



Spearheading Digital Inclusion

Calling ISPs to Action



March 2023

How We Got Here

- Spring 2020 and on: the pandemic exacerbates the digital divide → digital equity becomes a top advocacy issue for SDA
- How can large ISPs, with their tremendous resources and expertise, work to ensure access to quality internet for all?



In the room today: the biggest providers

➤ Total Broadband Subscribers:

In the US, **Comcast**, **AT&T**, and **Verizon** are **1, 3, and 4**, respectively.

➤ Providers of all sizes have a role to play, though!

Charter (Spectrum), the company with the 2nd highest total of subscribers, does not serve San Francisco.

Broadband Providers	Subscribers at end of 4Q 2019	Net Adds in 2019
Cable Companies		
Comcast	28,629,000	1,407,000
Charter	26,664,000	1,405,000
Cox*	5,170,000	110,000
Altice	4,187,300	71,900
Mediacom	1,328,000	64,000
WOW (WideOpenWest)	781,500	21,900
Cable One**	773,000	39,000
Atlantic Broadband	451,463	25,857
Total Top Cable	67,984,263	3,144,657
Wireline Phone Companies		
AT&T	15,389,000	(312,000)
Verizon	6,956,000	(5,000)
CenturyLink	4,678,000	(134,000)
Frontier^	3,500,000	(235,000)
Windstream	1,049,300	28,300
Consolidated	784,165	5,195
TDS^^	455,200	31,800
Cincinnati Bell	426,700	1,100
Total Top Telco	33,238,365	(619,605)
Total Top Broadband	101,222,628	2,525,052

Sources: The Companies and Leichtman Research Group, Inc.

Note: image shows 2019 data. Rankings hold true through 4Q 2022 (see notes).

ACP - benefits and limits

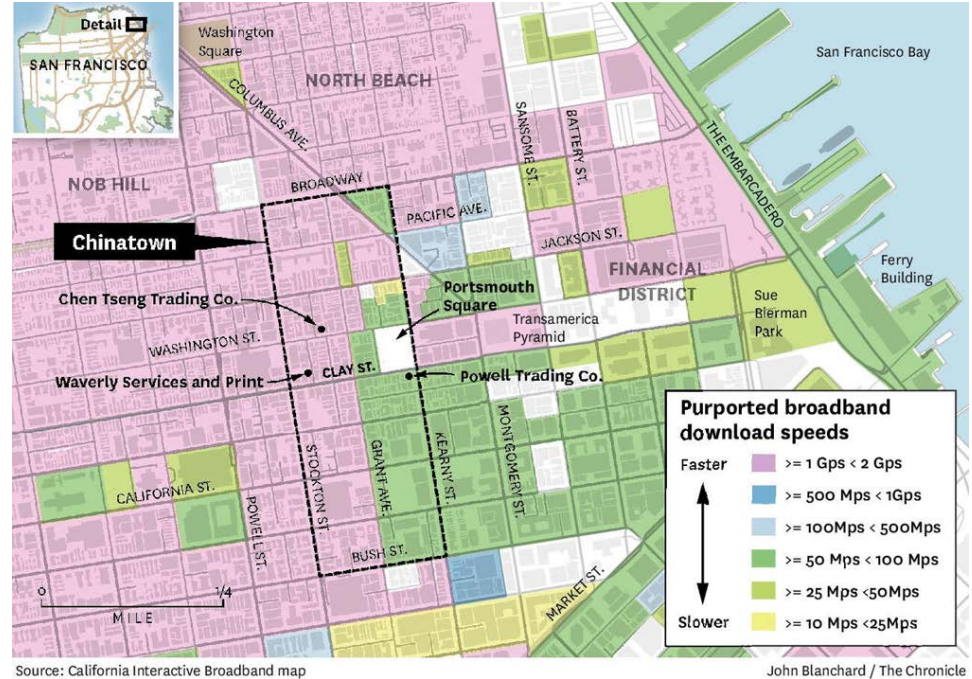
- 1/3 of SF households are eligible for ACP, yet under 25% are enrolled. Outreach focus on existing customers?

