs) and are required to travel long distances to verify their identities because Comcast has closed many of its regional offices. Recently, some potential subscribers with SSNs were rejected over the phone and told they had to visit a Comcast office. Comcast has a pilot effort in Florida that should be expanded to allow customers to fax or email photocopied IDs as proof of identification.

**Comcast enrolls oldest child in the program.** When a potential CIE customer calls, the Comcast representative often attempts to sign up the oldest child eligible for the program, even if there are younger eligible children in the household. This means the family will be “kicked out” sooner because the discount only lasts as long as the registered child is in school and on the lunch program. Families can lose several years of CIE eligibility because of this procedure.

**Comcast market-rate customer representatives don't know about Internet Essentials.** When a potential CIE customer calls the market-rate line instead of the Internet Essentials line (sometimes the customer just remembers “Comcast” and calls the market-rate line), they are not guided to the CIE service. In some cases, less-knowledgeable customers have been “up-sold” to a market-rate product that they cannot afford. Even when consumers call the CIE number, the same thing may happen. Depending on which agent is handling the call, customers get different qualifying information, which sometimes leads to no service at all. One customer was told that she could get not service because she didn't have a SSN, which is not true.

### **Denial of Service**

**Comcast conducts credit checks for some customers, contrary to CIE rules.** Dozens of clients are receiving letters from Comcast saying that they have failed a credit check. Comcast specifically states and advertises no credit check is needed for CIE. This has repercussions beyond obtaining broadband service. The act of performing a credit check can negatively impact the consumer's credit worthiness. Initially, some CIE service representatives told customers they could pay \$150 deposit to avoid a credit check, also contrary to program rules.

**Comcast records show erroneous information for some customers.** There are cases in which families have never been subscribers to Comcast Internet but someone who previously lived at the same address was, and the current household is denied service because of the 90-day "waiting" requirement. Similarly, Comcast records may indicate that its equipment associated with a certain address has not been returned and service is denied to a new resident, yet the customer attempting to subscribe clearly is not responsible for the missing equipment.

### **Wired Modem Outdated for Family and Student Use**

**Comcast only offers a wired modem to Internet Essentials customers, restricting the number of users at one time.** If wireless modem/routers were offered as part of CIE, several family members could be online at the same time. In public statements Comcast repeatedly estimates the number of "people" they've reached (instead of households), which would be more logical if CIE provided a wireless modem/routers.

**Comcast modems often are not compatible with computing devices issued by schools.** Many schools are now allowing students to bring home school-issued computing devices, such as a tablet. In most cases, these devices require a wireless modem/router to connect to the Internet and the Comcast wired modem cannot be used. Comcast needs to offer CIE service that complements initiatives by schools to integrate technology into education as well as align with the recent E-rate modernization ruling by the FCC.

### **Complaints from Community Partners on Subscription Sign-Up Process**

**Comcast Internet Essentials online application process does not work.** Non-profit CBOs have been diligently requesting from the beginning of the program that Comcast establish a workable online registration process for CIE. The existing system has never worked properly. The site is often unable to complete address eligibility searches and simply redirects the customer to the 1-855 number again. This situation has been a major barrier at technology fairs, where families are told they cannot sign up online and must make a separate trip to a Comcast office. Comcast continues to ignore consumer feedback about the poor website operations.

**Comcast will not supply a list of auto-enroll schools to CBOs.** Since the inception of CIE, CBOs have been asking for a list of schools in the Comcast service areas and priority targets for CIE, especially the auto-enroll schools, to facilitate the sign-up process. (The auto-enroll schools are those with at least 75% of the students on free-or-reduced-lunch, thus making all students eligible for CIE.) However, Comcast rarely provides a list of eligible auto-enroll schools. Meanwhile, CIE customer representatives typically are not aware of the auto-enroll schools CBOs or their clients call to enroll, which complicates and lengthens the enrollment process.



