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DIGITAL DIVIDE MATERIALS [1]

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DIGITAL DIVIDE MATERIALS

March 7, 2000

MEMORANDUM TO GENE SPERLING

FROM: TOM KALIL
GIGI GEORGES
NATASHA BILIMORIA

SUBJECT: DIGITAL DIVIDE UPDATE AND DISCUSSION ITEMS FOR TOMORROW'S
DIGITAL DIVIDE MEETING

This memo includes a proposed itinerary to initiate serious site discussions and an update on corporate commitments to date.

I. Itinerary Options for April Trip

You could lay out options for how the trip would move in order to get buy in for possible event ideas as well as site locations. We are assuming the trip can accommodate either four or five stops: two on day one, two on day two, and a possible morning event on day three.

Thematically, we suggest the following:

Day One: Morning – Schools/Education Technology

Afternoon – Native Americans

Day Two: Morning - Families/Adult Access and IT Training for Workers

Afternoon – Connected Communities

Day Three (possible):

Morning – Communities/Legislative Action

Day One, Morning Event:

- **Recommendation:** Kick off with a school-based event in East Palo Alto, CA.
- Since the first event will attract the most attention, we could have the CEO roundtable (i.e., Bill Gates, Steve Case, Carly Fiorina, etc) with a focus on education.
- Would be broadcast via satellite to a number of different schools around the country where students and teachers would interact with the roundtable participants.
- The President could announce all of our School and Ed Tech commitments:
 - Agreements by PTA, NSBA to survey schools
 - Commitments from teacher colleges to help train all new teachers

- Also include the major deliverables that will not be a focus at any of the other events.

Day One, Afternoon Event:

- **Recommendation:** Fly to a Native American reservation where the President would announce all of our efforts and commitments to Native Americans. Strong recommendation for coordinating a bipartisan event in New Mexico.
- CISCO is currently putting together a commitment proposal for Native Americans.
- Include commitments from companies that would host Native American e-commerce websites.
- Commerce, SBA and USDA are looking into possible deliverables at specific locations in Indian Country, including New Mexico, Montana, and Nevada.

Day Two, Morning Event:

- **Option 1:** Begin the day in either a Midwestern or Southern city. Possible options include cities in Minnesota, Ohio, Pennsylvania, Mississippi.
- This might include an event at one of HUD's Neighborhood Network sites or a Community Technology Center – i.e., POWERUP site -- where the President could highlight:
 - the Neighborhood Networks program increase from 500 to 1000 centers
 - the commitment of \$32.5 million to expand the number of CTCs to XX (DOE is providing us with the exact number)
 - a major corporate commitment: for example, AOL scaling up the number of POWERUP sites
- This option could include celebrity/sports star participation to highlight the motivation piece, including similar events at satellite locations.
- Could also announce PSA "No fear, no shame" campaign.
- **Option 2:** Begin the day in Detroit, and focus the event around home access and technology training. This might include an event with Big Three Auto Companies, highlighting both existing and new home access commitments and employee technology training.
- PeoplePC has told us they are aggressively working on getting the GM and Daimler-Chrysler to follow Ford's lead by providing their employees with computers and low-price Internet access. Also talking to other major companies and unions to replicate the program that Ford launched (NOTE: this information is business confidential). They suggested that an event in Detroit could include a photo opportunity with Ford providing computers to their employees.
- **NOTE:** Choosing Detroit could significantly contribute to making the deliverable a reality.

Day Two, Afternoon Event:

- **Option 1:** Go to Boston to highlight what can be done when local government takes an active role in building partnerships with the private sector to serve communities needs. Also can use this forum to announce Connected Communities Day in the fall.
- Boston is a good candidate for this given the Mayor's comprehensive efforts to bring technology companies and efforts together throughout the city. Boston efforts include: 80 CTCs and 26 libraries, TechBoston: a high tech certification program for middle and high school kids, and Technology Goes Home: a home access and training program for low-income families.
- Can include new commitments from some of the Internet start-up companies located on Route 128.
- **Option 2:** Go to New York City to highlight Computers For Youth (CFY), a program that solicits Pentium computers from the New York City business community, has them repaired by students in a vocational program in East Harlem, and then distributes them to an inner-city school where they provide computers to all the families who have children attending that school, as well as the teachers and parents and they train them to use the computers collectively. The program is aiming to scale up their program from 250 computers to tens of thousands computers by the end of the school year. **NOTE:** This commitment is not finalized, but could be if we pushed it.
- This event could include participation by key NY based Internet and multimedia companies that are part of a group of companies known as "Silicon Alley."

OPTIONAL Day Three, Morning Event:

- **Recommendation:** An event in DC to bring together a congressional rally on closing the digital divide. The President could announce commitments to the DC area from Northern Virginia companies as well as emphasize the need for legislative action on closing the digital divide.

Each event would utilize technology to expand it to a number of different sites around the country.

II. Proposals for Commitments

- **3Com:** The new Connected Entrepreneur Awards Program is a quarterly award program highlighting successful small businesses that use networking technology to offer innovative products and/or services to their communities. The Program enables 3Com and the YWCA of the U.S.A. to encourage small businesses to institute mentor programs that educate youth, particularly young girls and women, to the benefits of high technology in the workplace and to create an overall positive learning experience. **NOTE:** This program is currently focused in New York, however we are talking with them about scaling up and expanding the program for the April trip.
- **AOL:** They will get back to us by COB Thursday with a specific commitment, although they have discussed scaling up the number of PowerUP sites for the trip. In addition, AOL also has project in

Motivation
✓

Native

\$1 million in Grants

development called "Technology Works" which is a regional support center, placed in DC that will provide technical assistance and support to non-profit organizations.

- **AT&T:** They are prepared to announce a \$1.2 million grant over four years to create an Academy of Information Technology, a high-school curriculum to prepare students for the IT industry, in one of the following sites: Miami, Pittsburgh, Oakland, and Rio Grande Valley (TX). They are also working on additional commitments to provide grants to universities for technology training. *School event*
- ✓ **Yahoo!:** *Detroit* They are creating a program called Camp Yahoo to train the trainers, working with the Boys and Girls Clubs and other community Technology Centers. They are also providing \$1 million in internet PSAs to recruit technology volunteers to Americorps and other volunteer organizations. *East Palo Alto*

III. Pending Commitments

- **Cisco Systems:** We know that he is interested in teacher training and that Cisco is working on broadband technology which would be well-suited for a commitment to a Native American/rural site.
- **Qualcomm:** Working on launching a new high-speed modem able to connect to the Internet 150 times faster than other modems. This announcement could be made on an Indian reservation or another rural location. *Rural / Native*
- **SBC Communications:** OPL is working on a commitment to build on the work SBC is already doing -- including its efforts to provide high-speed internet access (ADSL) to underserved communities (note: major focus currently in California). *Rural*
- **Enron:** Investing in minority-owned high-tech companies. They have a pending commitment with an Internet auction site, but we are following up to get further details on this partnership.
- **People PC:** *Detroit* Working on getting the GM and Daimler-Chrysler to follow Ford's lead by providing their employees with computers and low-price Internet access. Also talking to other major companies and unions to replicate the program that Ford launched (NOTE: this information is business confidential). They suggested an event in Detroit that would include a photo opportunity with Ford providing computers to their employees.
- **NorthPoint Communications:** They are currently in discussions with HUD regarding its Neighborhood Networks as well as USDA's Rural Empowerment Zone program. NorthPoint Communications provides high-speed Internet access over existing phone lines using DSL technology. They are willing to make a "substantial" commitment for the trip. *Push for Rural event*
- **GovWorks.com:** The company is in the process of relocating its corporate headquarters to Harlem. It will be the anchor tenant in a Harlem Technology Cluster and hopes to attract several other technology companies to the area. The Technology Cluster will include an incubation space and a technical training facility designed to help increase career opportunities in Harlem. It will also provide the tenant companies with greater access to individuals who complete programs and have developed strong technical skills.

- - **Other Possible Major Corporate Commitments**

- Microsoft/Gates Foundation
- John Doerr
- Hewlett-Packard
- Radio Shack/Tandy

IV. Commitment Follow-Up

- You and Mary Beth will have met with Civil Rights group leaders and are scheduled to meet with Hispanic Leaders (Thursday) and Disability community representatives (Friday).
- We have sent out letters to 35 CEOs describing our goals, asking for sign on to the Call to Action, and participation in the April trip.
- OPL is doing follow-up with the Washington Reps. from each of these corporations. NEC is also following up with corporate staffers, agency liaisons and others.

THE WHITE HOUSE

WASHINGTON

March 3, 2000

Copied
Spesling
Podesta

MEMORANDUM FOR THE PRESIDENT

FROM: GENE SPERLING

SUBJECT: NEC WEEKLY REPORT

Oil: Following Secretary Richardson's Tuesday return from his tour of oil producing countries, Saudi Arabian, Mexican and Venezuelan oil ministers met in London and agreed to increase oil production. They discounted rumors of a 1.2 billion per day increase. Secretary Richardson indicates that the trio is considering a two-stage release of 1.3 million barrels in April and an additional 1.3 million barrels in the 3rd quarter. These estimates remain extremely fluid, however, as OPEC members try to reach a consensus over the next few weeks, and we are preparing steps to encourage them to increase the quota's further and at an accelerated pace. Separately from the oil production question, domestic gas prices rose, in response to declining gas inventories. On Monday EIA will adjust its gasoline forecasts, predicting that the national average of self-service regular will peak at \$1.56 in May and June, and then falling to \$1.37 by December. Although they do not perform separate estimates for California, prices in California are currently \$1.52, 15 cents above the national average, and that spread could grow due to higher spot prices on the West Coast that have not yet filtered down to the retail level. Following up on an NEC principals meeting Wednesday evening and your meeting with Members on Thursday afternoon, the NEC is working with other agencies to examine the effects of regional reserves and minimum inventory proposals put forward by the Northeastern Members. The NEC is also working with other agencies to develop scenarios for use of the strategic reserve, which will examine timing of the release of the oil from and return of the oil to the reserve, volumes, and a range of possible effects.

Digital Divide Initiative: We are thinking about the following strategy to generate momentum, excitement, and concrete commitments, and to provide a national framework for government, private sector and non-profit actions to close the digital divide and create digital opportunity:

- A National Call to Action that would be endorsed by hundreds of companies and non-profit organizations. The Call to Action would focus on two major goals: (1) providing 21st Century Learning Tools for every child in every school (Internet access, teacher training, computers, educational software); (2) expanding digital opportunity for families and communities (universal home Internet access, community technology centers and high-speed networks in urban, rural and Native American communities, IT training for workers and young adults, and the motivation and desire to "get connected.").

- The New Markets trip on April 9th - which would highlight success stories and new and expanded commitments by companies and non-profit organizations. We would also develop creative ways to use the Internet to involve multiple sites around the country.
- A follow-up summer report that would describe new and existing commitments to close the digital divide. This could help disseminate best practices and highlight commitments that were not featured in the trip.
- The possibility of "Connected Communities" day in the fall to maintain momentum and generate grassroots activity, building on the highly successful NetDay model. Since we could not organize this ourselves, we would have to ensure that there was sufficient outside support before launching this event.

H-1B Visas: As you recall, the American Competitiveness and Workforce Improvement Act (ACWIA), which addresses the H-1B issue – the purported shortage of high skilled workers – was enacted in 1998. The H-1B issue put the Administration in a difficult position, caught between the considerable number of Democratic (and Republican) Members of Congress and worker advocates who argued that we should train Americans first, and representatives of industry (particularly high-tech industry) who argued that more H-1B visas were needed to fill gaps in the workforce that couldn't be filled with American workers. The Administration sought a middle-ground approach that would provide temporary relief for employers having difficulty finding skilled workers, while stressing that our policy should be based on the principle of training American workers first. Therefore, we negotiated a deal -- primarily with Senator Abraham -- whereby we agreed to increase the caps for 3 years, in exchange for protections against abusive job shops and a \$500 fee that we proposed to raise \$250 million for regional training alliances, low-income scholarships, and administration. ACWIA increased the H-1B visa cap from 65,000 a year to 115,000 in FYs 1999 and 2000, and 107,500 in FY 2001.

The H-1B issue is again beginning to gain some momentum. INS has recently announced that we are close to reaching the cap for this fiscal year. Senators Hatch and Abraham introduced legislation to significantly increase the number of H-1B visas (from 115,000 to over 195,000, but likely 235,000 with exemptions). Senators Graham, Lieberman and Feinstein are co-sponsors. The Hatch-Abraham bill is scheduled to be marked up in the Senate Judiciary Committee on March 9th. At the markup, Senator Kennedy is expected to offer a substitute amendment with a more modest increase in the cap. Rep. Lamar Smith, the chairman of the House Judiciary Committee's subcommittee on immigration, recently introduced legislation to provide an additional 45,000 visas this year. Several other bills addressing the perceived shortage have also been introduced (see footnote). Legislation increasing the cap appears likely to pass this year.

The New Workers for Economic Growth Act of 1999 (S. 1440, H.R. 2698, introduced by Senator Gramm and Representative Dreier, respectively), the Bringing Resources from Academia to the Industry of Our Nation Act (H.R. 2687, introduced by Representative Lofgren), the Helping Improve Technology Education and Competitiveness Act, "HITEC Act" (S. 1645, introduced by Senator Robb), the 21st Century Technology Resources and Commercial Leadership Act (S. 1804, introduced by Senator McCain), an H-1B scholarship payment bill (H.R. 3508, introduced by Representative Wu).

