



**STATEMENT OF REY RAMSEY  
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FCC EN BANC HEARING ON  
BROADBAND AND THE DIGITAL FUTURE  
Pittsburgh, PA – July 21, 2008**

Mr. Chairman, commissioners, 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. I deeply appreciate the opportunity to speak with you about the future of broadband and digital media and, in particular, the opportunities they create for low-income people across the country.

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 we look at the data on broadband, we see both good news and bad news.

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 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.

Broadband is particularly important to these low-income communities. We have seen the power of broadband to give low-income people tools for improving their education, their health, and their economic lives.

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](http://www.thebeehive.org)), received nearly \$10 million in state and federal refunds. In addition to the \$1000 average refund, broadband made possible the education and support these families needed to file for themselves, saving hundreds of dollars in fees.

Broadband is also giving low-income people tools to improve their health. Chronic diseases affect millions of Americans and disproportionately impact low-income communities. Broadband can bring into homes the resources people need to handle the day-to-day management of a disease like diabetes. These tools can be accessed by people who may not be able to seek in-person assistance because of their location or the cost of these services.

Perhaps the most dramatic changes we have seen are in the area of education. Greene County, North Carolina—a rural, economically distressed area—struggled with high rates of poverty and low attainment of higher education. Beginning in November 2003, a diverse team of stakeholders, including the Greene County local government, the school system, grassroots leaders, and social service providers, used



technology and its tools to positively impact the pressing economic needs in the area. The technology infusion began at the school-level by bringing Apple iBooks to each 6<sup>th</sup> through 12<sup>th</sup> grader.

The schools and the community quickly realized that without broad-based, affordable access to the Internet, the benefits of technology would be limited. In November 2003, Greene County leaders began working with One Economy to help create Internet tools and content for the community. Since then, Greene County has developed free Internet hotspots at schools and fire stations and a municipal broadband solution for the entire County.

Today, Greene County has improved educational outcomes—including higher SAT scores, more students attending college, and dramatically reduced teen pregnancy. These outcomes are detailed in Appendix 1.

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.

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 recent 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.

At One Economy, we have recently begun work with the Warm Springs Indian Reservation in Oregon, home to nearly 4,000 members of the Warm Spring, Wasco, and Paiute tribes. Broadband access 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 members of the tribes.

In the coming months, we will work with leaders in the reservation 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.

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. 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.