Digital Redlining 101

Systematic Underinvestment by Internet Service Providers in Low-Income Communities of Color is a Driver of Digital Inequity



Access to the internet is required to fully participate in modern society, a utility alongside electricity and water. However, many Los Angeles communities — especially low-income communities and communities of color — do not have access to fast, affordable, and reliable broadband.

Research shows that <u>Los Angeles County's Digital Divide is rooted in part in widespread</u> <u>underinvestment in broadband infrastructure</u> in low-income communities and communities of color, resulting in limited access to quality internet options with high speeds at reasonable costs. This pattern of disinvestment is called "digital redlining," a pattern where Internet Service Providers (ISP):

- Limit investments in the installation, expansion, or upgrading of internet service infrastructure within specific geographic areas.
- Limit broadband availability or adoption in specific areas. For example, redlining could include pricing practices that make broadband less affordable, or marketing practices that under-promote broadband services.
- Limit broadband access, impact service quality, and make broadband services less affordable to specific communities.

Why "Redlining"?



In the 1930s, The Home Owners' Loan Corporation (HOLC) created "Residential Security" maps of major American cities. These maps were used by loan officers, appraisers and real estate professionals to drive lending decisions. Neighborhoods considered high risk or "hazardous" — the lowest score on the maps — were often "redlined" by banks, which simply refused to offer mortgage loans for properties in those areas.

Redlining was explicitly race-driven. Areas that were designated as "hazardous" or "declining" received that designation because they were "infiltrated" with "undesirable populations."

While this type of neighborhood classification is no longer legal thanks to the Fair Housing Act of 1968, the effects of this racially-driven disinvestment are readily apparent today.





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The Digital Divide in Los Angeles

Los Angeles County









City of Los Angeles



As the Public Advocates Office at the CPUC noted, "redlining practices produce differential outcomes related to broadband availability and affordability for different communities, regardless of whether those outcomes are the product of discriminatory *intent.*"

The data is clear: the outcome of digital redlining is wildly inequitable access to fast, reliable, and affordable internet for low-income communities and communities of color across Los Angeles.

TAKE ACTION:

- **Support** publicly accountable internet infrastructure and internet solutions
- Support municipal, public agency, and nonprofit efforts to accurately and equitably map broadband access in Los Angeles
- **Demand** equal access and anti-discrimination provisions in city, county, and agency contracts with Internet Service Providers (ISPs.) Don't let public dollars support ongoing redlining.