November 11, 2013



The Honorable Mark Pryor  
Chairman, Subcommittee Committee on Communications, Technology and the Internet  
United States Senate  
Washington, D.C. 20510

The Honorable Roger Wicker  
Ranking Member, Subcommittee Committee on Communications, Technology and the Internet  
United States Senate  
Washington, D.C. 20510

***Re: Hearing on Broadband Adoption: The Next Mile***

Dear Chairman Pryor and Ranking Member Wicker:

My name is Lilian P. Coral, and I serve as the Director of 2-1-1 California. Under the fiscal sponsorship of the United Ways of California, 2-1-1 California is a statewide network of local 2-1-1 information and referral providers authorized by the California Public Utilities Commission and the Federal Communications Commission to use the 2-1-1 code as an easy-to-remember and universally recognizable number that would enable a critical connection between individuals and families in need and the appropriate community-based organizations and government agencies. 2-1-1 California's mission is to develop the statewide infrastructure and support necessary to ensure quality 2-1-1 services for everyone. In California, 2-1-1 is accessible in 30 counties servicing 93% of Californians.

I am writing this letter to add additional information to the record for the Broadband Adoption: The Next Mile hearing. We were fortunate to be recipients of an American Recovery and Reinvestment Act grant through the National Telecommunications and Information Administration to focus on Broadband Awareness and Adoption and between March 2010 and June 2013 2-1-1 California through its 2-1-1 partners:

- Provided outreach and education to 229,481 callers
- Screened and referred 59,775 callers to computer and Internet-related resources

As follow-up, 2-1-1 California through its 2-1-1 partners, conducted surveys and interviews with approximately 6% of these callers to find out whether they had participated in any computer/Internet related training classes, subscribed to broadband or received a free or low cost computer as a result of the referrals they received from 2-1-1. Based on the survey results, we estimate that:

- 7,478 households subscribed to broadband
- 4,318 adults participated in a training class
- 3,659 households received a computer
- 4,555 children were connected to the Internet

**2-1-1 California**

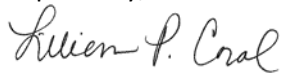
1107 Fair Oaks Ave #12, South Pasadena, CA, 91030 | Ph: (877) 355-2604 | Fax: (877) 908-8922

Unfortunately, the Digital Divide continues to disproportionately impact thousands of low- income families throughout California and especially in some of our major urban centers. Based on in-depth screening and referral protocols, callers told 2-1-1 Specialists that the main reason they did not have broadband at home was that they did not own a computer (41%). The second biggest reason was cost (36%).

We believe broadband adoption is an imperative for economic prosperity, quality of life and family self-sufficiency and support the recommendations put forth by the California Emerging Technology Fund for accelerating Broadband adoption. Our Data and experience indicate that the majority of people without broadband at home do want to adopt the technology and understand the value proposition.

We think it is particularly important that there be stronger partnerships that can help community-based organizations like our own, who are trusted messengers, connect those still unconnected to truly affordable broadband options that will ensure low-income families connect, and stay connected, to broadband, to access the richness of resources and education that the internet affords.

Respectfully,

A handwritten signature in cursive script that reads "Lilian P. Coral".

Lilian P. Coral  
Director, 2-1-1 California

**2-1-1 California**

1107 Fair Oaks Ave #12, South Pasadena, CA, 91030 | Ph: (877) 355-2604 | Fax: (877) 908-8922



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# Chicana/Latina Foundation

1419 Burlingame Ave. Suite W-2, Burlingame, Ca. 94010

Phone 650-373-1083 Fax 650-373-1090

November 8, 2013

The Honorable Mark Pryor  
Chairman, Subcommittee Committee on Communications, Technology and the Internet  
United States Senate  
Washington, D.C. 20510

The Honorable Roger Wicker  
Ranking Member, Subcommittee Committee on Communications, Technology and the Internet  
United States Senate  
Washington, D.C. 20510

Re: Hearing on Broadband Adoption: The Next Mile

Dear Chairman Pryor and Ranking Member Wicker:

My name is Alicia Orozco, and I serve as Project Manager of the Get Latinos Connected project (GLC) of the Chicana Latina Foundation, based in the San Francisco Bay Area. The GLC project seeks to end the digital divide that keeps the Latino community from connecting to the internet, and thus fully participating in the 21<sup>st</sup> Century. We are a non-profit organization which promotes professional and leadership development of Latinas. The Foundation's mission is to empower Chicanas/Latinas through personal, educational, and professional advancement.