The legislation may include an increase in the visa fee, increased targeting to workers with the highest skills, strengthened H-1B fraud enforcement, and expanded job training provisions. We are leading a White House process on H-1B and will coordinate with Maria as other immigration issues come into play. I am working closely with Gephardt's office and Zoe Lofgren to see if there is common ground, but right now union Democrats and New Democrats are as many as 50,000 apart.

→ This is good. We just need to have some

China-PNTR: The China PNTR effort continues to pick up pace. First, MOFTEC Vice Minister Sun Zhenyu was in town this week to meet with us and with Members of Congress. In conjunction with his visit, China announced that it would purchase \$6 million worth of wheat from the Pacific Northwest -- the first purchase in over 20 years. While this is an important first step, we stressed to Sun that China must begin purchases of citrus and meat -- consistent with the U.S.-China bilateral agreement on agriculture -- and that China must resolve the dispute over market access to fertilizer.

Second, Senator Baucus introduced China-related legislation this week. Rep. Levin has circulated a similar proposal, but has not yet drafted legislation. Both proposals focus on our enforcement of the agreement, and their recommendations basically fall into 5 categories: (1) reporting and review requirements; (2) a role for Congress, including Congressional mandates to take enforcement action; (3) changes to our trade remedy laws; (4) ancillary provisions on labor and environment; and (5) resources for technical assistance to China.

Third, as you know, EU-China negotiations ended recently without resolution. There is still hope, and many expect, that negotiations will wrap up by the end of the month. As bilateral negotiations wind down, Members are beginning to ask about the Protocol process and the issues that remain to be negotiated in the Protocol. We need to frame this issue in a way that gives Members assurance that the deal we negotiated in November can only be improved upon in this process, and that a vote on PNTR should not be delayed.

Millennium Vaccine Initiative--The Next Steps: Your meeting this past Thursday with the CEOs of major pharmaceutical and biotechnology companies and leaders of international organizations and foundations provided a valuable launch for our efforts to provide vaccines for developing countries. Altogether the four large pharmaceutical companies announced that they would donate vaccines worth over \$150 million to the developing world—mainly to countries in Africa. We are working with Treasury, State, NSC, and OSTP to develop a strategy to get the G-7 countries to agree to major vaccine initiatives at the summit this July in Okinawa. Hopefully, we can get our allies to make contributions to the Global Alliance for Vaccines and Immunizations (GAVI) to purchase existing vaccines, and also get them to help stimulate the development of new vaccines to prevent diseases such as HIV/AIDS, TB, malaria, etc. The key will be to give the Japanese enough of an ownership stake in the vaccine initiative so that they push it strongly in the sherpa process in the run-up to Okinawa.

→ Life saving. We need to work to do as much as we can before 1997

House Passed Retirement Earnings Test Repeal: The House voted 422-0 to pass a clean bill to repeal the Retirement Earnings for workers between the Normal Retirement Age and 70. Chairman Archer invoked your call to send him a straightforward bill and ruled a series of amendments to the bill out of order. Senate Finance is expected to begin work on the measure in mid-April. A potential issue in the Senate is whether or not they also repeal the RET for workers between 62 and the Normal Retirement Age. Senator Moynihan is strongly in favor of this measure, but most Democratic Senators are opposed. This week the Social Security Administration circulated a study to members of Congress showing that eliminating the Retirement Earnings test below the Normal Retirement Age could throw as many as 700,000 people into poverty, of which nearly 400,000 would be widows. This is because the Retirement Earnings Test currently withholds benefits before the Normal Retirement Age and then returns them in the form of higher benefits after retirement; without these higher benefits later in life many widows would be in poverty. Social Security also estimated that eliminating the Retirement Earnings Test above the Normal Retirement Age (as in the House bill we support) would have a negligible impact on poverty while increasing work incentives for older Americans. We are working on the Senate side to ensure that they also pass a clean bill that eliminates the Retirement Earnings Test above the Normal Retirement Age.

Living Wage: When the Apparel Industry Partnership sought to create an independent organization, the issue of whether to require a "living wage" was a major sticking point. This was resolved by placing a requirement in the charter of the resulting Fair Labor Association (FLA) that DoL produce a report compiling publicly available information on minimum wage, prevailing wage, non-wage benefits, measures of workers' basic needs, and the extent to which wages meet such needs. On Friday, March 3, DoL released a report on the compensation of workers in the apparel and footwear industries of 35 major exporting countries and the United States. The FLA charter does not mandate, nor does the report offer, any conclusions by DoL. Rather, it serves as an important first step, and DoL offers suggestions in the report for future research. Before releasing the report to the public, DoL briefed the FLA Chairman of the Board, Charles Ruff, and Executive Director, Sam Brown (formerly your Ambassador to the Organization on Security and Cooperation in Europe and before that head of ACTION), and also UNITE, the AFL, and other involved labor unions.

INTELSAT Privatization: The NEC coordinated an Administration effort to get changes in a Bliley/Burns bill concerning the privatization of INTELSAT, the intergovernmental satellite organization. Before the conference committee closed on Wed. (March 1), the Administration was able to remove any "poison pill" provisions that would have derailed privatization by making it impossible for INTELSAT to get access to the U.S. market. We also got Bliley to eliminate a provision that would have, in effect, required the U.S. to expropriate orbital registrations that we hold on behalf of 142 other countries. Even though the truly problematic provisions are gone, INTELSAT member countries are unhappy with the bill, and they may debate whether to expel the United States from INTELSAT; but we do not expect that to happen. And we believe we can maintain the momentum within INTELSAT on privatization.

Hushkits: Last week, in a proposal to resolve the hushkit dispute, the EU said it would indefinitely suspend the regulation if we would agree to a) not file our Article 84 dispute resolution case, and b) issue a joint declaration on the need for a new noise standard. This week, after we briefed them on the EU offer, industry and labor categorically rejected it and urged us to proceed to file our Article 84 case. In an NEC-led deputies conference call today, we agreed not to file the case immediately, but to see whether further discussions with industry/labor and the EU can produce an agreement. In particular, we want to pursue the option of "file-and-suspend" -- a technique used in WTO cases. Gerry Baliles is working behind the scenes help us try to find a resolution, as are Rep. Oberstar and Moran. Although we are less optimistic after this week's event, we have by no means given up.

To NEC
Sandy
FYI

February 24, 2000

To: Sandy Berger
Maria Echaveste
George Frampton
Joel Johnson
Neal Lane
Joe Lockhart
Bruce Reed
Steve Ricchetti
Gene Sperling
Stephanie Streett
Loretta Ucelli

From: Karen Tramontano

Attached is the updated memo Tom and I sent to the President. As you know, we are working with Communications, Press and the Policy Councils to develop strategies to implement the themes and issues we discussed.

John asked that we develop a system to evaluate our progress. As a first step, Tom and I will chart the progress and circulate the results to you.

Thank you for your help.

February 24, 2000

MEMORANDUM FOR THE PRESIDENT

From: Karen A. Tramontano
Thomas Freedman

Subject: Long Term Planning Follow-Up

This updated memorandum reflects the themes and issues we discussed with you during the long-term strategy meeting last week. Based on that meeting, we are working with communications, press and the policy councils to develop strategies to implement those themes and issues.

At our meeting, we agreed there are two key times during which you can maximize opportunities to shape the public legislative debate. The first runs from late March (at the conclusion of the nominating process) until late July (the Republican convention). The second occurs during the appropriations end game in September and October. Our planning will fully utilize these times. Since the most important congressional votes and legislative work will take place before each recess and immediately before the session ends, scheduling will hold May 22 – 26; June 26-30; July 24 – 28; September 25 – 30 and the relevant part of October. In addition to your formal meetings with members of Congress to discuss pending legislative business, we will also sometimes schedule informal congressional meetings on those evenings when you are working.

I. Major Themes

A. World Stewardship

We have segmented foreign policy issues into four groupings. The first group of issues are those where the stakes are high, a significant amount of your time is required and success depends upon your personal involvement at the highest level. Because we do not know exactly when you will be needed to work on these issues, we will keep your schedule somewhat flexible. Throughout the year, these matters will continue as high priorities; we will adjust your schedule, as circumstances require.

- ◆ Middle East (March/April) (Prior to September deadline)
- ◆ Northern Ireland (Prior to May)
- ◆ Russia (Elections & Aftermath—March 26 and April 16)
- ◆ NMD, ABM, CTBT
- ◆ China PNTR/WTO (February-July)

We agreed that China requires special emphasis. As a result, your schedule will reflect what it will take to win that vote. A fair amount of your time will be needed to retail and publicly frame this issue. We will set time aside for the following:

- ◆ Congressional meetings (4 each month)
- ◆ Business meetings (February 24, 2000)
- ◆ Speeches (March 1 & March 8, 2000)
- ◆ Elite Press
- ◆ National Press
- ◆ Regional/District Press
- ◆ Kick-Off with Former Presidents (March 28, 2000)

The second group reflects high priority areas requiring less direct attention from you. Scheduling for these matters is much more likely to be within our control. There are other objectives in this grouping e.g. Africa Trade/CBI that may require your attention but will be primarily carried by others.

- ◆ Columbia
- ◆ Greece-Turkey-Cyprus
- ◆ Kosovo/Southeast Europe—Making the case for US engagement
- ◆ International Debt-Relief
- ◆ Vaccines (March 2, 2000)
- ◆ Africa Trade/CBI

The last two groups identify planned trips and other potential travel you asked us to consider:

- ◆ Asia (India) (March 18– 26)
- ◆ Germany (April – May)
- ◆ G-7 Summit (July 21 – 23)
- ◆ APEC (November 15 – 16)

Potential Travel:

- ◆ Columbia + another Latin American Country
- ◆ Russia (After elections)
- ◆ Middle East (Depending upon events)
- ◆ Nigeria & Portugal (May-June)
- ◆ Ireland
- ◆ Additional stops in Asia trips, e.g. Korea, others
- ◆ Consider adding Alaska & Hawaii to Asian trips

B. Economic Stewardship

We have focused this section on your economic stewardship, the benefits of the new and expanding economy, and the need to do more to ensure that all citizens have a share and a stake in our nation's economic growth. We plan to showcase throughout the year your record on fiscal discipline and show how you continue to make the hard choices to ensure a strong economy. You asked that we consider focusing on poverty as a discrete issue including a review of welfare-to-work programs and an analysis of the nature of poverty. In addition we will highlight the following:

- ◆ The Economic Summit - a one-day summit (April 5).
- ✓ ◆ New Markets' Tour/Closing the Digital Divide (April 10 – 12)
- ✓ ◆ Round table—Community Reinvestment Act (May)
- ◆ The New Economy - Major Speech at UPENN (February 24)
- ◆ The President's Record on Fiscal Discipline
- ◆ Medicare solvency
- ◆ Social Security - transferring interest savings
- ◆ Paying down the public debt
- ◆ Working Families tax package:

Long-term care

Retirement Accounts

EITC - Marriage Penalty

Medicare buy-in

Child Care

Tuition Tax Credit

C. Domestic Leadership

This section addresses issues where you are an established leader, where we want to continue your leadership, and where you are likely to achieve some of your SOTU initiatives.

1. Education

We agreed that education would get attention only if it is at the center of a battle—either in the Congress or in the states. As we develop a strategy we will look for fights that will bring education into sharp focus.

You asked that we consider developing a 2-day education tour where we highlight a failing school that is improving in venues like East LA. We are tentatively holding May 11 –12 for the tour which will begin with a National Teacher of the Year event. In April we are proposing that you travel to Atlanta to speak to education writers at the Education Writers' Conference.

Here in Washington the debate will begin with the reauthorization of ESEA. The elements of the reauthorization debate are outlined below:

- ◆ ESEA Reauthorization (February through June)
 - Social Promotion
 - Education Reform including low performing schools
 - School Accountability
 - Education Standards

As in the past, the education debate will re-engage during the congressional appropriations battle. The funding battle will provide another opportunity to highlight education.

- ◆ Education funding - September through October
 - 100,000 teachers
 - School Construction
 - After-school care
 - Head Start
 - GEAR-UP

2. Environment

We agreed to plan a few major environmental events using dates when the public pays attention to the environment like Earth Day, Memorial Day and the 4th of July. Major initiatives, like Lands' Legacy, Monuments and Roadless, could be unveiled in big events on these key dates to underscore their importance and improve the chances that you will successfully drive the issue. You asked that we add the Redwoods and the Everglades issues to this list. You also asked us to consider travel to the Rio Grande and Nevada to showcase other environmental initiatives. Plans are underway to highlight your accomplishments in the run-up to Earth Day including events on new generation vehicles, monuments and the 30th Anniversary of Earth Day on the Mall.

- ◆ Power Generation (prior to Earth Day)
- ◆ Lands' Legacy (September-October)
- ◆ *Executive Actions - Sequoia National Monument (April 15)*
- ◆ *Bacca Ranch*
- ◆ Roadless Forests - Final Rule November/December
- ◆ Redwoods
- ◆ Everglades

Three related and no less important issues are:

- ◆ Kyoto/Climate Change
 - Although progress in the Senate on the Kyoto treaty is highly unlikely, the Kyoto negotiations may bear some fruit. If progress is achieved, we will

highlight it but also make clear that progress on Kyoto is a good deal for business (November). We continue to work on a power generation proposal for release in April before Earth Day (April 22).

- ◆ **Fuel Efficiency**

If we complete a "declaration of intent" with the trucking industry to conduct research that will lead to fuel efficiency, air emissions and safety improvements, much like PNGV, you could sign the declaration (April/May). We will evaluate whether electricity deregulation could pass the Congress this year and develop a strategy to improve its chances. We will also look at showcasing bio-fuels research, energy improvements in housing and energy conversion opportunities.

