



**Testimony
of
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Before the U.S. Senate Committee on Commerce, Science and Transportation**

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Chairman Inouye, Ranking Member Hutchison, I thank you for the opportunity to be here today. My name is Rey Ramsey, and I am the chief executive officer of One Economy Corporation.

One Economy is a global nonprofit that leverages the power of technology and information to connect low-income people to the economic mainstream. We bring broadband into the homes of low-income people, produce public-purpose media, and train and employ youth to enhance communities' technology capacity. Our work has taken hold in four continents, from big cities to small rural towns. Since our founding in 2000, our work has reached 15 million people.

When I look at the state of broadband today, I see good news and bad news.

The good news is that our country's efforts to stimulate the supply of broadband have worked well. Most Americans have *access* to broadband service—by which I mean it is available where they live if they want a connection to their home computer. In fact, according to the Federal Communications Commission's zip-code level data, in more than 90 percent of the United States, consumers can choose from three or more broadband providers. Nearly 60 percent of Americans have *adopted* broadband by paying for a high-speed connection.

But those positive trends in broadband availability should not overshadow the significant inequality in broadband adoption between rich and poor communities. According to the most recent Census Bureau



data, while 76 percent of households earning more than \$50,000 per year are connected, only 35 percent of homes with annual income less than \$50,000 have adopted broadband in their homes.

At One Economy, we have focused our efforts on low-income consumers—increasing and aggregating their demand for broadband. Technology—broadband in particular—is at the forefront of the 21st-century fight against poverty because there is an increasingly important connection between the quality of information available to people and their quality of life.

For example, 70 percent of working families who receive the Earned Income Tax Credit (EITC) pay for professional help preparing and filing their taxes and as many as 25 percent of families who qualified for the EITC did not receive it.

This year, we partnered with H&R Block and E*TRADE to make free tax preparation and filing available online. Families using our site, the Beehive (www.thebeehive.org), received nearly \$10 million in state and federal refunds. In addition to the \$1,000 average refund they received, broadband made possible the education and support these families needed to file for themselves, saving hundreds of dollars in fees.

Broadband is a particularly powerful tool for fighting poverty because it minimizes problems of time, mobility, and geographic isolation.

One Economy recently began work with the Warm Springs Indian Reservation in Oregon, home to nearly 4,000 members of the Warm Spring, Wasco, and Paiute tribes. Broadband is already available on the reservation; the Warm Springs Tribe built a Motorola canopy-based wireless solution to provide broadband to the local government and individuals. But uptake among residents has been slow, in part because the average monthly cost is \$50—out of reach for many area families.



In the coming months, we will work with reservation leaders to make broadband a relevant and affordable tool. In addition to lowering the cost of home access and creating public access points, we will use broadband and the applications it makes possible to expand tribal member participation in government, support small business development, preserve native culture, and improve members' digital skills. Young people will be trained in technical and leadership skills so they can become cultural bridges between their community and technology.

Government can play a role in stimulating demand, as the tribal government in Warm Springs is doing. Creating public-purpose online media—media that puts vital information and tools directly in the hands of citizens—can demonstrate the value proposition of bringing broadband into their lives and homes. For low-income people, who are often caught in a web of government programs and services, simple and direct online access to those programs can mean the difference between missing a day of work to stand in line at a municipal building and getting help in the comfort of one's home.

Above all, we believe in meeting people where they are. Our signature website, the Beehive, was created to be useful and useable for an audience that may have a lower-literacy level and may not speak English as their primary language. The Beehive provides low-income individuals with online access to the information and connections they need on a local level to improve their lives while eliminating the language, literacy and cultural barriers that keep over 50 million Americans from fully utilizing the benefits offered by the World Wide Web.

The results have been dramatic. Among them: 600,000 high school students have received help with their homework, 415,000 people have learned about managing diabetes, and nearly 1 million people have learned how to secure their computers and stay safe online.



We create these online tools and resources not only to help people improve their lives, but also to introduce them to the wealth of life-changing information available online.

Independent research and our own experience suggest that the principle barriers to people adopting broadband in their homes have less to do with access and affordability and more to do with helping people to understand the value of broadband, helping to alleviate concerns about online safety, and a series of other educational and cultural issues. A 2007 survey by the Pew Internet and American Life project asked non-Internet users why they are not online. You might expect the number one reason to be cost. In fact, one-third of people not using the Internet said they are just not interested.

This is not to discount the importance of cost and the work that still needs to be done in that area, but these findings show that even when broadband is available and affordable, other concerns remain to be addressed.

These opportunities to improve health, education, and economic livelihood in low-income communities demonstrate that while universal access is an important goal, it is only a starting point. Our experience has shown that additional steps—efforts that are less about a specific technology and more about education and creating a culture of use—are needed to ensure that the benefits of the Digital Age are reaching the communities that need them most.

At One Economy, we believe that the time has come for a broad-based effort to provide these kinds of information and tools online. To that end, we have created the Public Internet Channel (*PIC.tv*): public-purpose programming designed to inform, engage, and help people take action. The Public Internet Channel grew out of our experience delivering culturally relevant, multilingual information to low-income and low-literacy audiences.



For every new 20th-century communications technology, Americans have created public-purpose programming that uses the power of the airwaves to spread common knowledge and bring people together on common ground. On television, the Public Broadcasting System's viewers explore national and local issues. On the radio, listeners tune into local National Public Radio affiliates to hear educational and civic-minded content that cuts across differences in race, class, gender, and geography.

By providing the Public Internet Channel directly to all Americans, we hope to narrow the information gap that divides communities and provide a common space that crosses racial, gender, age, religious, geographic and political barriers.

The millions of people who have taken advantage of our online resources to file their taxes, find better schools for their children, start new businesses, and take other steps to improve their lives demonstrate the need for such an effort.

Again, I appreciate the committee's interest in how broadband stands to benefit low-income communities. I believe that a policy that brings the traditional conception of universal service into the digital age, while addressing the broad spectrum of reasons why people are not online, stands to improve the lives of millions of Americans.