



R-28

Date: July 3, 2007

To: Honorable Mayor and Members of the City Council

From: Councilwoman Gerrie Schipske, Fifth District *GS*
Council Member Tonia Reyes Uranga, Seventh District *TRU*

Subject: **AGENDA ITEM: Resolution in Support of the Speed Matters Initiative**

The City of Long Beach 2010 Strategic Plan established Goal T1.1 – Network Technology and Neighborhood Development to create a network of neighborhood communication facilities to provide communication between the City and its citizens, between service providers and service recipients, among neighborhood and business associations, between associations and their members, and between all participants and larger networks (e.g., the internet).

“We can include everyone in the use of high-speed, high-capacity, digital communication by creating a network of neighborhood technology centers located at community centers and other public facilities with communication and information processing facilities.”

While the 2010 Strategic Plan underscored the importance of developing the technology infrastructure to meet our goals for livable neighborhoods, sustainability, economic growth, and government accountability, a recent study entitled “Speed Matters: A Report on Internet Speeds in all 50 States” has raised concerns regarding the effectiveness of governmental policies to promote the use of high speed internet. The report states that speed matters because slow transmission rates limit business productivity or the consumer’s ability to access vital services and public educational recourses. However, the median download speed for the 50 states is 1.9 megabits per second (mps) and 1.52 mps in California compared to 61 mps in Japan.

We are requesting the City Council’s support of the five key principles of the Speed Matters initiative to advance the technology goals of the 2010 Strategic Plan:

1. Speed and universality matter for Internet access.
2. The U.S. “High Speed” definition is too slow.
3. A national high speed Internet for all policy is critical.
4. The U.S. must preserve an open Internet.
5. Consumer and Worker protections must be safeguarded.

Suggested Action: Request the City Attorney to draft a resolution, for the City Council’s consideration, to endorse the five key principles of the Speed Matters initiative.

Attachments

Speed Matters: Five Key Principles

1. Speed and Universality Matter for Internet Access.

High-tech innovation, job growth, telemedicine, distance learning, rural development, public safety and e-government require truly high speed, universal networks.

2. The U.S. "High Speed" Definition is Too Slow.

The FCC defines "high speed" as 200 kilobits per second (kbps) downstream. Government policies should immediately set "high speed" definition at 2 megabits per second (mbps) downstream, 1 upstream.

3. A National "High Speed Internet for All" Policy is Critical

The U.S. must adopt policies for universal access and set deployment timetables: 10 mbps down, 1 mbps up by 2010, with new benchmarks set for succeeding years.

4. The U.S. Must Preserve an Open Internet

High speed, high capacity networks will eliminate bandwidth scarcity and will promote an open Internet. Consumers are entitled to an open Internet allowing them to go where they want when they want. Nothing should be done to degrade or block access to any websites. Reserving proprietary video bandwidth is essential to finance the build-out of high speed networks.

5. Consumer and Worker Protections Must Be Safeguarded

Public policies should support growth of good, career jobs as a key to providing quality service. Government should require public reporting of deployment, actual speed and price.