- ◆ **New Generation Vehicles**

Similarly, we are working with the auto industry on an agreement to include SUVs in their new research and development effort on fuel efficiency for new generation vehicles. SUVs are the auto industry's biggest market, expanding this partnership to SUVs would be a big victory. Tentatively we are looking at a meeting between the auto industry and you in late March to highlight the successes of the Partnership for New Generation Vehicles and to showcase the new demos that get better than 70 mpg. We may also be ready to announce an Executive Order to improve fuel efficiency in the federal fleet.

3. Science & Technology

- ◆ **Research – The 21st Century Research Fund** includes a \$3 billion increase in research. Since the Republicans will top your investment, we will work with OSTP on a strategy to ensure that additional increases are not exclusively directed for NIH. We will also include the Livermore, Huntsville and Brookhaven labs as vehicles to demonstrate the government's investment in research.

- ◆ **The Human Genome Project** – The first sequence draft will be completed this year. The draft represents 90% of the human genome sequence. An announcement could be ready by May. You indicated that this is a priority and you very much want to be involved. We will also look for ways to demonstrate how the genome project will improve people's lives.

- ◆ **Genome Privacy**—As technological advancements progress, there is tremendous public concern about the release and use of personal medical data. On February 8th, you issued an Executive Order on Genetic Discrimination. In May, you and Tony Blair will sign a Joint Statement opening access to research data.

- ◆ Research Ethics – There is also growing concern about the use of gene therapies. Your Bioethics Advisory Board will recommend a government-wide office to oversee the government's involvement in gene therapy research and use. If you embrace these recommendations you could create a new office on "Human Research Subjects Protections." The Board is also likely to issue findings regarding human subjects protections. You could announce these findings as well. (April-June)
- ◆ Research Misconduct—Work is underway to develop new guidelines regarding scientific research and misconduct. We believe these guidelines will be well received and very appropriate for you to announce. (September-November)

Technology

As Internet technology expands, questions about cyber access and personal privacy are growing. You have been ahead of the curve on these issues. Throughout the year, we will highlight your initiatives in the following areas:

- ◆ Closing the Digital Divide:
 ✓ Advocates applauded the Digital Divide budget initiative you announced in DC. The New Markets' Tour in April will provide another platform for you to talk about your proposals to close the digital divide. Americorps is working locally with Steve Case and America On-line on a digital divide project that has been quite successful—we will look for ways to include Americorps in an event on this topic.
- ◆ Connecting Schools to the Internet:
 ✓ The Department of Education released a report showing that we have made some progress in achieving our goal. The Vice President declined the announcement. Bruce Reed will provide the details to you. Another vehicle to get more schools connected to Internet will be your school modernization proposals. Our campaign to enact school modernization will provide additional opportunities for you to highlight this progress.
- ◆ Technology and Disabilities
 ✓ There is growing interest about the use of technology to assist people with disabilities and technology's use in telemedicine. You could demonstrate these advancements and the government's investments in research by going to sites where these technologies are being made available to the disabled.
- ◆ The International Space Station
 You could visit the American crew before their departure to the Space Station. Alternatively, you could call the space station sometime between August and December to talk to the crew. These events would highlight scientific advances made during your Administration.

- ◆ Privacy

There is growing public concern about invasions into personal privacy as a result of technological changes. Work is underway to develop the rules of the road for cyber-privacy

- ◆ Webside Chats

You indicated an interest in continuing webside chats. We will begin these chats with the five constituent groups Loretta Ucelli outlined for you.

4. Health

In addition to the Medicare Reform debate and the political debate on the Patients' Bill of Rights, we believe there will be three vital health care debates where you can promote your SOTU initiatives and in the case of medical errors, take additional executive actions.

- ◆ Health Care Expansion
- ◆ Prescription drugs
- ◆ Medical errors (February 22)

You asked that we also consider a White House Conference or a Summit that would focus the public's attention on Medicare and Aging, CHIPS-Parents and/or Prevention. In addition, the HHS and USDA are hosting a conference on nutrition; we will look for ways to involve your Council on Physical Fitness, too.

5. Crime

Successfully concluding the gun issue is less likely this year given the nature of the political debate and the current make-up of Congress. Nonetheless we are suggesting ways to focus and engage the debate. Dates that are important to note are the Million-Moms' March, the Columbine Anniversary and the anniversaries of the school shootings in Arkansas, Oregon and Kentucky. Since Colorado failed to pass a gun licensing law by one vote last week, citizens have announced that they will launch a ballot initiative in April. We have a tentative hold on your schedule for April 12 to travel to Colorado to announce the initiative.

- ◆ We will continue to work aggressively to facilitate a settlement with gun manufacturers. If a settlement appears unlikely, we will recommend becoming more directly involved in the litigation. The discussions with the gun manufacturers are ongoing and could continue through August.
- ◆ Like last year, we will engage in an appropriations battle with Congress to fund 50,000 more cops. We will schedule events to highlight your accomplishments and leadership. (September – October)

- ◆ In addition to the report you announced on February 4th, there will be other opportunities to promote your gun enforcement initiative. In March/April the Treasury will issue another report on illegal gun trafficking. To bring more attention to your initiative you could roll out the report at a responsible gun manufacturer like Smith & Wesson.
- ◆ To promote your "Smart Guns" initiative and to continue the gun debate you could also visit a manufacturing venue that uses this new technology. (March-July)
- ◆ There are 12 states that have gun-licensing statutes--the Massachusetts law is most like your proposal. To focus attention on your licensing initiative, you could visit a state with similar laws and take a gun safety class or register for a license. (February-October)
- ◆ This month the Youth Violence Initiative will announce its new board including Steve Case and perhaps Oprah Winfrey. Throughout the year, the Initiative will have additional policy announcements and accomplishments to announce with you.

6. National Service

This is one of your signature programs and we must continue to highlight this theme. Last year we developed a communications plan to give Americorps a higher profile, with your help Americorps' profile rose. This year Americorps is on the path to reach 100,000 volunteers. We plan to showcase this achievement by adding service events with Americorps volunteers to your schedule.

Americorps would like you to participate in National Service Day on April 17; we are tentatively holding a couple of hours on your schedule for service. We will also ask the Vice President whether he is interested in speaking at the CityYear event.

7. Race

As President, you have effectively used public speeches, the Race Initiative and now the "One America" office to elevate and redefine the American dialogue on race. We will continue to weave these issues into the fabric of everything we do. As you know, you will travel to Selma, Alabama on March 5 to join the walk across Pettus Bridge. We will also look for more communities like Fairfax, Virginia to highlight the multi-ethnic nature of America. We recommended establishing a process to help bring the race book to completion. Your guidance is needed on whether to proceed.

D. Unfinished legislative business

This section outlines some of the issues that will be at the center of the political debate. Some pundits are predicting that nothing will get done legislatively—especially on these issues. We believe, however, these issues can be raised above political cynicism and, in some cases, passed into law. The issues are:

- ◆ Patients Bill of Rights
- ◆ Minimum Wage
- ◆ School Construction (tax proposal)
- ◆ Common Sense Gun Control
- ◆ Campaign Finance Reform
- ◆ Hate Crimes
- ◆ Equal Pay

E. Consumer Protection

You have been very successful in demonstrating how government can protect citizen consumers. Work is being done on the following issues to produce policy initiatives and executive actions for your review that will continue your success in these areas.

- ◆ Food Safety - including GMOs
- ◆ Airline Safety
- ◆ Medical Privacy
- ◆ Financial Privacy

II. Message Vehicles & Venues

As we discussed, it will become increasingly difficult to dominate the news. In addition to honing our message, delivery and amplification, we will need more of your time to maintain public leadership on key initiatives. You agreed to the strategic options set out below as additional means to improve the media's coverage of the issues.

◆ The Press

- ◆ Continue to hold one press conference each month
- ◆ For key issues, put time aside for one-on-one press interviews and roundtable discussions to build up to or to amplify an issue or event
- ◆ Write "op eds" and other articles to amplify specific initiatives or positions
- ◆ As your administration draws to a close, develop a strategy for print and electronic media to put your imprimatur on the "legacy" stories that will be written.

◆ Speeches

The speech format is an excellent medium for you to deliver your message and vision. The challenge is to find topics that will leave a lasting impression while being sufficiently provocative to generate news.

In addition, to giving some key speeches, we also recommend that you consider using this year's commencement addresses to outline your vision for the future as you discuss accomplishments and to outline your vision for the future as you discuss SOTU. One suggestion is to mirror your three 1992 speeches on foreign policy, the economy and opportunity. Returning to this format would you with a "book-end" opportunity to remind your audience of your priorities while discussing your accomplishments. As we develop a list of college universities for your consideration, we will include community colleges and colleges where the tuition tax credit would make a big difference.

Anniversaries

We will take full advantage of anniversaries to lift topics and initiatives that may be more difficult to bring to focus in this political year. You indicated an interest in being involved in the dates that are in **bold**. We are currently reviewing a proposal to dedicate a memorial to the victims of the Oklahoma bombing.

- Butts Day—April 5
- Health Day—April 7
- Youth Service Day—April 17**
- City Bombing—April 19
- Anniversary—April 20
- April 22**
- Wives/Million Mom March—May 14**
- General Assembly—June 5-9**
- June 18(Fatherhood Initiative)**
- Assembly—June 23
- July 26
- Act—August 5
- August 22
- pt 5 - 8**
- December 1

◆ Domestic Travel

Traveling to specific venues may provide unique opportunities to increase exposure for some initiatives like National Monuments, Lands Legacy, Agriculture and guns. Additionally, there is also one state you have not visited—Nebraska. We will work on a planning a trip to Nebraska. You indicated you are interested in returning to Alaska and Hawaii.

You asked that we carefully review the states where we will hold message events to maximize coverage and impact. We are reviewing the following states: Pennsylvania—outside Philadelphia, Ohio, Missouri, Michigan, Minnesota, Wisconsin, Connecticut, Vermont, Maine, Washington and Oregon.

◆ National Conventions

We will review the list of organizations that will be hosting national conventions in Washington, DC. Where appropriate we will use these venues as opportunities for you to speak to a specific issues or “drop-by” the event.

◆ Fundraising Venues

Throughout the year you will be speaking at a number of fundraising events. We suggest using these venues from time to time to discuss policies that you have officially announced earlier in the day. For example, on February 29 we are planning to have a state-by-state report on Medicare prescription drug coverage. Your fundraising speeches later in the day may provide a perfect venue to amplify the report.

◆ The White House

You would like to use the ceremonial power of the White House to recognize individuals who have benefited from your policies. Additionally, you indicated that you would like to invite supporters, members of your cabinet and others to Camp David or to the White House to thank them. Nancy will follow-up.

Research Projects. These grants will support research activities in the areas of infant toddler development. The maximum Federal share for the University-Head Start Partnerships is \$75,000 for the first-year budget period, and approximately \$150,000 for each year of the project period. It is anticipated that 4-6 projects will be funded. The Federal share for the Graduate Head Start Research Grants range between \$10,000-\$20,000 for the first year budget period or a maximum of \$40,000 for a two-year project period. It is anticipated that five to ten projects will be funded.

- **Statewide Disbursement Units:** On February 25, the Administration on Children and Families notified five states—AL, KS, NE, OH, and WY—that their child-support plans cannot be approved because they have not established the statewide disbursement units (SDUs) for child support payments required under the welfare reform legislation. The states do have an option to request an “alternative penalty” for not having an SDU, and thus avoid the possible loss of all Federal child-support funding.
- **African-Americans and AIDS:** On February 24, Dr. Eric Goosby, Head of the Office of HIV/AIDS Policy, gave an interview to the American Urban Radio Networks previewing the upcoming National Conference on African-Americans and AIDS and HHS’ role in the two-day conference. The interview was taped for broadcast on the network, which serves 300 African-American stations, and focused on the conference agenda as well as HHS’ partnership with the Congressional Black Caucus to address HIV/AIDS in the minority community.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

- **Fair Lending:** Fannie Mae, the nation’s largest housing finance company, has given HUD information about the systems it has used to evaluate nearly ten million mortgage loans, clearing the way for HUD to determine if the systems operate in compliance with laws that bar lending discrimination.
- ✓ **Closing the Digital Divide With Neighborhood Networks:** Neighborhood Networks is a community-based initiative of HUD that encourages the development of resource and computer learning centers in privately owned HUD-assisted or HUD-insured housing. Neighborhood Networks is working to increase employment opportunities and access to health and wellness, improve educational performance of children, empower residents, increase participation by property owners and decrease dependency on federal funding.
- **Welfare-to-Work:** HUD has established a training program for Worker Trainees hired through the Welfare-to-Work Initiative called the Professional Development Institute for HUD Worker Trainees. On Friday, February 18, 2000, HUD completed its second training cohort bringing the total number of program participants to 65. Six sessions have been scheduled for FY2000, to train all of HUD's 200 Worker Trainees. Facilitators

CG
Gus

Copies
Spencer

Record Type: Record

To: Melissa G. Green/OPD/EOP@EOP
cc: Gigi E. Georges/OPD/EOP@EOP
Subject: The Milken Exchange on Education Technology

Gene asked Gigi for further information on this earlier this afternoon. They were the research and policy arm of the Milken Family Foundation (run by a guy named Lowell Milken). After doing further research, we have come to find out that the entity no longer exists and the partnership they had with the National Governors Association has ended.

Sorry.

MB/66
OK. f you
are sure. The
Milken Family is
active - prob
is squishy the next
month. So just
be sure they are
not worry on
Ed-Tech / Pysch Div
any more

Jus.
2:30pm
Follow-up on NM

Package

5221
NEOB

366-9192

383-7912
The
Loper

Conf
erry

LS
2/17/00

scottw@twbs.com

Jesse Jackson, Jr.