I am writing this letter to add additional information to the record for Broadband Adoption: The Next Mile hearing. We were fortunate to be recipients of an American Recovery and Reinvestment Act grant through the National Telecommunications and Information Administration to focus on Broadband Awareness and Adoption. With that project, were able to sign up 1,070 first-time internet users. That is 1,070 new Latino internet users. The majority of these homes have children who now enjoy access to the online world and who have improved their class work.

We strongly advocate for broadband at home and Digital Literacy training as described in the National Broadband Plan, and we are making the suggestions described in this letter with the goal of giving all Americans access to digital tools and skills to improve their lives.

While we find the Comcast Internet Essentials program to be helpful to some Bay Area families, there are several barriers that impede many more households from participating.

We recommend that:

**Comcast extend its program from 2014 until 2017 and set adoption goals.** As Comcast Executive Vice President David Cohen testified before your subcommittee, the company has “learned a lot over the first two years” of the three- year program. Currently, Internet Essentials is scheduled to end I June 2014. From a California perspective, where nearly half of Latino households do not have access to high-speed Internet at home, this is not the time to halt the program. Comcast is the main cable provider in the San Francisco Bay Area. We also recommend that Comcast set national adoption targets as a percentage of eligible households, and similar targets in major markets, such as the San Francisco Bay Area. In addition to disclosing adoption goals, it would be very helpful for non-profits like ours if Comcast would share information about where they are targeting the broadband offer, including providing lists of schools where students are eligible for Comcast Internet Essentials. We have been asking for the list of auto-qualified schools since the program started and we’re still waiting for that list.

The online application is useless. We have yet to be able to actually use it. We’ve held Technology Fairs where we have set up computer banks so that they can actually sign up people for Internet Essentials, but have been unable to because the online application does not work. We keep getting bounced off.

We also have become aware of the fact that when a person calls Comcast to sign up for Internet Essentials, they are being asked how many children they have in the program. Then the Comcast agent chooses the oldest child to enroll in the program. This means the family will be “kicked out” of the program sooner, because the discount only lasts as long as the child is in school. So if an eligible family has a child in high school and another in elementary schools (both on the National Lunch program) by enrolling the high school student, the family loses several years of eligibility for Internet Essentials.

**Comcast remove the 90-day requirement.** Comcast will not allow low-income families who are already Internet subscribers, or have subscribed in the past 90 days, to switch to the cheaper Internet Essentials service. If a family has subscribed to the Internet as part of a Comcast bundled service, they must stop service for 90 days before they become eligible for the \$9.95 month Internet service.

**Comcast increase support of local and regional digital literacy programs.** Many of the families we serve need computer literacy training to take full advantages of their broadband connections. CLF has worked effectively with schools, faith-based communities, local employers, health clinics and job-training programs to incorporate digital literacy and workforce training. We would welcome additional commitments by Comcast to help fund essential training programs like these.

**Comcast increase support of local and regional digital literacy programs.** Many of the families we serve need computer literacy training to take full advantage of their broadband connections to the Internet. The Chicana/Latina Foundation has worked effectively with schools, churches, health clinics, job-training programs and social service providers to incorporate digital literacy and workforce training. We would welcome additional commitments by Comcast to help fund essential training programs like these.

**Comcast expand the program to include low-income seniors, people with disabilities and veterans.** Recent polling on home broadband use in California shows that seniors and people with disabilities adopt high-speed home Internet at significantly lower rates than other populations. Often homebound, these clients are among the most vulnerable we serve, and an affordable Internet connection would significantly improve their access to vital services and the quality of their lives.

Elected officials and policymakers should know that while Comcast has made improvements to its discounted broadband offer, the company should make Internet Essentials available beyond June 2014 and expand eligibility as described above if it desires to be a leader in closing the Digital Divide in California.

Respectfully,

A handwritten signature in cursive script that reads "Alicia Orozco".

