Recommendations for a Federally Funded Digital Equity Foundation

Full paper available here

A new paper, “Towards a Digital Equity Foundation: Best Practices for Best Practices for Governance, Accountability, and Transparency for Foundations Established with Public Assets,” is now available. Authored by Charles Bell and released by New America’s Open Technology Institute (OTI) and the Philanthropication thru Privatization (PtP) Project, it expands on an April 2021 Concept Note by Michael Calabrese of OTI and the late Dr. Lester Salamon of Johns Hopkins University. Together, these papers make the case for Congress to direct a substantial share of proceeds from future auctions of licenses to use the public airwaves to endow a foundation dedicated to making sustainable investments in digital literacy, inclusion, and affordable internet access. The Airwaves For Equity coalition, launched in February 2022 by nine prominent national organizations, endorsed the concept along with more than 75 others. Legislation to implement the idea is expected to be introduced shortly.

Key Findings and Recommendations

- **The foundation should fund community-based digital equity activities.** Funds could benefit a wide range of programs around digital inclusion and affordable broadband access—including “digital navigator” programs, rural telehealth initiatives, disability access, skills training for veterans and the elderly, and education technology that helps close the “homework gap.”

- **There is solid precedent for this type of federally funded foundation.** Examples include the FirstNet Public Safety Network Trust Fund, established by Congress in 2012 with $7.5 billion in auction revenue; the California Emerging Technology Fund; and eleven existing “agency-sponsored” foundations, including the CDC Foundation and the National Parks Foundation.

- **The foundation’s structure should maximize transparency and accountability.** The foundation should be established as a 501(c)(3) charitable foundation and follow best practice requirements for transparency and public accountability—including a clear and focused mission statement; governance by an independent board of directors; mechanisms for federal agency oversight and reporting to Commerce Committees; and robust community advisory mechanisms.

- **The foundation’s governing board and community advisory committee should represent diverse stakeholders.** The foundation’s the governing board and advisory committee must reflect a balance of expertise and diversity that reinforces the foundation’s mission to promote digital inclusion and equity in low-income and marginalized communities nationwide.