1-888-578-0237

Linda Darr

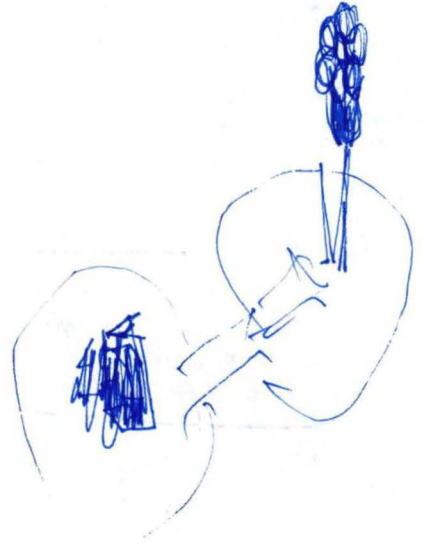
Leg. Direction

Sec. took tour in Chicago.

GSX - transport trucking

parcel of land they want to get rid of

Leg. discussion - how they can support



Format nicely

Good thing

385-885-1111
more

ms. joint session

DIGITAL DIVIDE TRIP MASTER LIST

1. **Call to Action** – First wave deadline Friday 3/10
Second Wave deadline Tuesday 3/14

- _____ Finalize one pager
- _____ Set up tracking system
- _____ Fax directly to corporate offices
- _____ Follow-up corporate calls (coordinate w/TAK, JD, NB)
- _____ Give to Agency reps/set up Agency OPL system
- _____ Get list of groups covered by end of week meetings:
AA, Hispanic Disability
- _____ Set up fax/call system with OPL for groups not covered
- _____ IGA for Mayors, Govs?

2. **Letter to CEOs**

- _____ Send out Sunday/Monday AM
- _____ Follow-up calls to key staff Thursday (TAK,GG, JD)

3. **Kickoff plan**

- _____ Redraft event plan (GG- Sunday)
- _____ Get event back on (GS/GG/PD)
- _____ Invites based on sign on
- _____ Congressional participation?
- _____ Cabinet participation/roles?
- _____ Paper
- _____ Press plan (PD)

4. **PSAs**

- ☐ Check into options
- ☐ Celebriy/Sports outreach
- ☐ Timing?
- ☐ Develop message

5. **Commitments**

- ☐ Create tracking chart with assignments
- ☐ Assign staff followup to get proposals in (GG/TAK/JD)

Get proposals/commitments in for:

- ☐ AOL/Powerup (GS followup)
 - ☐ AT&T (proposal scheduled Monday 3/6)
 - ☐ Gates Foundation (GS start/team followup)
 - ☐ 3Com (TAK followup)
 - ☐ PTA/NSBA (GS start/GG followup)
 - ☐ GM (Dingell proposal due in –team follow up)
 - ☐ Kim Smith/John Doerr (GS ask – one commitment)
 - ☐ Cisco (TAK follow up w/Ipsen)
 - ☐ IBM (GS call/team followup)
 - ☐ Bell Atlantic (GS call/team followup)
 - ☐ Yahoo (TAK followup w/Jonathon Scheibel)
 - ☐ HP (GS call/Daley followup/team)
 - ☐ Dell (GS call/Daley followup/team)
 - ☐ Novell (GS call/Daley followup/team)
 - ☐ SBC (JD add -assign followup)
 - ☐ NCTA (JD add-assign followup)
 - ☐ Enron (JD add-assign followup)
 - ☐ Qualcomm (TAK followup)
 - ☐ Americorps (GS call to Wofford/team followup)
-

6. **Agency role**

- ☐ Do block meeting schedule (GG-Sunday)
- ☐ Assign sign-on followup

- _____ Set commitment deadline (Friday 3/10)
- _____ Get details of \$32 million CTC commitment
- _____ CEA report followup
- _____ Do individual followup calls with agency reps re: commitments and ideas (Tues.-Thurs. GG/NB)

7. **Trip participation**

Invite CEOs:

- _____ Steve Case
- _____ Bill Gates
- _____ Michael Armstrong
- _____ John Chambers
- _____ Eric Benhamou (after TAK followup)
- _____ Determine short list of other must haves (Team)

Invite Civil Rights/Community Leaders

- _____ Jesse Jackson
- _____ Hugh Price
- _____ Determine other community leaders (develop short list-GG/NB/OPL)
- _____ Morty Bahr
- _____ AFL-CIO

- _____ Determine Congressional participation
 - _____ Develop overall list
 - _____ District list based on cities

8. **Report**

- _____ Explore options for sponsorship:
 - _____ Agency vs. contracting out (TAK/GG)
- _____ Map out requirements to be able to announce on trip
- _____ Followup with Kim Smith

9. **Connected Communities day**
10. **Use of Technology on the Trip**
11. **Press Strategy**
12. **Paper**
13. **Choosing Cities and Sites**
14. **Staging of events/Logistics**
15. **Speech development**

Add Commitments
Add Sign on

The Digital Divide Daily

News You Can Use

1. AT&T wants to participate -- will have a concrete proposal by Monday. Also interested in "Connected Communities" idea because they are already sponsoring a series of "leadership conversations" already around the country.
2. Kalil met with Qualcomm -- they were originally just thinking about one wireless broadband demo, but after the meeting, interested in developing some other options.
3. Kalil talked to Leadership Conference -- they would be happy to help us sign up groups for the National Call To Action (they have 180 members). Also -- they have already been talking to the Ad Council about a PSA campaign - would love to have a meeting at the White House on this with the Ad Council.
4. Kalil talked to Competitive Broadband Coalition -- which has over thousands of telecom companies and ISPs as members. They are also willing to send out the challenge to their membership. Same deal with ITAA.
5. OPL has received some other proposals which we will summarize for you.

EOP and agency-land

1. CEA interested in doing a report -- with some preliminary numbers by April -- on Hispanic and African-American access to technology and its impact on wages.
2. Daley will start doing calls on Monday to the list we gave him.
3. OPL (Jay Dunn) thinks we should lock in the top 10-15 CEOs that we know we want to invite early. Kalil thinks this is a good idea. Media won't be able to not cover it.
4. Inter-agency meeting on Monday.
5. Dunn liked the idea of recruiting agency help on outreach.

View from the Hill

1. Mikulski will do a low-key press conference to drop her bill in on Thursday. Kalil has asked for a copy of the bill.
2. Jefferson is dropping in a tax bill on Monday. Natasha has asked Len Burman for an analysis.
3. Kalil asked Lisa Koutoupes to do a first draft of the possible "lead" members.

4. Kalil, Gotbaum, Beier and Deich met on the rural TV bill. Unanimous agreement that if Congress is going to do a loan guarantee for rural TV -- more emphasis should be on broadband networks -- as opposed to just TV. Gramm mark-up on Wednesday.

Sperling May I

1. Kalil would like permission to do broader distribution of "Connected Communities," 6-page framework, and social software.

Short-term goals

1. Get the CEO letter out.
2. Get the call to action out.
3. Call Bill Gray ASAP on Microsoft.

Clinton Presidential Records Digital Records Marker

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Divider Title: _____

DIGITAL DIVIDE PRESENTATION for WEDNESDAY PRESS MTG

Sharpe presentation to impose a strategy & baseline in how to think about the DD trip.

- focus on substance & look

I. GOALS / SUB-GOALS

- Need to flush these out to sub-goals
- All these things going on → can we think of overarching

II Specific Projects

- Natives - here's what we want to accomplish it & work backward

III How can we build on what's not there?

- Power Up → can we think of comprehensive solutions

IV Creative ideas

Strategy Presentation



What needs to happen btw now & trip to make it happen.

Turn goals doc

Purpose

- Flush out Goals
- Clearly articulate sub goals

NB I What is Dig. Divide

NB II Specific Programs we are Proposing

III Broad Goals we want to Articulate
Sub-goals

IV What's out there piece

IV Specific initiatives that we would want to push

- Link
- Native
 - Teacher / C
 - CTC piece
 - employers to provide more packages like Ford / Delta / Home Access
 - Town Hall
 - Rural Broad Bank

Initiative : Teacher Training \$150m
Highlight Pledge from X companies & Y Dean's
this level in

What's our strategy for dealing w/ Corps + high net worth folks.

Slides m

1/21 MTG. w/ GS re. ^{Digital} Divide (Beier, Kalil, Liu, Orszag)

6/5

They want to talk about how "they" can fix things... schools, etc.

- preferred deduction for computer donations.

- literacy tax credit → employer who provides training gets credit.

3 Different Categories of Discussion

- public policy

- highlighting investment

- coherent goals

- 4 n 5 goals that reflected America's promise

John Chambers ⇒ sees these people as Tech Net. ⇒ these are the core group to deal with. He is willing

- they focused on teacher training

What do they do that they could translate into their "realm":

Access
Skills
Content

Sub-pillar

See Tom's Memo

Do people have access

Content/Applications

Gene wants to add "teaching" to the above 3.

Not just Teachers in classrooms BUT Teachers in Poor Neighborhood,

Specialty marketing focused on "New Markets" p. 3

4 "Pillars" $\Rightarrow$ provides some organization to the "let the 1,000 flowers bloom."

Be clear that this is related to P's initiative.

Intel/Microsoft - 400 M for teacher training

Ernie wants to do briefings 2nd wk of Feb.

Dal $\rightarrow$ big m computer donations - WE should link it with our tax credit $\rightarrow$ then go back to them $\rightarrow$ say this is ~~the~~ what we are doing $\rightarrow$ you need to do this.

Target the

Corporate entity donates stock to 501(c)(3) that is created by an outside person for all DD stuff.

"I will give 50 million but if Congress passes this law I'll give another \$100m)

NEXT STEPS

- Create 2-3 pgs. summary of ^{pillars} goals $\rightarrow$ then longer documents
- What ~~are~~ ^{have} major contributions been recently.
- Should tell the right story

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Divider Title: _____



Thomas A. Kalil

02/21/2000 03:00:59 PM



Record Type: Record

To: Natasha F. Bilimoria/OPD/EOP@EOP, Gigi E. Georges/OPD/EOP@EOP

cc:

Subject: Connected Communities Day



connect-com-cov.doconnect-com-f21.do

If possible -- I'd like Gene to look at this this evening because we might want to discuss the idea in the Maria meeting or in our outreach meeting on Wednesday.

This is not meant to be a substitutue for our framework document --- it's a device for continuing the momentum generated by the April trip.

February 21, 2000

MEMORANDUM FOR GENE SPERLING

CC: GIGI GEORGES, NATASHA BILIMORIA

FROM: TOM KALIL

RE: PROPOSAL FOR A "CONNECTED COMMUNITIES" DAY

Attached is a proposal for a "Connected Communities" Day which we could announce either in mid-March or the week of April 9th. The actual day would be sometime in the fall -- perhaps October. This responds to your interest in having something that would continue the momentum generated by the trip -- which I think is essential.

Elements of the proposal

- What a community does before, during and after Connected Communities day.
- A draft list of commitments that different stakeholders could make at the state and local level (drawn from the ~~"National Call to Action"~~ document -- but organized around participant rather than goal.) *framework*

Advantages of the proposal

- Maintains momentum after the April trip.
- Companies could sign up to help lead efforts in particular communities.
- Draws on the demonstrable grassroots success of NetDay - with two important differences:
 - Calls for comprehensive approach, not just wiring
 - Long-term commitment -- not just one-day
- Period of planning between April and the fall ensures that commitments respond to real needs at the local level, and build on existing activities.
- Serves as a catalyst for many more commitments than the Administration could spark directly.
- Gives members of Congress and state and local elected officials a real role.
- Using the Internet -- we can get both local experimentation and rapid learning and dissemination of promising practices.



Downsides

- Additional work needed to ensure that the concept takes off in at least some major cities and rural communities.

Name

- Other possibilities -- Digital Opportunity Day?

Tom Kalil
Draft February 21, 2000

Proposal for a "Connected Communities" Day

As part of his National Call to Action to bridge the digital divide and to create digital opportunity for more Americans, President Clinton will be leading a New Markets trip on the week of April 9th. This trip will be designed to mobilize public and private efforts to bring "digital opportunity" to every child in every school and to under-served families and communities.

The President is setting two broad national goals:

1. **21st Century Learning Tools for every child in every school.** This will require connecting every classroom and school to the Internet, ensuring that students have access to multimedia computers, ensuring that teachers are technologically literate and can integrate technology into the classroom, and expanding the availability of high-quality educational software and resources.
2. **"Digital opportunity" for every American family and community.** This will require setting the long-term goal of making access to the Internet at home universal, expanding the number of well-equipped and well-staffed Community Technology Centers, motivating and inspiring more people to appreciate the value of "getting connected," giving adults the skills they need to use IT and to compete for jobs in the IT sector, and developing the content and applications that will help empower low-income communities.

It is imperative that America maintain the excitement, enthusiasm and momentum on this issue that will be generated by the President's trip. One way to do this would be to call for a national "Connected Communities" Day in the fall of 2000. On Connected Communities Day -- cities and towns around the country would announce concrete steps to help create "digital opportunity" for all of their children, and to ensure that more families are benefiting from the Information Revolution. All sectors of our society -- companies, foundations, non-profit organizations, tech-savvy volunteers, educators, parents, government agencies, etc. would participate.

Steps leading up to Connected Communities Day

Local level:

Communities:

- Evaluate the current status of their efforts to create digital opportunity for children and families.
- Identify challenges and opportunities that the creative use of technology could help address (e.g. shortage of workers with IT skills, need for children to meet higher academic standards).