Alicia Orozco  
Project Manager  
Get Latinos Connected  
415-828-7653  
[alicia@chicanalatina.org](mailto:alicia@chicanalatina.org)  
[www.chicanalatina.org](http://www.chicanalatina.org)

The Honorable Mark Pryor  
Chairman, Subcommittee Committee on Communications, Technology and the Internet  
United States Senate  
Washington, D.C. 20510

The Honorable Roger Wicker  
Ranking Member, Subcommittee Committee on Communications, Technology and the Internet  
United States Senate  
Washington, D.C. 20510

Re: Hearing on Broadband Adoption: The Next Mile

My name is Luis Granados, and I serve as Executive Director of the Mission Economic Development Agency (MEDA), based in San Francisco. The Mission Economic Development Agency (MEDA) is a community-based, local economic development corporation located in the Mission District of San Francisco. For 40 years MEDA has worked to improve economic and social conditions in the neighborhood by stimulating investment, enhancing the business environment, and creating jobs for area residents, with an emphasis on the Latino community in San Francisco. MEDA engages the local community with homeownership counseling, foreclosure intervention, small business development services, financial education, free tax preparation, and technology training and workforce development.

I am writing this letter on behalf of MEDA to add additional information to the record for the Broadband Adoption: The Next Mile hearing. We were fortunate to be recipients of an American Recovery and Reinvestment Act grant through the National Telecommunications and Information Administration to focus on Access to Careers in Technology and, earlier this year the Department of Education granted MEDA a \$30 million Mission Promise Neighborhood Grant aimed at helping students at underperforming schools San Francisco.

We strongly advocate for broadband at home and digital literacy training as described in the National Broadband Plan, and we are making the suggestions described in this letter with the goal of giving all Americans access to digital tools and skills to improve their lives.

In our work with Comcast we have found the Internet Essentials program to offer high-quality, reliable broadband service to some of the people who need it most. Our clients who have subscribed are generally happy with the program. However, there are several barriers that impede many more households from participating.

We recommend that Comcast take the following steps to ensure that the maximum amount of eligible and needy families can benefit from Internet Essentials:

**Extend Internet Essentials from 2014 until 2017.** As Comcast Executive Vice President David Cohen testified recently before your subcommittee, the company has “learned a lot over the first two years” of the three-year program. Currently, Internet Essentials is scheduled to end

in June 2014. From a California perspective, where nearly half of Latino households do not have high-speed Internet access at home, Comcast should continue the program.

In addition, in the first years of the program Internet Essentials sign-ups were impacted as we worked with eligible families to overcome hurdles in the subscription process, challenges that resulted in damaged community confidence in the product. These hurdles included:

- \*Clients receiving letters from Comcast saying that they had failed a credit check. Internet Essentials specifically advertised there would be no credit check.
- \*The application process took up to 3 months – far too long for clients that are skeptical about the product in the first place and have other pressing demands on their budget.
- \*Initial Internet Essentials customer service representatives suggested that Internet Essentials clients could pay \$150 deposit to avoid a credit check.
- \*Families were charged \$50 by the technicians that installed their modem, even though Internet Essentials guarantees free installation.

Through advocacy with Comcast and the actions of regional staff, these issues have been addressed by Comcast. However, MEDA is concerned that these issues have prevented eligible and needy families from fully taking advantage of this benefit. Due to these early barriers MEDA believes Comcast should extend the Internet Essentials program until 2017.

**Comcast increase support of community-based programs.** If it weren't for community-based organizations helping clients learn about and subscribe to Internet Essentials, Comcast wouldn't even have the 8% penetration it is currently reporting among eligible families. These organizations also provide critical ongoing support to subscribers, including digital literacy training. At MEDA, we spend significant resources on these support activities. We would welcome additional commitments by Comcast to help fund essential programs like these.

**Comcast expand the program to include low-income individuals.** Even as government and other social services are more exclusively available online, the clients they are meant to serve adopt high-speed home Internet at significantly lower rates than other populations. Low-income households, people with disabilities and seniors are among the most vulnerable we serve, and an affordable Internet connection would significantly improve their access to vital services and the quality of their lives.

Elected officials and policymakers should know that while Comcast has made improvements to its discounted broadband offer, the company should offer Internet Essentials beyond June 2014 and expand eligibility as described above if it desires to truly play a leadership role in closing the Digital Divide and achievement gap in our state.

