



California Lifeline Pilot Project

Working Concept Outline

February 29, 2012

FCC Requirements and Directions for Broadband Lifeline Pilot Projects

- 18-Month Timetable: 3 Months Planning; 12 Months Implementation; 3 Months Evaluation
- Eligible Applicants are Providers (a collaborative application from California could qualify)
- Strategic to Include NTIA Grantees
- Important to Connect Efforts to Schools and Libraries (and Other Anchor Institutions)
- Purpose Is To Obtain Data from Pilots to Design Effective National Program to Drive Adoption

Proposed Approach to the California Lifeline Pilot Project

- Invite all interested companies to participate as co-applicants with the endorsement of the California Broadband Council (CBC) and California Public Utilities Commission (CPUC).
- Organize and implement with transparency, inclusion, and accountability.
- Focus intensely on low-income neighborhood to aggressively promote broadband adoption with an integrated strategy to transform disadvantaged communities.
- Design project based on “lessons learned” from *Get Connected!* and NTIA grants, which underscore the need for intense outreach by trusted messengers (see below).
- Obtain comparative data from a geographic spectrum of low-income neighborhoods across California with multiple providers to generate robust and reliable information for the FCC.

Outline of California Lifeline Pilot Project

- All interested companies will be invited to participate and each participating provider will focus individually and exclusively on 1-3 low-income neighborhoods within their service territories (with subscription rates of less than 50%) selected jointly by the providers, CBC and CPUC.
- A standard definition of “low-income neighborhood” will be determined, such as the federal definition of “low-income” coupled with eligibility for residents being free and reduced lunch.
- CBC will set adoption goal(s) for the pilot (at least 70% and perhaps 80% to align with overall goal for California) and other performance requirements.
- A threshold lifeline rate will be set by the CBC and CPUC (which for all intents and purposes has become \$10 per month without a long-term contract and credit check).
- The project will measure and compare the amount of outreach and other efforts required to achieve the adoption goal (with the intent being cost-effectiveness to drive adoption).
- CETF will coordinate the pilot, including: (a) facilitating the planning and working with participating providers to design their component; (b) compiling information on adoption (subscription) baselines in cooperation with providers and CPUC; (c) identifying, recruiting and training community-based organization (CBO) partners to work with each provider in their target neighborhood(s) to provide Digital Literacy training; (d) engaging and facilitating involvement of schools, libraries and other anchor institutions; and (e) inventorying the experience, collecting and analyzing the data, and compiling the report to the FCC.
- CETF staff will provide in-kind pro bono time for planning and overall management.
- Funding for the CETF project coordinator, CBO partners and any specialized data collection systems will come from the FCC funding and/or providers.
- CETF, participating companies and community partners will meet quarterly to review progress.
- Results will be publicly reported to the CBC and CPUC.

Lessons Learned to Help Design California Lifeline Pilot Project

Major Findings from Focus Groups to Inform Design of *Get Connected!*?

(All participants were low-income, non-subscribers, and did not have a computer at home.

Majority of Focus Groups—5 of 8—were conducted in non-English and all “in culture.”)

- Cost is a barrier to adoption, including the set-up, ongoing and computer costs as well as long-term contracts. However, many people were not aware of the benefits of broadband and, therefore, not in the market so they did not know what computers or broadband cost. To address this, the PSA messaging and *Get Connected!* website (GetConnectedToday.com) emphasized the cost savings associated with being online (“saving time and money”) as well as how broadband can help daily living (“make your life easier”).
- There is a “fear of the unknown” about computers and broadband and “lack of time” to learn more about how to use it and its benefits. Participants felt intimidated by broadband companies and computer retail stores trying to sell them expensive products. Community Connect Fairs allowed people to experience first-hand what broadband is, ask questions, find additional training sites, and discover what tangible benefits it can bring to their lives. Also, they were held on weekends and in low-income communities to facilitate attendance.
- There is a need for basic and ongoing Digital Literacy in multiple languages by media and organizations that limited-English speakers know and trust. This informed the use of ethnic media and the partnership with *La Opinion* as well as the use of CETF grantees and other CBOs to participate at the Community Connect Fairs.

Major “Lessons Learned” from both *Get Connected!* and NTIA Grant for Broadband Awareness and Adoption (BAA) Regarding What It Takes to Increase Adoption Among Low-Income Residents in Disadvantaged Neighborhoods

- Cost remains a barrier to entry for broadband adoption. This includes a computer, modem and installation charges.
- The remaining 28% of people who have not adopted require more than just one training session or flyer to adopt.
- There is a great amount of interest among the non-adopters about computer technology and broadband.
- Trusted messengers and CBOs are effective at outreach, training and helping people adopt given the right set of tools.
- It is important to understand that “non-adopters” are not all alike. There is a continuum of people on their way to adopting—from the “broadband hopefuls” to the “digitally distant.” One size does not fit all on the type of messaging, messenger and Digital Literacy training offered required to help people adopt broadband.