- Use the Internet and face-to-face meetings between stakeholders to set short and long-term goals for bridging the digital divide -- and the concrete actions that could help meet these goals.

National level

- Major companies, labor unions, non-profits, etc. would encourage their employees and members to get involved at the local level, or agree to work intensively with one or more communities.
- Building on activities such as the "Digital Divide Network" -- community leaders use the Internet to share ideas and promising practices.

On Connected Communities Day

Local level

- Announcement of specific commitments by different stakeholders.
- "Ribbon-cutting" for new or expanded activities (e.g. new community technology center, new home access pilot).
- Opportunities for community service (e.g. NetDay, CEOs visiting schools, etc.)

State/national level

- Announcements that have a state or national level impact (e.g. development of content accessible to all).
- Kick-off for PSA/celebrity campaign.
- Event that uses satellites and the Internet to highlight activities going on around the country.
- Volunteer photo-journalists with digital cameras capture interesting stories associated with "Connected Communities" Day.

After Connected Communities Day

- Commitment to do this again on an annual basis for the next 4 years.
- Annual report cards at the national and local level and description of commitments.

Examples of local commitments

Employers

- Provide paid time off for employees to volunteer in schools, community technology centers, home access pilots, tele-mentoring, and other "digital divide" activities.
- Provide access to computers and Internet for all employees.
- Provide technology training for employees.

High-tech companies

- Partner with one or more schools, libraries, community technology centers, and home access" pilot projects to help develop comprehensive solutions that address computers, Internet access, teacher training, mentoring, and educational software.
- Work with school-to-work programs, welfare-to-work initiatives, community colleges, etc. to increase the number of people with marketable IT skills.
- Partner with local schools of education to ensure that all new teachers can use technology effectively.
- Help non-profits that serve low-income communities upgrade their capacity to use technology.

Unions

- Help wire schools, libraries and community technology centers.
- Provide more apprenticeship opportunities in technical fields. *- teacher mentoring*
- Make access to technology, technological skills, and distance learning a priority area for labor-management cooperation.

Local school districts, parent-teacher organizations

- Develop and complete school-wide surveys to determine which of the 4 goals (Internet connections, computers, teacher training, educational software and content) are being met.
- Provide teachers with time off to learn how to integrate technology into the curriculum.

Non-profit organizations

- Create a "portal" for local information and services that will help empower low-income families (e.g. child care, transportation, training, job opportunities, local health care, social services, technical assistance for micro-enterprises).
- Work with the private sector, foundations, and government to expand or create new initiatives aimed at bridging the digital divide.
- Conduct outreach to under-served communities to ensure that initiatives respond to real needs -- using both meetings and community networks.
- Expand the capacity of under-served communities to develop their own uses for information technology.

Foundations

- Provide funding for local planning and consensus-building activities.
- Provide funding for follow-on "digital divide" activities that have been identified as priorities.

Celebrities/ sports stars

- Participate in PSAs and local media campaigns on the value of getting connected and mastering the new Information Age tools.

Governors and Mayors

- Provide state-wide or local leadership.
- Make technological literacy a requirement for teacher certification at the state level.
- Identify critical services that can be delivered electronically or enhanced using information technology (example: using geospatial information systems to reduce childhood lead poisoning, use of distance learning for adult basic education, etc.)
- Match the federal government's investment in programs such as the Technology Literacy Challenge Fund.
- Identify sources of funding for "digital opportunity" initiatives (e.g. discretionary money under Workforce Investment Act for IT skills training, state and local budgets).

Libraries and local historical and cultural organizations

- Expand "information literacy" programs. People with information literacy skills are "able to recognize when information is needed and have the ability to locate, evaluate, and use it effectively."
- Develop a "digital library" of information about the community and its history that can be used both locally and nationally.

Universities/Community Colleges

- Ensure that schools of education have an adequate technological infrastructure.
- Encourage multidisciplinary research on digital divide/digital opportunity issues through establishment of research centers.
- Encourage faculty to develop high-quality Internet-based content that can be included in a "Digital Library for Education" through incentives, awards or other forms of recognition.
- Provide objective evaluation of community-based efforts to close the digital divide.

Operators of local Web sites

- Comply with the accessibility standards of the World Wide Web Consortium (Web Accessibility Initiative) to ensure that people with disabilities can access local information and services.

Restaurants and shopping malls

- Establish Internet kiosks in popular commercial establishments.

Digital Divide -- possible private sector commitments

Categories

I. Access

- Access in schools, libraries, community technology centers
- Access at home
- Access for people with disabilities
- Availability of broadband services

II. Awareness, Education, and Training

Think of a "pyramid" of increasingly sophisticated skills:

- Awareness of importance of information technology - motivation to "get connected"
- Basic computer literacy (ability to use the basic features of an operating system, use word processing software to create a text document, use e-mail to communicate with others, log-on to Internet)
- Information literacy. According to the American Library Association, an information literate person is "able to recognize when information is needed and have the ability to locate, evaluate, and use it effectively."
- Training sufficient for IT or IT-related occupations
- Training sufficient to be a creator or designer of IT-based products or services, Internet entrepreneur

III. Content, Applications

- Availability of content that gets all Americans interested in getting connected (e.g. web sites targeted to interests of minorities)
- Content and applications that could help empower low-income households and communities:

Examples

Software and digital information has an important economic characteristic that should be explored in the development of applications – namely, that the marginal cost of disseminating it to more people is almost zero. This could create a new economics for the delivery of social services. Traditionally, the cost increases proportionally to the number of people being served. This is not the case with software and digital information.

- a. *Micro-enterprises*: Create courseware that will give someone the skills they need to start their own business. Create an online toolkit that would walk someone through the steps needed to start their own micro-enterprise and obtain financing.
- b. *Adult literacy*: Develop courseware for adult literacy, GED equivalence, or English as a Second Language.
- c. *Local information*: Provide local information on public transportation, job opportunities, and child-care.
- d. *Job training*: Provide courses that allow low-income households to compete for higher-paying jobs.

Specific Example: SFWorks (a San Francisco non-profit) and e-learning company DigitalThink are working together on a program called “WELFARE-TO-WEB.” The program gives former welfare recipients who have entry-level jobs acquire skills such as the use of office software, programming, and networking using DigitalThink’s courseware. They are starting out with a pilot program, but hope to be able to scale to 3,000 participants within 2 years.

- e. *Public health*: Communities around the country are beginning to experiment with information technology to improve public health.

Example:

- One county is using geographical information systems to reduce childhood lead poisoning. Using a variety of data sets they can identify neighborhoods with concentrations of (a) older houses; (b) low-income households; and (c) children under 6.
- The Department of Commerce has given a grant to the Michigan Public Health Institute to develop an electronic childhood immunization network for the greater Detroit area. Currently, Michigan has the lowest rate of pre-school immunization. This network is allowing health care providers to have access to the immunization history of the child, generating automatic reminders for parents and doctors, and improving the ability of schools to track a child's immunization status.

f. *Strengthening parental involvement in education*

Example: Hillcrest Elementary School is an inner-city K-5 school in Orlando, Florida. 80 percent of the students received free or reduced-price lunches. Many of the students speak Vietnamese, Spanish and French and have limited english proficiency. The school purchased WebTV's that children could take home with them to improve their language skills. This also resulted in an increase in parental involvement, which had been low because of language barriers. Parents were encouraged to sign on with their children to help with lessons and to use the school's Web site, which features a weekly newsletter, the school calendar, the daily lunch menu, teachers' email addresses and parenting resources.

g. *Telementoring*

Specific examples of corporate commitments

1. Work with us to double the number of Community Technology Centers and increase their effectiveness.
2. Companies who hire low-income workers (e.g. participants in Welfare-to-Work) would provide PC plus Internet access as a "fringe benefit" -- participate in home access pilot program.
3. Companies would work with us and non-profit organizations to raise the level of awareness on importance of getting connected:
 - PSAs
 - Celebrity activities
 - Outreach with specific groups such as civil rights organizations and black churches
 - Market research on attitudinal/cultural barriers, targeted marketing (This is more of a commercial activity than a philanthropic commitment)
4. Internet kiosks in fast-food restaurants
5. Private sector assistance on teacher training
 - Work with us and teacher colleges to meet "every new teacher" goal - leverage the work of the CEO Forum and the Star Chart
6. Increasing minority participation in the IT industry
 - Example: ITAA working to develop a program to increase the number of minorities in the IT industry through internships

7. Tele-mentoring - companies could commit to 50,000 - 100,000 telementors
 - HP has successful program
8. Reverse telecommuting - bring jobs to inner cities or Indian reservations that can be outsourced (entry-level programming, call center). For welfare-to-work - this solves two of the biggest barriers (transportation, child-care)
9. Private sector and/or foundation involvement in one or more "killer aps" - available to everyone for free
10. Disabilities-specific component:
 - Private sector commitments to make Web sites, software and tools accessible to people with disabilities
11. Digital Library for Education

"It is a time to build, to build the America within reach ... an America where every child can stretch a hand across a keyboard and reach every book ever written, every painting ever painted, every symphony ever composed."

- President Bill Clinton

- Example: Library of Congress was able to raise \$45 million in private sector and foundation money for "American Memory" project - digitization of material related to American history. These kind of projects help bridge the digital divide by providing everyone with "access to the same universe of knowledge."

THE CLINTON-GORE ADMINISTRATION: WORKING TO BRIDGE THE DIGITAL DIVIDE

December 9, 1999

Today, President Clinton will announce that he intends to lead a New Markets trip in the Spring of 2000 to focus national attention on the digital divide -- the growing division in the United States between information "haves" and "have-nots." This issue has also been a top priority for Vice President Gore, who has worked to bridge the digital divide by ensuring that all of our children have access to educational technology. To support this effort, President Clinton today will issue a Directive to members of his Cabinet to take specific actions to close the digital divide, such as expanding Community Technology Centers in low-income urban and rural neighborhoods, continuing to measure the extent of the digital divide, and helping low-income workers gain the skills they need to compete for high-paying information technology jobs. He will also announce several commitments from the private sector and non-profit organizations that will help address this challenge, including: a commitment of the Congress of National Black Churches to make this issue a top civil rights priority; the creation of the Digital Divide Network, a comprehensive clearinghouse of state and local efforts to bridge the digital divide; and the establishment of the Digital Opportunity Partnership, an alliance between the private sector and the Leadership Conference on Civil Rights that will help bring civil rights organizations into the 21st century.

In Pledging to Close the Digital Divide, the President Will Be Joined Today By: Duane Ackerman, Chairman and CEO, BellSouth Corporation; Michael Armstrong, Chairman and CEO, AT&T; Zoe Baird, President, Markle Foundation; Richard Brown, Chairman and CEO, EDS; Stephen Case, Chairman and CEO, America Online; Darien Dash, CEO, DME Interactive Holdings; Tessie Guillermo, Exec. Dir., Asian and Pacific Islander American Health Forum; Wade Henderson, Exec. Dir., Leadership Conference on Civil Rights; Roberta Katz, CEO, Technology Network; Susan Masten, President, National Congress of American Indians; Jorge Schement, Board Member, Benton Foundation; and Irma Zardoya, Superintendent, District 10, New York Public Schools.

Today's announcement comes as Secretary of Commerce William Daley convenes a summit on the digital divide with these and other prominent high-tech CEOs and leaders in the civil rights, educational, and non-profit communities.

I. FROM DIGITAL DIVIDE TO DIGITAL OPPORTUNITY

President Clinton will make several announcements that will help bridge the digital divide and create digital opportunity for more Americans.

1. **A New Markets trip to disadvantaged urban and rural communities to focus national attention on the digital divide:** The President will lead a New Markets trip next spring designed to mobilize a significant private and public effort to close the digital divide. This trip, which will include leading high-tech CEOs, will highlight communities that are using information technology to enhance our children's education, expand access to life-long learning, and create economic growth and high-tech, high-wage jobs. Previous New Markets trips -- to communities such as Appalachia, the Mississippi Delta, Newark, and Chicago -- have served as a catalyst for new public-private partnerships to expand opportunity in those regions of the country that have not yet reaped the benefits of America's economic expansion.
2. **A directive to members of the Cabinet to take specific actions to address the digital divide:** President Clinton is directing members of his Cabinet (Secretaries of Commerce, Education, Health and Human Services, Housing and Urban Development, and Labor) to take specific steps to close the digital divide, including:
 - Continuing to measure the nature and extent of the digital divide by examining the importance of income, education, race, gender, geography and age to Americans' access to Information Age tools;

- Expanding the network of Community Technology Centers to provide access to technology for those American who can't afford it;
- Promoting applications of the Internet that will empower low-income families, such as the ability to start their own business; and
- Upgrading the IT skills of workers in low-income communities.

3. **Digital Divide Network:** Companies from across the computing, telecommunications, software, and Internet industries – as well as the Urban League and several of the nation's largest private foundations – are coming together to launch the Digital Divide Network. The network is an Internet-based clearinghouse for information on public and private efforts to bring technology to underserved communities. For the first time, America will have a one-stop shop for tracking our progress and for learning exactly what has worked and what has not.

4. **Digital Opportunity Partnership** The Leadership Conference on Civil Rights is working with many nonprofit organizations and private-sector companies to launch a new Digital Opportunity Partnership. This initiative will empower the entire civil and human rights communities through an expanded Web site (civilrights.org), leadership forums, and even "freedom riders" who will bring high-technology to the doorstep of nonprofit organizations.

5. **Congress of National Black Churches:** The Congress of National Black Churches, representing 65,000 churches and 20 million members, is sending a letter to the President acknowledging the importance of the digital divide as a key civil rights issue for the 21st century, and committing to work with the President and with industry to help close the digital divide.