Name of county	Total households	Eligible households	Eligible households percentage	Enrolled households	Enrolled households percentage
San Francisco	362,353	126,186	35%	29,240	23%

- The Affordable Connectivity Program (ACP) is a federal, taxpayer funded program. Eligibility:
 - under 200% of the Federal Poverty Level (~\$27,000)
 - or participants in SNAP, Medicaid, Lifeline, or other programs)
- HUD & SFMTA define “Low Income” in San Francisco as 80% of AMI
- What could ISPs do to close that gap?

Digital Redlining in San Francisco

- Legacy of under-investments in communities of color and low-income communities. Notably, Chinatown the Bayview and the Tenderloin.
 - (Not just SF - 2022 study of 38 US cities)
- Why is SF Chinatown's Internet So Bad? It's Racism, Says the Person Trying to Fix It (SF Chronicle, 2022)
- Barriers*:
 - outdated cables
 - housing infrastructure, complications with landlords
 - unreliable or insufficient data on NTIA broadband maps (see map at right)



*Often overlooked are for-profit, smaller private landlord-owned affordable housing buildings!

Accessibility features and language barrier

- Four groups: low-income, seniors, limited English proficiency, disabled people
 - DEI report 2022: “zip codes with the highest rates of limited English proficiency show relatively low [ACP] take-up rates, including 94104, 94108, and 94133”
- Language and access support could be simple!
 - AT&T, Comcast, Verizon - websites are unavailable in Chinese
 - Add Chinese call options
 - Text and Text telephone device for tech support
- Tech support and customer service needed for installment and troubleshooting, not just enrollment



Total Operating Revenue



Between \$100 and \$171 billion per year

	Total Operating Revenue		
Year	AT&T	Verizon	Comcast
2020	\$171,000,000,000	\$128,292,000,000	\$103,600,000,000
2021	\$168,900,000,000	\$133,613,000,000	\$116,400,000,000
2022	\$120,700,000,000	\$136,835,000,000	\$121,400,000,000
Total Operating Revenue, 2020-2022	\$460,600,000,000	\$398,740,000,000	\$341,400,000,000

Stock Dividends and Buybacks

	Dividends Paid By Company		
Year	AT&T	Verizon	Comcast
2019	\$14,888,000,000	\$10,016,000,000	\$3,735,000,000
2020	\$15,068,000,000	\$10,232,000,000	\$4,140,000,000
2021	\$14,956,000,000	\$10,445,000,000	\$4,532,000,000
2022	\$9,859,000,000	\$10,805,000,000	\$4,741,000,000
Total Dividends Paid	\$54,771,000,000	\$41,498,000,000	\$17,148,000,000

	Stock Buybacks By Company		
Timeframe	AT&T	Verizon	Comcast
Since March 31, 2021	\$979,700,000	\$0	\$0
Since January 1, 2013	\$23,500,000,000	\$16,000,000,000	\$39,500,000,000

Corporate & Philanthropic Giving



<i>AT&T</i>			<i>Comcast</i>	
Year	Total amount of giving	Donations vs Dividends paid (as percentage)	Total amount of giving	Donations vs Dividends paid (as percentage)
2019	\$173,500,000	<1.2%	\$426,000,000	<11.5%
2020	\$314,800,000	<2.1%	\$493,000,000	<12%
2021	\$222,950,000	<1.5%	\$503,000,000	<11.1%

Key Calls to Action for ISPs



- End digital redlining:
 - make targeted infrastructure investments
 - partner with each other and the City
- Expand eligibility to the affordable internet programs that are currently available to only ACP-eligible persons. Subsidize costs for those programs for those earning up to 80% AMI
- Invest in providing ongoing, culturally competent, in-house language support

What might this cost?



- **\$40,000** per building
 - **\$35 million** total to connect the city's SROs and affordable housing buildings
- **\$2 million to \$3 million/month** to fund \$30/month subsidies for those below 80% AMI who are not eligible for the ACP



Together, what can we do?