Respectfully,



Luis Granados

The Honorable Mark Pryor  
Chairman, Subcommittee Committee on Communications,  
Technology and the Internet  
United States Senate  
Washington, D.C. 20510

The Honorable Roger Wicker  
Ranking Member, Subcommittee Committee on Communications,  
Technology and the Internet  
United States Senate  
Washington, D.C. 20510

Re: Hearing on Broadband Adoption: The Next Mile

Dear Chairman Pryor and Ranking Member Wicker:

I am writing on behalf of the Office of Community and Economic Development (OCED) at California State University, Fresno (Fresno State). Through our community-based programs, we and our partners annually help thousands of San Joaquin Valley (Valley) residents gain access to services vital to their lives, including high-speed Internet at home.

This letter is to provide input to the record for the Broadband Adoption: The Next Mile hearing. Specifically, we wish to comment on the disappointing experience we have had in trying to connect families to the Internet Essentials Program offered by Comcast. Also, we ask you to support this much-needed program by extending the program beyond the proposed June 2014 date.

Comcast is one of the largest broadband providers for rural areas of the San Joaquin Valley, one of the poorest regions of California. When first introduced, we welcomed Internet Essentials as an opportunity to connect our traditionally un-served population. However, based on the substantial hurdles our residents face when signing up for Internet Essentials, we find ourselves reluctant to support the program due to the long wait before customers can begin using the Internet at home.

The waiting period between the initial call to Internet Essentials and the application arriving in the mail is 8-12 weeks, if the letter comes at all. After submitting the application, another 2-4 weeks elapse before the equipment arrives. Many Valley residents do not have Social Security numbers and are therefore forced to drive long distances to verify identification since Comcast has closed many of its regional offices.

Leaders in the San Joaquin Valley have been pushing for online registration since the beginning of the Internet Essentials Program. Despite what Comcast says, the system is not working properly. The site is often unable to complete address eligibility searches and simply redirects the customer to the 1-855 number again. We understand that new systems need time to work out the bugs, but we have been trying to work with Comcast for many weeks to provide consumer feedback about the poor website operations, to no avail.

**Office of Community & Economic Development**

California State University, Fresno • Student Recreation Center  
5010 North Woodrow Avenue Suite 200 M/S WC142 • Fresno, California 93740



Comcast does not effectively advertise Internet Essentials in our area, so our community partners use grassroots educational campaigns to let families know about the program. Comcast also does not provide timely data to tell us which schools are undersubscribed for Internet Essentials so our partners can make best use of their resources to target un-served families for adoption.

My greatest concern, with the program scheduled to end in June 2014, is that the discounted offer will only be available for new enrollments for a few more months, leaving many Valley residents unable to take advantage of this opportunity to connect to broadband at home.