II. THE IMPORTANCE OF BRIDGING THE DIGITAL DIVIDE

Access to computers and the Internet and the ability to effectively use this technology are becoming increasingly important for full participation in America's economic, political and social life. People are using the Internet to find lower prices for goods and services, work from home or start their own business, acquire new skills using distance learning, make better informed decisions about their healthcare needs, and get more involved in the education of their children by communicating more frequently with teachers.

Access to computers and the Internet has exploded during the Clinton-Gore Administration. Unfortunately, there is strong evidence of a "digital divide" -- a gap between those individuals and communities that have access to these Information Age tools and those who don't. In some instances, this divide is actually widening. A July 1999 report from the Department of Commerce, based on December 1998 Census Department data, revealed that:

- **Better educated Americans more likely to be connected.** Between 1997 and 1998, the technology divide between those at the highest and lowest education levels increased 25%. In 1998, those with a college degree are more than *eight times* likely to have a computer at home and nearly *sixteen times* as likely to have home Internet access as those with an elementary school education.
- **The gap between high- and low-income Americans is increasing.** In the last year, the divide between those at the highest and lowest income levels grew 29%. Households with incomes of \$75,000 or higher are more than *twenty times* more likely to have access to the Internet than those at the lowest income levels, and more than *nine times* as likely to have a computer at home.

- **Whites more likely to be connected than African-Americans or Hispanics.** The digital divide is also persistent and growing along racial and ethnic lines. Whites are more likely to have access to the Internet from home than African-Americans or Hispanics have from *any* location. African-American and Hispanic households are roughly *two-fifths* as likely to have home Internet access as white households. The gaps between white and Hispanic households, and between white and African-American households, are now more than six percentage points larger than they were in 1994. However, for incomes of \$75,000 and higher, the divide between whites and African-Americans has narrowed considerably in the last year.
- **Rural areas less likely to be connected than urban users.** Regardless of income level, those living in rural areas are lagging behind in computer ownership and Internet access. At some income levels, those in urban areas are 50% more likely to have Internet access than those earning the same income in rural areas. Low income households in rural areas are the least connected, with connectivity rates in the singles digits for both computers and Internet access.

III. A STRONG RECORD WORKING TO CLOSE THE DIGITAL DIVIDE

President Clinton and Vice President Gore have worked hard to close the digital divide, and to help create opportunity for more Americans in the Information Age. They have worked to:

- **Ensure that every child is technologically literate:** The President and Vice President have set a goal of connecting every classroom and library to the Internet by the year 2000 -- a goal that we are on track to meet. They also have fought for investments in technology training for teachers, modern computers in the classroom, and high-quality education software. Technology in the classroom can make it easier for parents and teachers to communicate, prepare our children for the high-tech workplace of the 21st century, and help improve student performance in all academic subjects. Major Administration initiatives in educational technology include the Technology Literacy Challenge Fund, and the "e-rate." The "e-rate" is helping to connect our children to the future by providing discounted Internet access to libraries and 1 million classrooms, with the deepest discounts going to the poorest schools and libraries that need it most.
- **Expand the network of Community Technology Centers:** The final budget deal included a tripling of support for Community Technology Centers, which provide access to technology for those who can not afford it.
- **Encourage the development of applications of information technology for low-income Americans:** Administration grant programs have supported innovative pilot projects -- such as the use of telemedicine for prenatal care, telementoring for at-risk youth, a national computer network for local food banks, and distance learning for people who have lost their jobs.
- **Expand access to technology for people with disabilities:** President Clinton and Vice President Gore have been strong supporters of efforts to make technology more accessible for people with disabilities. Recent actions by the Federal Communications Commission will help ensure that telecommunications equipment, such as cellular phones, is designed to be accessible for people with disabilities.

From Digital Divide to Digital Opportunity

During the Clinton-Gore Administration, access to computers and the Internet has exploded. In 1993, few people outside of our nation's universities had even heard of the Internet – today, over 100 million Americans have access to the Internet. Computer penetration has also risen from 24 percent of U.S. households in 1994 to 42 percent in 1998 as the cost of computers has declined.

Access to computers and the Internet and the ability to effectively use this technology are becoming increasingly important for full participation in America's economic, political and social life. People are using the Internet to:

- Find lower prices for goods and services;
- Work from home or start their own business;
- Acquire new skills using distance learning so that they can compete for higher-paying jobs;
- Make better informed decisions about their healthcare needs;
- Plan for a financially secure retirement;
- Track the voting record of their elected officials on the issues they care about; and
- Get more involved in the education of their children by communicating more frequently with teachers, and comparing the performance of their school with other schools in the region.

Unfortunately, there is strong evidence of a "digital divide" -- a gap between those individuals and communities that have access to these Information Age tools and those who don't. In some instances, this divide is actually widening. A July 1999 report from the Department of Commerce, based on December 1998 Census Department data, revealed that:

- Households with incomes of \$75,000 and higher are more than *twenty times* more likely to have access to the Internet than those at the lowest income levels, and more than *nine times* as likely to have a computer at home.
- Households with a bachelors' degree or more are more than eight times likely to have a computer than those households at the lowest education level.
- From 1994 to 1998, the percentage of white households with computers increased from 27.1 percent to 46.6 percent – while the percentage of black households with

computers increased from 10.3 percent to 23.2 percent. For households with incomes above \$75,000, however, the difference between white and black adoption of computers has virtually disappeared.

There are other aspects of the digital divide as well.

- Low-income households may not be as prepared to take advantage of the opportunities created by these new technologies, because of lower levels of functional and technological literacy.
- Certain minorities (Blacks, Hispanics, Native Americans) are under-represented in the IT industry. This is important because jobs in the IT sector pay almost 80 percent more than the private sector average.
- Telecommunications companies are less likely to offer advanced services (such as high-speed Internet access) to residents and businesses in rural areas or economically disadvantaged regions of the country. Advanced services may be more expensive or not available in rural America because of the lower concentration of customers (teledensity). There is at least anecdotal evidence to suggest that this is becoming an important factor in where businesses locate, particularly given the growing importance of e-commerce and e-business.
- Computers and content on the Web may be inaccessible to people with disabilities, unless they have been designed to be accessible.

Market forces, competition and technological progress will clearly help bridge the digital divide. The semiconductor industry is able to double computing power every 12 to 18 months – which has significantly reduced their cost. Companies are also developing low cost “information appliances” such as the WebTV – which is available for \$100. Competition between telecommunications companies and Internet Service Providers is driving down the cost of connectivity.

But clearly, a national campaign to help bridge the digital divide would help accelerate the rate at which we can create digital opportunity for all Americans. We should take advantage of these new technologies to bring America together – not to further divide us along the lines of race and class. A public-private partnership, with an important role for the government as catalyst and convenor – would help create “one America.”

1. Universal, affordable access to computers and Internet access at home

The President should set a goal of ensuring that every American that wants it should have affordable access to a computer and the Internet at home, by directly supporting the cost of Internet-connected computers for low-income households.

FY2000 \$0
FY2001 \$50 million

[Details of program still being worked out.]

2. Increase support for Community Technology Centers

The Administration's budget will include \$100 million for an expanded initiative to establish another 1,000 community technology centers in low-income neighborhoods across America. The goal of the initiative is to help close the "digital divide" by providing computers and Information Age tools to children and adults that are not able to afford them at home.

These community technology centers will help empower hundreds of thousands of low-income children and adults in a variety of ways:

- Children will be able to improve their performance in school by having access to high-quality educational software after school and prepare for the high-tech workplace of the 21st century by getting certified with an information technology skill.
- Adults will be able to use computers and the Internet to take a self-paced adult literacy course; get access to America's Job Bank to see what jobs are available; learn to type up a resume and cover letter using word processing software; learn to start up their own "micro-enterprise" or Web-based business, or acquire new training.

A survey of users of Community Technology Centers sponsored by the National Science Foundation concluded that they are effective mechanisms for bridging the digital divide, and giving low-income Americans the tools they need to succeed in the Information Age. Of the users surveyed:

- Two-thirds of the users were minorities;
- 62 percent had incomes of less than \$15,000;
- 65 percent took computer classes to improve their job skills, and 30 percent used the Internet to look for a job;
- 41 percent got homework help or tutoring at the center; and
- 87 percent said the center had made a difference in their life -- general improvement in their confidence, their outlook on life, and their future prospects; work-related benefits such as improved job skills, improved computer skills, and educational benefits; improved perceptions of

technology; social and community benefits; and appreciation for access to hardware, software.

3. Broadband Communities

The Administration will propose a \$25 million increase in programs that are designed to promote economic development such as EDA and the Department of Agriculture's Rural Utility Service – targeted to greater use of telecommunications for economic development. The types of projects that would be supported include:

- Aggregation of demand from companies and public institutions to encourage telecommunications companies to build out their networks to rural areas. The cost of high-speed Internet access can be 10 times higher (\$2,000 vs. \$200) in rural areas than in urban areas because of the cost of sending traffic to a far-away network "point of presence."
- Better use of rights-of-way to speed deployment and encourage competition between multiple telecommunications companies
- Deployment of high-speed networks to inner-cities to provide employment that can be "out-sourced" – such as data entry, call centers, and entry-level programming. This also solves some of the biggest obstacles associated with welfare-to-work – lack of affordable child care and public transportation.
- Lower-cost connectivity to industrial parks and business incubators.
- Trials of wireless and other technologies to find more affordable broadband alternatives for rural communities.

4. Telecommunications Opportunity Program

The Administration's budget includes a \$30 million increase in the Commerce Department's Telecommunications Opportunity Program (TOP), which is currently funded at \$15 million. This increase in funding would support partnerships between non-profits, foundations, companies, and state and local governments to:

- Develop applications of information technology that will help empower low-income Americans and communities;
- Demonstrate these applications on a pilot basis and evaluating the results;
- Develop strategies for replicating the results in other communities.

This is a highly successful and competitive program. Currently, the Commerce Department program can currently only fund 1 in 15 grants. A recent evaluation of the program found that every federal dollar generated an additional \$4 in matching funds,

project expansions, and new spin-off activities, and that 90 percent of the projects funded during the first 2 years kept going even after federal funding had stopped.

5. Tax incentives

[Still under development.]

- Expanded tax credit for computer donations.
- Include computer literacy in basic education tax credit.

	FY2000	FY2001
Universal Home Access	\$0	\$50
Community Tech. Centers	\$32.5	\$100
Broadband Communities	\$0	\$25
Telecom Opp. Program	\$15	\$45
Tax Incentives		?
Total:	\$47.5	\$210

January 5, 2000

Creation of a New Program for Increasing Home Access to the Internet

Introduction

The extraordinary growth of the Internet is rapidly changing the way Americans live, work, and communicate. These networks are swiftly making the dream of having “information at your fingertips” a reality. Those Americans with access to the Internet have an advantage in today’s information-based economy than those without. The Internet is rich with educational content, with health information, and with news, government and community information. In addition, many Americans now take advantage of the many transactional services now available on the Net, including online shopping and banking, travel reservations, and license renewals. The growth of the Internet has proven to be the engines of the 21st century economy.

While the Internet is bringing benefits to an increasing number of Americans, research shows that many are being left behind. NTIA’s series of *Falling Through the Net* reports have documented a significant and persisting gap in access to the Internet along the lines of income, education level, and geography. The most recent report in this series, *Falling Through the Net: Defining the Digital Divide*, published in July, 1999, showed that:

- * households with incomes of \$75,000 and higher are more than twenty times more likely to have access to the Internet than those at the lowest income levels, and more than nine times as likely to have a computer at home;
- * Whites are more likely to have access to the Internet from home than Blacks or Hispanics have from any location. Black and Hispanic households are approximately one-third as likely to have home Internet access as households of Asian/Pacific Islander descent, and roughly two-fifths as likely as White households; and
- * regardless of income level, Americans living in rural areas are lagging behind in Internet access. Indeed, at the lowest income levels, those in urban areas are more than twice as likely to have Internet access than those earning the same income in rural areas.

The report also showed that for many groups, the digital divide has widened as the information “haves” outpace the “have nots” in gaining access to electronic resources. The following gaps with regard to home Internet access are representative:

- * the gaps between White and Hispanic households, and between White and Black households, are now more than six percentage points larger than they were in

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1994; and

- * the digital divides based on education and income level have also increased in the last year alone. Between 1997 and 1998, the divide between those at the highest and lowest education levels increased 25 percent, and the divide between those at the highest and lowest income levels grew 29 percent.

Kids and Media at the New Millennium, a recent report by the Kaiser Family Foundation, showed that for children, the digital divide is not in the schools, but in homes. Their study revealed that:

- * while the percentage of schoolchildren that had access to computers at school was comparable for children from both low-, middle-, and high-income families, schoolchildren from high-income families were twice as likely as children from low-income families to have access to computers in their homes; and
- * white children were roughly twice as likely to live in homes with Internet access than were Black or Hispanic children.

The goal of the Home Access to the Internet program would be to help close the digital divide by providing targeted investments to bring these at-risk populations online. NTIA would build on its experience in supporting information infrastructure in low-income communities (through the Technology Opportunities Program, formerly known as the Telecommunications and Information Infrastructure Assistance Program) and in documenting and analyzing the digital divide (through the *Falling Through the Net* series).

Funding Vehicle

There are two approaches to implement this program. The first approach is to set up a not-for-profit corporation supported by private sector and other stakeholders. NTIA could oversee this corporation, which would be responsible for defining minimum technical standards for participation in the program, recruiting corporate sponsors and content partners, raising awareness, collecting and disseminating "best practices" that emerge, and sponsoring research.