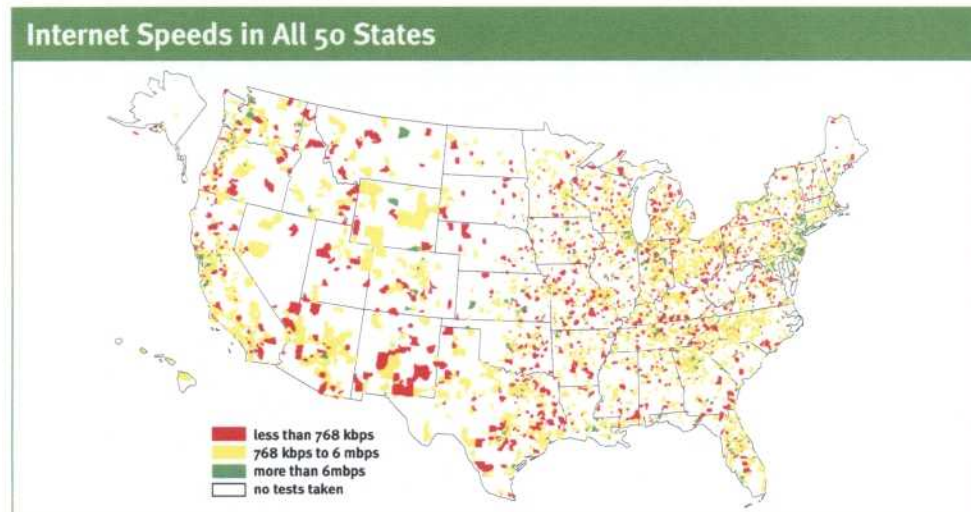
The United States Falling Behind

We need high speed Internet for our homes, schools, hospitals, and the workplaces of the future. But countries like Canada, Sweden, and South Korea have better, faster Internet connections. People in Japan can download an entire movie in just two minutes, but it can take two hours or more in the United States. Yet, people in Japan pay the same as we do in the U.S. for their Internet connection.¹

Not only do they have the technology for higher speeds, but a larger percentage of people in those countries have access to high speed connections. The United States has fallen to 16th place behind other industrialized nations in high speed Internet access.²

Speed Test Results from Across the Country

Between September 2006 and May 2007, nearly 80,000 people in all 50 states and the District of Columbia — nearly all of them with broadband connections — have gone to the Speedmatters.org site to take an Internet speed test and measure how fast their computers can upload and download data. This is the first national survey of actual Internet speeds, and the results show just how the U.S. continues to lag behind other countries.



Speed Test results for September 2006 through May 2007

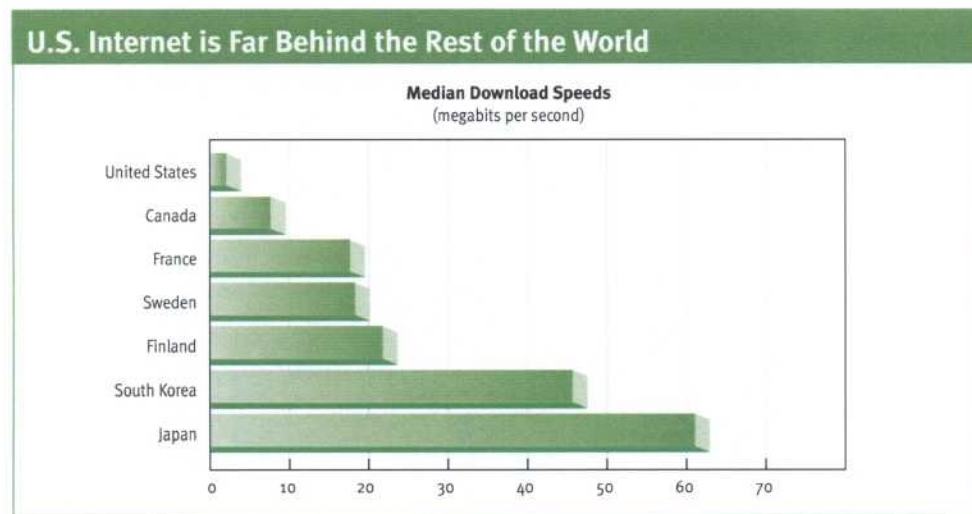
- 1 Daniel K. Correa, The Information Technology and Innovation Foundation, "Assessing Broadband in America: OECD and ITIF Broadband Rankings," April 2007 (available at www.itif.org/files/BroadbandRankings.pdf); Derek S. Turner, "Broadband Reality Check", Aug. 2006 (available at www.freepress.net/docs/bbrc2-final.pdf); CWA, "Speed Matters: Affordable, High Speed Internet for All, 2006 (available at files.cwa-union.org/speedmatters/SpeedMattersCWAPositionPaper.pdf).
- 2 International Telecommunications Union, World Telecommunications Database 2006 (available at www.itu.int/osg/spu/newslog/ITUs+New+Broadband+Statistics+For+1+January+2005.aspx). The Organization for Economic Cooperation and Development ranked the United States 15th among OECD countries in broadband adoption. The reason for the difference is that the OECD surveys different countries than the ITU. (OECD survey available at www.oecd.org/document/7/0,3343,en_2649_34223_38446855_1_1_1_1,00.html).