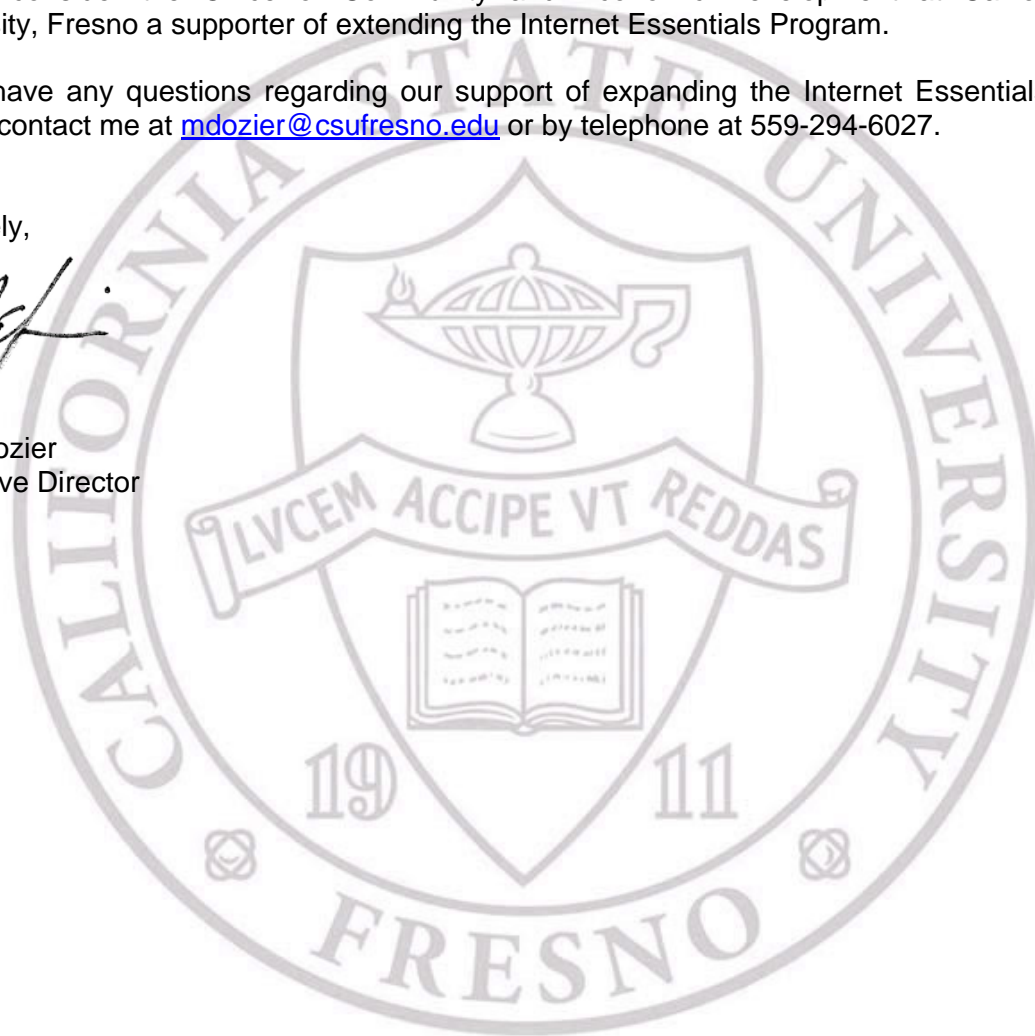
Please consider the Office of Community and Economic Development at California State University, Fresno a supporter of extending the Internet Essentials Program.

If you have any questions regarding our support of expanding the Internet Essentials Program please contact me at [mdozier@csufresno.edu](mailto:mdozier@csufresno.edu) or by telephone at 559-294-6027.

Sincerely,



Mike Dozier  
Executive Director





LOS ANGELES UNIFIED SCHOOL DISTRICT  
INTENSIVE SUPPORT AND INNOVATION CENTER  
**Santee Education Complex**  
*Home of the Falcons*  
1921 South Maple Avenue  
Los Angeles, California 90011-1036  
Telephone (213) 763-1000 Fax (213) 742-9883

**John E. Deasey, Ph.D.**  
Superintendent of Schools

**Marshall Tuck**  
CEO Partnership for LA Schools

**Martin Gomez, Ph.D.**  
Principal

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The Honorable Mark Pryor  
Chairman, Subcommittee Committee on Communications, Technology and the Internet  
United States Senate  
Washington, D.C. 20510

The Honorable Roger Wicker  
Ranking Member, Subcommittee Committee on Communications, Technology and the Internet  
United States Senate  
Washington, D.C. 20510

Re: Hearing on Broadband Adoption: The Next Mile

My name is Martin O. Gomez and I serve as Principal at Santee Education Complex based in Los Angeles. We serve 1,850 college bound students in the South L.A. community in which 100% of our students qualify for free and reduced lunch.

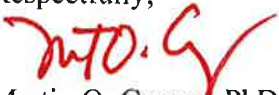
I am writing this letter on behalf of Santee Education Complex and our community to add additional information to the record for the Broadband Adoption: The Next Mile hearing. Unfortunately, the Digital Divide continues to disproportionately impact thousands of low-income students attending Los Angeles schools. Last year, several of those schools located in some of the most economically challenged areas in Los Angeles were invited to participate in a pilot program sponsored by Time Warner Cable (TWC), which according to the company's own estimates serves one quarter of California households.

With much national publicity, TWC announced that it would offer a low-cost broadband offer at \$9.95 for families with students participating in the National School Lunch program at 19 Los Angeles-area schools. This pilot was offered for only two months, from October 1 until November 30, 2012, and without visible outreach by TWC to promote the program. Many of us had hoped that the two-month pilot would offer valuable lessons on the enrollment process and marketing and customer service, which then would allow TWC to scale up the program to reach all students in the National School Lunch program. In fact, the pilot turned out to be a very short "limited time offer". According to the California Emerging Technology Fund, TWC enrolled just 1,200 families nationally in 500 schools.