A concern with this approach is the legality of creating a new corporation. The FCC's creation of the Schools and Libraries Corporation and the Rural Health Care Corporation raised this legal

¹ "FCC Lacked Authority to Create Corporations to Administer Universal Service Programs,"

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issue. The General Accounting Office (GAO) testified before Congress that the FCC did not have the statutory authority to create the corporations.¹ The GAO cited the Government Corporation Control Act, which requires that agencies have specific legislative authority in order to "establish or acquire" a corporation to act as a government agency. Unless specifically authorized legislatively by Congress, NTIA would not have the authority to create a new corporation. The creation of a not-for-profit corporation to administer the E-rate program also encountered political difficulties, as the program was attacked by members of Congress for a variety of reasons, including the salaries of the corporations' top officers and alleged inefficiencies. Seeking the authority from Congress to create a new corporation for home access may prove problematic and may open the door to legislative attempts to attack the schools and libraries program.

A second approach is to create a matching grant program within NTIA that would fund locally-driven solutions. NTIA currently operates two competitive grant programs, the Public Telecommunications Facilities Program (PTFP) and the Technology Opportunities Program (TOP, formerly the Telecommunications and Information Infrastructure Assistance Program, or TIIAP). PTFP is authorized by Section 392 of the Communications Act. TIIAP was created in fiscal year 1994 by Congressional appropriation based upon the authority in Section 392. In fact, each annual appropriation for TOP cites Section 392 as the authorization for TOP. The grant making authority given NTIA by Section 392 is sufficiently broad that it could be used to authorize new grants to increase home access to the Internet. This approach would obviate the need for Congressional authority beyond the requirement for appropriated funds and attendant appropriations language and thus offer greater potential for starting the program in fiscal year 2001.

In addition to the legal authority to create a new grant program, NTIA has the infrastructure and the institutional knowledge to start up a program designed to create increased home access to the Internet. As manager of two competitive grant programs, NTIA currently awards and monitors hundreds of millions of dollars in federal investments. Moreover, NTIA's TOP program has significant experience with the very topic that would be the subject of the new program. In 1994, for example, TOP (then TIIAP) funded the Making Healthy MUSIC project in Newark, New Jersey. This project created a community network with access points in a public school and in the homes of 30 community "captains." The project demonstrated the value of home access and led to a number of positive outcomes, including increased school attendance. The project also demonstrated the importance of intensive training and local content in encouraging and

testimony of Robert P. Murphy, General Counsel of the General Accounting Office, before the Subcommittee on Telecommunications, Trade and Consumer Protection, Committee on Commerce, U.S. House of Representatives, March 31, 1998.

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sustaining the use of computers in the home.² TOP also funded a project in School District 196 in Rosemount, Minnesota, which provided low-income 4th graders with laptops. Like the Making Healthy MUSIC project, this project emphasized training and community connections. Preliminary evaluations of this project showed that students reported increased self-esteem and motivation and improved academic performance.³ TOP continues to explore the issues surrounding home access for underserved populations with new grants announced in October, 1999:

- * The City of Oakland, California, in partnership with IBM, will install thin client terminals in the homes of public housing residents, who will work to meet educational challenges and learn specific computer skills to improve their employability;
- * Community Preservation and Development Corporation, in Washington, D.C., in partnership with Microsoft Corp., will be providing a low-income community housing project with networked computers to deliver broadband Internet connectivity and affect employability and educational performance; and
- * The Shepherd Center, in Atlanta, Georgia, in partnership with Mindspring Enterprises, will be using a high-speed Internet testbed to provide rehabilitation services to patients and support for their family members and caregivers in their homes.

On one level, TOP's experience has provided valuable lessons — what works — in how to implement these projects in local communities. On another level, TOP has learned about the many grant making issues (such as equipment ownership and privacy, security, and acceptable use policies) associated with support for individual homes.

For the reasons above, we recommend that the program be designed as a grants program that would be managed directly by NTIA. The rest of this paper will outline the details of the program.

² For more information on the Making Healthy MUSIC project, see *Networks for People: TIIAP at Work*, National Telecommunications and Information Administration, 1997.

³ For more information on Independent School District 196's project, see *How Access Benefits Children: Connecting Our Kids to a World of Information*, National Telecommunications and Information Administration, 1999.

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Overall Approach

The new program would build on the lessons of NTIA's highly successful Technology Opportunities Program (TOP). Through six years of supporting and evaluating projects that demonstrate innovative information technology applications in low-income communities, TOP has built an extensive base of knowledge on issues, challenges, and effective solutions. In particular, the Home Access to the Internet program would be designed around two of the hallmarks of the TOP program: 1) locally-driven solutions; and 2) public-private partnerships. NTIA's experience has shown that the most creative, innovative, and effective solutions come not from the federal government, but from local communities. Therefore, NTIA would not dictate acceptable solutions for providing Home Access to the Internet. Instead, NTIA would challenge low-income communities to devise solutions that best reflect their circumstances and best meet their needs. NTIA's experience has also shown that strong partnerships and broad community support are key ingredients in sustaining information technology projects. The Home Access to the Internet program would encourage community-based partnerships and partnerships among local organizations, academia, and private industry. In order to demonstrate the local and private sector commitments, applicants would be required to provide matching funds.

NTIA's experience in managing TOP and in analyzing digital divide data has show that bridging the digital divide requires solutions for providing Internet access, for giving people the skills to use the Internet, and by providing meaningful, relevant applications for people to use. The Home Access to the Internet program would provide three types of grants.

- 1) Planning grants, which would give targeted communities the opportunity to explore different options for bringing low-cost Internet access to low-income individuals and families.
- 2) Access grants, which support communities' efforts to provide both low-cost Internet access and training on computer, Internet, and information literacy skills to low-income individuals and families.
- 3) Sustainable Applications grants, which would give communities the resources to deploy proven models of valuable web-based applications. These applications would provide low-income individuals and families access in their homes to Web-based services such as education, job training and job placement, telehealth, community networking and government services.

NTIA would use the data from the *Falling Through the Net* survey to target the program's resources and as an ongoing performance measurement tool. First, survey data would identify the communities and populations most in need of assistance, initially and on an ongoing basis.

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Second, NTIA would monitor annual survey data to gauge the effectiveness of the program in improving home access in targeted communities and populations.

Program Eligibility

The program would provide grants to eligible organizations that would be serving eligible individuals, families, and communities. Eligible organizations would include state, local, and tribal governments, colleges and universities, and nonprofit organizations. NTIA's experience has shown that the roles of these organizations varies from community to community. For example, in some communities, local governments are most effective in meeting technology needs, whereas in others, local community colleges play leadership roles. Opening eligibility to this range of organizations would give communities the necessary flexibility to devise the solutions that best suit them.

For planning and sustainable applications grants, the unit of eligibility would have to be determined by the geographic area served. In some rural areas, a project may span several counties, whereas in a city, a project may focus on a single neighborhood. One approach would be to have the program define eligibility in terms of overall community demographics in terms of poverty (e.g. percentage of households with incomes below the poverty level), geography (e.g. population per square mile), education level (e.g. percentage of adults that have completed high school), and race (e.g. percentage of residents who are Black, Hispanic, or Native American⁴).

For access grants, the unit of eligibility would be the household. NTIA would use standard government indicators of poverty, which may vary depending on the availability of funds. One approach would be to set the mark based on income level in terms of percentage of the poverty level and the percentage would slide up or down based on the total amount of funds available to award. This percentage could also be varied according to the population, since *Falling Through the Net* has shown that income alone does not account for the disparities in access. For example, the percentage could be set higher for rural populations or minority populations, although such variations would not be without controversy. Practical considerations may also necessitate a simpler approach, such as tying household eligibility for this program to eligibility for certain federal entitlement programs.

One of the trade-offs in allowing for significant local flexibility is the concern that some local solutions may involve unacceptable elements. Therefore, NTIA would have to impose some requirements related to acceptable use of the Internet. Award conditions could require that grantees develop and enforce acceptable use agreements with all individuals receiving support

⁴ The 1999 *Falling Through the Net* report showed that Blacks and Hispanics have less Internet access than Whites, even when controlling for income. Although the study did address Native American access, it is widely understood that Native Americans have significantly less access to the Internet than Whites.

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under the program. The use agreements would be developed locally (although NTIA could provide sample agreements) and would address issues such as access to inappropriate materials, inappropriate conduct, and continued use of any equipment or services.⁵ In addition to acceptable use, NTIA would also have to develop policies that would place limits on the types of advertising that could be used to reflect corporate sponsorship (e.g. limiting ads that promoted alcohol or tobacco use). As is the case with TOP grants, Home Access grantees would also have to develop policies that safeguard the privacy of the individuals involved in the program.

In the initial year of the program, NTIA could develop these policies and issue them through a notice in the Federal Register. After the first year, these policies could be vetted through a formal rulemaking process that would result in formal program regulations.⁶

Criteria for Support

NTIA would base its awards on the eligibility of the organization, the eligibility of the targeted individuals, families, and communities, the availability of funds, and published criteria. The primary criteria for award could include:

- * *Need.* In addition to the question of eligibility, the limit on funds available would dictate the need to set priorities based on need. These priorities would be dictated by relative levels of poverty, minority representation, and education level of the targeted populations.
- * *Community Involvement.* NTIA would require partnerships of community-based organizations. In addition, this criterion would examine the degree to which a grant applicant has involved community stakeholders (including potential end users) in a needs assessment and planning process.
- * *Private Sector Involvement.* NTIA would require involvement and support of private sector corporations. In particular, NTIA would require hard commitments of matching funds or in-kind contributions such as equipment, training, or communications services. NTIA could also explore ways to hold private sector companies accountable to their commitments.
- * *Feasibility.* NTIA would examine the soundness of the technical plans and the likely

⁵ NTIA currently requires all TOP grant recipients to provide acceptable use plans.

⁶ NTIA's TOP program does not have formal regulations. Its rules are issued annually through a Notice of Availability of Funds.

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effectiveness of the approach. Of particular importance would be the comprehensiveness of the approach — whether the applicant has provided the access, training, end user support, and other services necessary to make Internet use a meaningful experience to the targeted end users.

Performance Measures

NTIA would measure the effectiveness of the program on two levels — in the community and at the national level. First, NTIA would develop standard metrics for each access grant. Grant recipients would be required to report regularly on such items as the number of households connected to the Internet (and the demographics of those households), the number of those households that have remained connected and active, and the number of people trained. In addition, NTIA could require surveys that profile how individuals and families receiving assistance are using the Internet (e.g. for education, home banking, health information). These data would be aggregated at the program level and would give NTIA information on the degree to which the program is reaching the targeted populations for the purposes intended.

At the national level, NTIA would use the annual *Falling Through the Net* survey to examine the digital divide as a whole. The survey data would indicate the extent to which the program is helping to close the gaps based on income, education level, race, and geography. In particular, NTIA could examine the growth rates among targeted populations and look for accelerations in those rates. In addition to providing NTIA with a yardstick for measuring the program's overall effectiveness, the data would assist NTIA in identifying the communities to be targeted.

Department of Commerce
National Telecommunication and Information Administration
Home Access Program

FY 2001 Budget Initiative
Grants to Support Access to the Internet at Home for All Americans

Appropriation:	+\$50.0 million	Permanent Pos. +15	FTEs: +15
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A component of the Digital Divide Initiative, this program will make targeted investments to communities and populations that research shows are lacking in access to the Internet.

To ensure that access to the Internet is an opportunity afforded to all Americans, the Administration proposes the creation of a new program that would provide low-income individuals and families with the connections, training, and support necessary for full participation in today's increasingly online society.

Explanation and Justification

The extraordinary growth of the Internet is rapidly changing the way Americans live, work, and communicate. These networks are swiftly making the dream of having "information at your fingertips" a reality. Those Americans with access to the Internet have an advantage in today's information-based economy than those without. The Internet is rich with educational content, with health information, and with news, government and community information. In addition, many Americans now take advantage of the many transactional services now available on the Net, including online shopping and banking, travel reservations, and license renewals. The growth of the Internet has proven to be the engines of the 21st century economy.

While the Internet is bringing benefits to an increasing number of Americans, research shows that many are being left behind. NTIA's own series of *Falling Through the Net* reports have documented a significant and persisting gap in access to the Internet along the

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lines of income, education level, and geography. The most recent report in this series, *Falling Through the Net: Defining the Digital Divide*, published in July, 1999, showed that:

- * households with incomes of \$75,000 and higher are more than twenty times more likely to have access to the Internet than those at the lowest income levels, and more than nine times as likely to have a computer at home;
- * Whites are more likely to have access to the Internet from home than Blacks or Hispanics have from any location. Black and Hispanic households are approximately one-third as likely to have home Internet access as households of Asian/Pacific Islander descent, and roughly two-fifths as likely as White households; and
- * regardless of income level, Americans living in rural areas are lagging behind in Internet access. Indeed, at the lowest income levels, those in urban areas are more than twice as likely to have Internet access than those earning the same income in rural areas.

The report also showed that for many groups, the digital divide has widened as the information “haves” outpace the “have nots” in gaining access to electronic resources. The following gaps with regard to home Internet access are representative:

- * the gaps between White and Hispanic households, and between White and Black households, are now more than six percentage points larger than they were in 1994; and
- * the digital divides based on education and income level have also increased in the last year alone. Between 1997 and 1998, the divide between those at the highest and lowest education levels increased 25 percent, and the divide between those at the highest and lowest income levels grew 29 percent.