The median download speed for the 50 states and the District of Columbia was 1.9 megabits per second (mbps). In Japan, the median download speed is 61 mbps, or 30 times faster than the U.S. The U.S. also trails South Korea at 45 mbps, Finland at 21 mbps, Sweden at 18 mbps, and Canada at 7.6 mbps. The median upload speed from the Speedmatters.org test was just 371 kilobits per second (kbps), far too slow for patient monitoring or too transmit large files such as medical records.

Most people who went to Speedmatters.org to take the speed test used either a DSL connection or cable modem. Very few people with dial-up took the test because it took too long. According to surveys, somewhere between 30 to 40 percent of Americans still connect to the Internet with a dial-up connection.³ So the median speeds in this report are actually higher than if dial-up Internet users had chosen to participate in the survey. In other words, even these dismal statistics paint a rosier picture than the reality.

Why does speed matter? Speed defines what is possible on the Internet. It determines whether we will have the 21st century networks we need to grow jobs and our economy, and whether we will be able to support innovations in telemedicine, education, public safety, and public services to improve our lives and communities. Most U.S. Internet connections today are not fast enough to permit interactive home-based medical monitoring, multi-media distance learning, or to send and receive data to run a home-based business.

All too many Americans encounter a significant digital divide based on income and geography. According to the U.S. Government Accountability Office (GAO), two-thirds (62 percent) of Americans who earn over \$100,000 a year have broadband, but only 11 percent of households that earn less than \$30,000 a year subscribe. Only one-quarter of middle-income families earning between \$30,000 and \$50,000 a year subscribe to broadband. The GAO



Source: International data from the Information Technology and Innovation Foundation;

US data from speedmatters.org test results. Most test participants had DSL or cable modem connections.

3 The Pew Internet and American Life 2006 survey found that 40 percent of Americans connected to the Internet through a dial-up connection (Pew Internet and American Life, Home Broadband Adoption: 2006 available at www.pewinternet.org/pdfs/PIP_Broadband_trends2006.pdf). A March 2007 survey by Leichtman Research found that 28% of U.S. homes with an Internet connection used a dial-up connection (available at www.leichtmanresearch.com/press/060707release.html).

4 Government Accountability Office, Broadband Report, April 2006 (available at www.gao.gov/new.items/do6426.pdf).

also found a significant urban/rural gap. While 29 percent of urban households and 28 percent of rural households subscribe to broadband, only 17 percent of rural households do.⁴

The United States is the only industrialized nation without a national policy to promote high-speed broadband. There are a number of bold but specific steps that the U.S. should take to recover our lost leadership and competitive position to ensure that all residents benefit from affordable, high-speed Internet access.

Six Steps to Affordable, High Speed Internet for All

- **ESTABLISH A NATIONAL POLICY GOAL.** A reasonable initial goal would be to construct an infrastructure with enough capacity for 10 megabits per second (mbps) downstream and 1 mbps upstream by 2010.
- **IMPROVE DATA COLLECTION TO ASSESS THE PROBLEM.** Today, we do not have detailed information about broadband deployment, adoption, speed, and prices. The Federal Communications Commission (FCC) data collection is flawed and inadequate. The FCC collects data on the number of broadband providers in a zip code. If there is one subscriber in a zip code, the FCC claims the zip code has broadband. In a rural area, a zip code can cover many miles. Clearly, this methodology does not give us an accurate picture of what areas actually have access to high-speed broadband, and it must be improved. Additionally, the FCC definition of “high speed” at 200 kbps in one direction is too slow. CWA recommends increasing the definition to 2 mbps downstream and 1 mbps upstream.
- **CREATE PUBLIC-PRIVATE PARTNERSHIPS TO PROMOTE DEPLOYMENT.** One model is ConnectKentucky, where a consortium of telecommunications companies, state and local governments, schools, libraries, health care providers, unions, and community groups came together to create a state broadband map. Then, community teams developed local technology plans to demonstrate demand for high-speed broadband. As a result, DSL deployment increased 17 percentage points.
- **PRESERVE AN OPEN INTERNET.** The right of all Americans to go where they want and upload what they want when they want on the Internet must be preserved. Nothing should be done to degrade or block access to any websites, or to censor any lawful content on the Internet. Building high-capacity networks will ensure that all Americans have fast, open access to all content on the Internet. At the same time, network providers must be allowed to reserve bandwidth to provide a video service in order to finance the build-out of high-speed networks.
- **REFORM UNIVERSAL SERVICE.** Today, universal service subsidies support voice telephony service. We must reform the universal service program to support affordable, high-speed Internet for all.
- **SAFEGUARD CONSUMERS AND WORKERS.** Public policies should support the growth of good, career jobs as a key to providing quality service. Government should require public reporting of deployment, actual speed, and price.