Even more disappointing, TWC did not offer any explanation as to why they stopped the discount program completely while other cable providers in California saw the value of helping low-income families subscribe to broadband at home.

We think elected officials and policymakers should know that this is a missed opportunity for the largest cable provider in California to play a leadership role in closing the Digital Divide and achievement gap in our state.

Respectfully,

  
Martin O. Gomez, PhD  
Instructional Leader at Santee Education Complex

See our Falcons SOAR at [www.santeefalcons.org](http://www.santeefalcons.org)!

# Why Comcast's \$10 a month Internet isn't all it's cracked up to be



Lori Waselchuk/Lori Waselchuk - Julia Graber, right, and Hannah Sassaman, center, of the Media Mobilizing Project in Philadelphia review a video related to an MMP campaign that holds Comcast accountable for its initiative to bring internet to low-income families.

By [Cecilia Kang](#), Published: May 9 [E-mail the writer](#)

## Washington Post

PHILADELPHIA — As Comcast tries to win over regulators reviewing its controversial [merger](#) with Time Warner Cable, its well-honed lobbying campaign often highlights a company program offering Internet to low-income families.

In the Washington area, ads promoting the program, known as Internet Essentials, plaster the Metro and flood radio waves during the morning commute. In a recent [video](#) on Comcast's Web site, NBC News reporter Andrea Mitchell touted the benefits of the program, which offers Internet for \$10 a month to families whose children qualify for free or reduced-price lunches at school.

“Whether you’re researching George Washington for a history paper or searching for a job, Internet access is essential,” Mitchell said.

But many low-income consumers say accessing Comcast’s program isn’t so easy.

Comcast says it has enrolled 300,000 families across the country in three years, a figure critics say is low considering that 2.6 million households are eligible. Many consumers say they have been denied access to the service because it’s only available to new Comcast customers. Others were rejected because of old unpaid bills — as little as \$53 from a decade ago. And those who do get the program say it’s often too slow. The speed is 5 megabits per second, enough for basic Internet use but often frustrating for those who try to stream videos or download big files.

Shaping how regulators view Internet Essentials is critical for Comcast. As it tries to win over regulators at the Federal Communications Commission and the Justice Department, the cable company is trying to defuse what analysts view as the biggest threat against the deal: a determination by the FCC that a merger would be against “the public interest,” an ill-defined standard that leaves a lot to the judgment of the agency’s commissioners.

Internet Essentials is a way for Comcast to show a more civic-minded side, countering the company’s mixed reputation among consumers.

The proposed merger with Time Warner Cable has alarmed consumer advocates because it would combine the country’s top two cable and Internet service providers, putting Comcast in control of 40 percent of the high-speed Internet market and 30 percent of cable TV. Comcast and Time Warner Cable consistently rank at the bottom of customer satisfaction surveys.

Critics say Comcast is using the Internet Essentials program to brighten its public image and paper over deeper problems posed to consumers by the deal. In Philadelphia, where the company is based and where it arguably has the most control over the program’s outcome, participation rates are especially low.

“While Comcast should be applauded for trying to bridge the digital divide, they are clearly benefiting from the promotion of this program,” said Hannah Sassaman, a policy director at a Philadelphia community organizing group, [Media Mobilizing Project](#).

Comcast proudly defends the Internet Essentials program, and executives bristle when opponents say the program is being used to counter negative perceptions of Comcast or Time Warner Cable.

“This makes me sigh,” Comcast Executive Vice President [David Cohen](#) said in an interview. “You can criticize us for data consumption caps. You can criticize us because cable bills are too high. You can criticize us because the acquisition of Time Warner Cable will make us too big. I can understand that. But every once in a while, even a big company does a good thing for the right reasons.”

## **Philadelphia story**

If any place should be a success story for Comcast's Internet Essentials program, it's Philadelphia. It has the highest poverty rate of any big city in the nation. Comcast's corporate headquarters are housed in the city's tallest skyscraper; the company plans to construct an even taller 59-story office tower in 2017.