Kids and Media at the New Millennium, a recent report by the Kaiser Family Foundation, showed that for children, the digital divide is not in the schools, but in homes. Their study revealed that:

- * while percentage of schoolchildren that had access to computers at school was comparable for children from both low-, middle-, and high-income families, schoolchildren from high-income families were twice as likely as children from low-income families to have access to computers in their homes; and

- * white children were roughly twice as likely to live in homes with Internet access than were Black or Hispanic children.

The goal of the Home Access to the Internet program is to bridge the digital divide by providing targeted investments to bring these at-risk populations online. NTIA will build on its experience in supporting information infrastructure in low-income communities (through the Technology Opportunities Program, formerly known as the Telecommunications and Information Infrastructure Assistance Program) and in documenting and analyzing the digital divide (through the *Falling Through the Net* series).

This new program will build on the lessons of the highly successful Technology Opportunities Program (TOP). Through six years of supporting and evaluating projects that demonstrate innovative information technology applications in low-income communities, TOP has built an extensive base of knowledge on issues, challenges, and effective solutions. In particular, the Home Access to the Internet program would be designed around two of the hallmarks of the TOP program: 1) locally-driven solutions; and 2) public-private partnerships. NTIA's experience has shown that the most creative, innovative, and effective solutions come not from the federal government, but from local communities. Therefore, NTIA will not dictate acceptable solutions for provide Home Access to the Internet. Instead, NTIA will challenge low-income communities to devise solutions that best reflect their circumstances and best meet their needs. NTIA's experience has also shown that strong partnerships and broad community support are key ingredients in sustaining information technology projects. The Home Access to the Internet program will encourage community-based partnerships and partnerships between local organizations, academia, and private industry. In order to demonstrate the local and private sector commitments, applicants will be required to provide matching funds.

NTIA will use the data from the *Falling Through the Net* survey to target the program's resources and as an ongoing performance measurement tool. First, survey data will identify the communities and populations most in need of assistance, initially and on an ongoing basis. Second, NTIA will monitor annual survey data to gauge the effectiveness of the program in improving home access in targeted communities and populations.

Strategic Intent

The initiative contributes significantly to major themes of the Department of Commerce's mission. The first theme is to build for the future and promote U.S. competitiveness in the global marketplace by strengthening and safeguarding the nation's economic

infrastructure. Funding for this program will strengthen the nation's workforce by providing more Americans with the skills necessary to compete in the new economy. Secondly, this program will help keep the nation competitive with cutting-edge science and technology and an unrivaled information base by expanding the user base of advanced network technologies.

The proposed program also supports two goals of NTIA's Strategic Plan:

- promote the availability and sources of advanced telecommunications and information services; and
- advance the public interest in telecommunications, mass media, and information.

Performance Measures

Measuring the program's effectiveness will involve an assessment of both output and outcome measures. Outputs will include:

Number of applications awarded

Number of partners represented by the applications funded

Outcomes will be examined on two levels — in the community and at the national level. First, NTIA would develop standard metrics for each access grant. Grant recipients would be required to report regularly on such items as the number of households connected to the Internet, the number of those households that have remained connected and active, and the number of people trained. These data would be aggregated at the program level and would give NTIA information on the degree to which the program is reaching the targeted populations for the purposes intended.

At the national level, NTIA would use the annual *Falling Through the Net* survey to examine the digital divide as a whole. The survey data would indicate the extent to which the program is helping to close the gaps based on income, education level, race, and geography. In particular, NTIA could examine the growth rates among targeted populations and look for accelerations in those rates. In addition to providing NTIA with a yardstick for measuring the program's overall effectiveness, the data would assist NTIA in identifying the communities to be targeted.

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The following table provides the basis for the measures of the program's effectiveness and performance:

	<u>FY 2001</u>	<u>FY2002</u>	<u>FY 2003</u>	<u>FY2004</u>	<u>FY 2005</u>
<u>Outputs:</u>					
Applications awarded (1)	150	135	125	115	110
Number of states participating in program	50	50	50	50	50
<u>Outcomes:</u>					
Number of households connected to the Internet (1)	50,000	60,000	70,000	80,000	85,000
Number of people trained on Internet applications	65,000	75,000	85,000	100,000	110,000

Note:

(1) The decreasing number of awards increase in the number of households connected per year reflects a shift from smaller planning grants to larger grants that would provide the Internet connections and training to low-income communities.

Number and Percent of Families in Poverty by Number and Age of Related Children and Poverty Level, 1998

	Income (based on family of 4)	All families*		Families with children		Families with 2+ children		Families with children 11 to 13 years old		Families with children 14 to 17 years old	
		Number	% of total	Number	% of total	Number	% of total	Number	% of total	Number	% of total
All incomes		114,615	100.0	37,756	100.0	21,929	100.0	10,619	100.0	12,474	100.0
<= 200% of poverty level	\$33,400	37,377	32.6	13,288	35.2	8,624	39.3	3,857	36.3	3,923	31.5
<= 175% of poverty level (~free/reduced lunch eligibility)	\$29,225	31,916	27.9	11,284	29.9	7,347	33.5	3,244	30.6	3,306	26.5
<= 150% of poverty level	\$25,050	26,669	23.3	9,467	25.1	6,204	28.3	2,707	25.5	2,785	22.3
<= 100% of poverty level	\$16,700	15,913	13.9	5,864	15.5	3,870	17.7	1,669	15.7	1,716	13.8

Source: 1999 Current Population Survey March Supplement

Numbers in 1000s

*Also includes unrelated individuals and unrelated subfamilies

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Divider Title: _____

Bridging the Digital Divide

**A Strategic Approach to the
President's April New
Markets Tour**

What is the Digital Divide?

- Access to computers and the Internet and the ability to effectively use this technology are important to participation in America's economic, political and social life.
- Strong evidence of a "digital divide"--a gap between those individuals and communities that have access to these tools and those who don't. Major disparities by income, education, race and geography
- National imperative to create "digital opportunity" -- use technology to bring Americans together, not further polarize American society

FY2001 BUDGET INITIATIVES: HELPING BRIDGE THE DIGITAL DIVIDE

■\$2 billion over 10 years to encourage private donation of computers, sponsorship of community technology centers, and worker training

■\$150 million for teacher training

■\$100 million to create 1,000 Community Technology Centers in poor communities

■\$50 million for a public/private partnership to expand home access to computers and the Internet for poor families

■\$45 million to promote innovative technology applications for under-served communities

■\$25 million to accelerate broadband networks in under-served communities

■\$10 million to prepare Native Americans for careers in Information Technology and other technical fields

Previous Digital Divide Actions

■ Educational technology

- Total investment increases from \$23 million to \$903 million
- Technology Literacy Challenge Fund helps local school districts with computers, teacher training, educational software

■ E-rate

- Discounts of 20 to 90 percent
- \$3.65 billion over 2 years
- 1 million classrooms connected

Examples of Digital Divide Actions by Industry Leaders

- Both Ford Motor Company and Delta Airlines to offer computers and reduced-cost internet access to its employees
- Intel and Microsoft to provide almost \$450 million to provide technology training to teachers
- AOL and Case Foundation are leading PowerUP, a partnership to end the digital divide among America's Youth
- Cisco Systems created Cisco Networking Academies, a partnership that provides students with network training in the U.S. and around the world
- Gates Foundation has provided over 2,000 public libraries with computers and Internet access

Three Major Goals: The ABC's of Digital Opportunity

- **A**ccess to Hardware and Internet Connectivity
- **B**uilding Skills Through Education and Teacher Training
- **C**ontent and Applications to Help Empower Low-income Communities

Digital Divide Goal #1

■ Access to hardware and Internet connectivity

- Access in schools and libraries
- Community Technology Centers
- Home Access
- Availability of broadband services (high-speed Internet access)
- Connectivity for Native Americans and rural communities

Digital Divide Goal #2

■ Building Skills Through Education and Teacher Training

- Access to trained teachers
- Awareness of importance of IT (motivation)
- Basic computer literacy
- Information literacy (ability to locate, evaluate and use information effectively)
- Training sufficient for IT occupation
- Creator or designer of IT

Digital Divide Goal #3

■ Content and applications that will help empower low-income communities

- Increased parent-teacher communication
- High-quality educational software
- Online assistance for micro-enterprises
- Adult literacy, GED, ESL
- Tele-mentoring for at-risk youth
- Accessibility for people with disabilities
- Better informed health-care & nutrition decisions
- Accessing Job search information

Developing a Strategy for the Trip

- Mobilize private sector and non-profit efforts to support 3 goals
- Build on major efforts already underway, replicate successful programs nationally
- Develop creative ideas for highlighting goals, partnerships and initiatives

Possible initiatives

All of these initiatives help meet 1 or more of the 3 broad goals -- Access, Better Skills, Content

■ **Objective: Home Access**

- ➡ Encourage companies to follow Ford and Delta's lead on providing employees with computer and Internet access
- ➡ Encourage private sector matching funds for pilot project initiative in FY2001 budget

■ **Objective: National Coverage of Community Technology Centers**

- ➡ Obtain private sector commitments to double number of proposed FY2001 CTCs (1,000 to 2,000)

Possible initiatives

■ **Objective: Native American Technology Initiative**

➡ Examples: broadband networks, e-commerce for small business, training for IT jobs

■ **Objective: Prepare more minorities and low-income workers for IT jobs - e.g. Welfare-to-Web**

➡ Work with private sector to increase number of internships

➡ Encourage corporations to provide on-line mentoring with schools (for IT and other professions)

Possible initiatives

■ **Objective: Train all new and existing teachers**

- ➔ Obtain corporate commitments to work with teacher colleges
- ➔ Encourage college deans to work toward the goals set forth by the CEO Forum/ Star Chart and private sector to help meet those goals
- ➔ Seek partnerships between private sector and schools to provide first year teachers with on-line mentoring and professional development
- ➔ Summer institutes for existing teachers

■ **Objective: Partnership between libraries and private sector on information literacy**

- ➔ Encourage partnerships between corporations and libraries to train individuals to effectively search the web for quality information

Possible initiatives

■ Objective: “Digital Library for Education”

- ➡ make it easy for parents, teachers and students to find compelling content by grade level and subject area

■ Objective: Local “portals” for low-income communities (job, child care, transportation information)

- ➡ Encourage corporations to help local communities provide relevant community information on-line

■ Objective: more research on digital divide

- ➡ Establishment of university-based centers of excellence

Possible initiatives

■ **Objective: More schools fully utilizing technology**

- ➡ Adoption of schools to meet all goals (computers, Internet access, teacher training, curriculum integration)

■ **Objective: Increase awareness**

- ➡ Major PSA/awareness campaign to get connected -- corporate, non-profit and celebrity involvement
- ➡ Establishment of 1-800 number

Event ideas

- Town Hall with CEOs and non-profits, Internet-based interaction with poor children
- Community Technology Center in East Palo Alto
- Indian Country
- Event focused on teacher training

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February 8, 2000

MEMORANDUM TO GENE SPERLING

FROM: GIGI GEORGES
TOM KALIL
NATASHA BILIMORIA

SUBJECT: POSSIBLE AGENDA FOR TOMORROW'S DIGITAL DIVIDE MEETING

As you know, Maria has asked you along with Stephanie, Loretta, and Mary Beth to discuss strategy for the upcoming Digital Divide trip. The following is a possible agenda for tomorrow's meeting.

I. Define What We Need to Accomplish and Set Broad Goals

- There is a very high-level of corporate and non-profit interest in this trip -- we really have an opportunity to mobilize significant private sector resources.
- Rather than immediately jump to a discussion of cities, we could step back and figure out what we want to accomplish -- and use these goals to drive the nature of the events and the sites.
- Our three broad goals are **Access**, **Building Skills through Education and Teacher Training**, and **Content and Applications**.

II. Initiatives and Specific Event Ideas

To support these broad goals, we could propose a short list of overarching initiatives with event ideas (note that each initiative relates back to one or more of these goals).

- **Initiative 1—To Help Achieve the Objective of Training New and Existing Teachers.**
 - Companies agree to work with 20-30 teacher colleges to ensure that all new teachers are ready to teach using technology.
 - Teacher colleges agree to accept this challenge as well.
 - Teacher explains what a difference technology can make in the classroom once they have the necessary training.
- **Initiative 2—To Help Achieve the Objective of School Adoption to Help Schools More Fully Utilize Technology.** Hold a town hall-style meeting with the President and major CEOs at a poor school with a student audience. This would be done at a school that has been "adopted".

- **Initiative 3—To Help Achieve the Objective of National Coverage of Community Technology Centers.** Hold an event at a CTC with groups that have made commitments to support this objective -- try to double number of centers from 1,000 to 2,000.
- **Initiative 4—To Help Achieve the Objective of Establishing a Comprehensive Native American Technology Initiative.** Hold an event in Indian Country to highlight efforts to bring all aspects of technology to Native American communities -- high-speed networks, training for IT jobs, online small businesses, etc.
- **Initiative 5—To Help Achieve the Objective of Home Access.** Hold an event that would highlight corporate efforts to expand Home Access to their employees (i.e. Ford and Delta).
- **Initiative 6—To Help Achieve the Objective of Encouraging more People into IT Professions.** An event highlighting private sector efforts to provide greater opportunities (i.e. training and internships) to young people.
- For the many other objectives and initiatives, we could have a category of “idiosyncratic” ideas for events.

III. Outreach

Again, due to the interest in this trip, there is a great deal of outreach that needs to be done in a short period of time. We suggest that we divide the work as follows:

- NEC will put together a list of high-tech CEOs
- OPL will be responsible for other corporate CEOs, community, civil rights and other minority groups
- Department of Education can reach out to the education community