It is long past time to restore U.S. leadership in high-speed Internet policy. The U.S. has a lot of ground to cover to remain competitive with other economies that have already adopted policies that will facilitate job growth, business advancement, and individual achievement through access to the latest information technologies. Policymakers must act now to implement policies that will guarantee every American access to all the promises of the information age.

California and United States Falling Behind

We need high speed Internet for our homes, schools, hospitals, and the work places of the future. But countries like Canada, Sweden and South Korea have better, faster Internet connections. People in Japan can download an entire movie in just two minutes--it can take two hours or more in the United States--but they pay the same as we do in the U.S. for their Internet connection.

Not only do they have higher speeds, but a larger percentage of people in those countries have access to high speed connections. The United States has fallen to 16th behind other industrialized nations in high speed Internet access.

California Speed Test Results

Over the last few months, people who live in California have gone to the speedmatters.org site to take an Internet speed test and measure how fast their computers can upload and download data. The results of the speed test show that the Internet speeds of people who live in California, like those of the entire country, lag behind.

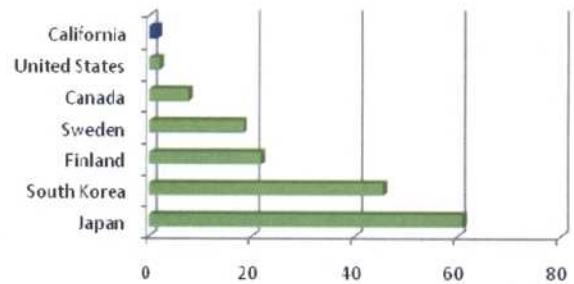
California Internet Speed Test

Location	Median Download Speed (megabits per second)
Japan	61.00
South Korea	45.60
Finland	21.70
Sweden	18.20
Canada	7.60
United States	1.97
California	1.52

International data from the Information Technology and Innovation Foundation. U.S. data from speedmatters.org test results. Most test participants had DSL or cable modem connections.

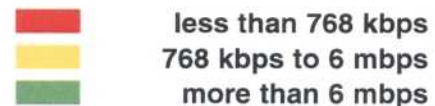
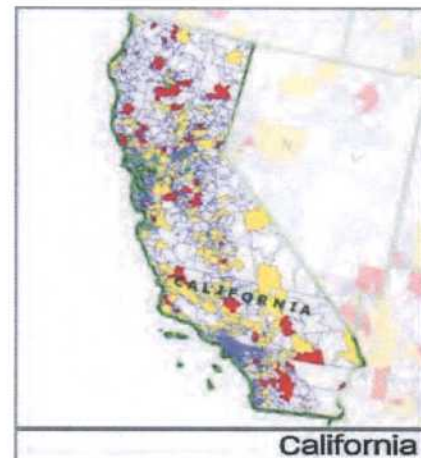
California Quick Stats

Median Download Speed (megabits per second)



The median upload speed in California is 362 kbps, about 7 times slower than in Japan.

Average download speed by zip code for California. There were no tests in unshaded areas.



a project of:

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Take the speed test. Learn more.
Go to www.speedmatters.org.