Comcast executives have deep ties to the city's political leaders and community organizations. Cohen served as chief of staff to former mayor Ed Rendell. The firm has been a major contributor to community groups and has in return enjoyed tax breaks and grants for its skyscrapers.

In 2012, Comcast head Brian Roberts went to Constitution High School to promote Internet Essentials, bringing with him a camera crew, the mayor of the city and other top company executives. Located just one mile from Comcast's corporate headquarters downtown, Constitution High School draws promising students from some of the city's poorest neighborhoods. More than half receive free or reduced-price lunches, making them eligible for Comcast's program, which also provides \$150 used laptops.

But two years later, few students at the school can remember the program. In an informal survey, a teacher recently asked 139 students if their families had enrolled and only two raised their hands.

One student said her family participates in Internet Essentials but complains the connection is slow. She often looks up definitions of words on her smartphone rather than wait for pages to download on her home computer. Many students rely on the school computer lab to do their homework because they still have no Internet access at home.

"I really expected more," said Ray Yuan, a student who helps run the tech lab and who remembers the Comcast event at his school. "Comcast has so much money and what they are offering to families and even giving to the school is substandard."

Yuan stacked 10 used notebook computers on a desk, all donated by Comcast after the event. Within months, he said, half the computers stopped working; the others are frustratingly slow to use.

The experience at Constitution High School is mirrored across the city. In Philadelphia, the adoption of Internet Essentials is about 9 percent of eligible families, compared with the national average of 12 percent.

At the city's consumer affairs office, officials say residents often call to complain about the Comcast program, saying they have been rejected because of small past bills. Current customers are also often frustrated they can't switch to the lower-cost program.

Two years ago, Dawn Hawkins tried to participate so her then-12-year-old son, Kavi, could do his homework online. She was rejected because of a long-forgotten \$53 balance on her cable bill

from 10 years ago. Hawkins said she had not been a Comcast customer in years and asked to get on a payment program to settle the charges but was denied.

“You say you want to help the community, but how can you punish me for a bill I don’t even remember I had?” said Hawkins, who has become a community organizer with Action United, a group that has staged protests in front of Comcast’s headquarters to complain about the requirements that kept her and others from signing up.

Comcast’s Cohen said that a small but vocal group of people is behind the protests and that the company’s program has been largely praised. He added that the program clearly states it won’t include applicants with past bills or who are current customers.

### **Bargaining chip**

Ads for Internet Essentials are hard to come by in Philadelphia. But in the nation’s capital, Comcast has been widely promoting the program since announcing in February that it wanted to purchase Time Warner Cable for a blockbuster price of \$45 billion.

Two months after the merger was announced, Comcast said it would extend the life of the program indefinitely, beyond the initial three-year trial.

In a congressional hearing this week, Cohen told lawmakers that the merger would allow Comcast to offer the Internet Essentials program to Time Warner Cable’s millions of subscribers.

Federal officials have also touted the program, noting that Comcast is the only corporation to offer a discounted service that could help expand the adoption of broadband across the nation.

Internet Essentials was conceived expressly to win goodwill in Washington. It began three years ago as part of an offering to the FCC as the agency considered another big and controversial merger by Comcast — this one to NBC Universal for \$31 billion.

While the Justice Department is bound to a fairly strict interpretation of the law in its antitrust review process, the FCC can look at deals with a more subjective eye. The FCC says it weighs “the potential public interest harms of the merger against any potential public interest benefits.” The standard is a carryover of the FCC’s original mandate of doling out licenses for airwaves, which the government says is a public trust.

Comcast argues that the deal should be approved because the company and Time Warner Cable do not [compete](#) in the same markets. It also cited Internet Essentials in its FCC application, saying the program would result in the expansion of Internet access to more low-income households.

The company won’t say how much Internet Essentials costs to market and operate.

“Comcast should be applauded for creating this program on the one hand, but you wonder if these kinds of programs should be offered as bargaining chips related to a review of this merger,” said Gene Kimmelman, president of the consumer advocacy group Public Knowledge.

Executives acknowledge that they are promoting Internet Essentials in the hope that it will help them win approval for their merger. But they also insist they have good intentions.

“Sure, it helps in the transaction as a public-interest benefit, but we are doing it because we think it’s the right thing to do,” Cohen said.