

**Written Testimony – Connect Arkansas
Subcommittee on Communications, Technology, and the Internet
United States Senate Committee on Commerce, Science, and Transportation**

**“Connecting Urban and Rural America: The State of Communications on the Ground”
Monday, August 19, 2013 – Electric Cooperatives of Arkansas – Little Rock, Arkansas**

Presented by Sam Walls III, President, Connect Arkansas

Good Morning. My name is Sam Walls and I am a Senior Vice President with Arkansas Capital Corporation and President of Connect Arkansas, a private nonprofit dedicated to increasing high-speed Internet adoption in Arkansas. Connect Arkansas was created in 2007 in response to the Connect Arkansas Broadband Act passed by the Arkansas legislature that same year. The Act states that Connect Arkansas's mission is to "prepare the people and businesses of Arkansas to secure the economic, educational, health, social, and other benefits available via broadband use."

To date, Connect's primary source of funding has been from two federal grants from the 2009 American Recovery and Reinvestment Act through the United States Department of Commerce's National Telecommunications Information Agency's Broadband Technology Opportunities Program. This funding is projected to end by September 2014. The State of Arkansas has also provided matching funds for these grants as well as many service provider..

Connect has conducted numerous surveys of Arkansas citizens and the results show that barriers to Internet adoption can be stated broadly as: Access and Education. Connect has attempted to address issues within the parameters of its federal and state grants.

When looking at Access, Connect first asked whether Arkansans have the ability to connect to the Internet if they so desired. Connect developed, in partnership with over 75 broadband providers, a detailed broadband access map of Arkansas. This map is updated biannually and is available online. Today, not counting satellite Internet access, but including mobile wireless Internet, 98% of the Arkansas population has access to broadband Internet. Without mobile wireless, 92% have access. Those percentages on their face would indicate that availability is not an issue for most Arkansans. It is important to note, however, that for purposes of these statistics, broadband Internet is defined as 768 kilobits per second download speed. There are those that would argue that these speeds are not adequate for many of today's applications. From our surveys and feedback from consumers, we do know that the "quality" of the available broadband Internet access is a concern for some with lack of speed and reliability are the most common complaints.

Continuing to explore the issue of broadband Access, Connect has asked the question: Why are Arkansans that do have Internet availability in their area not subscribing? As one would expect there are a number of reasons. In no particular order:

- Cost of service is a common response to this question. Pricing for Internet service varies widely depending on what technology is being used, where a person is located and lack of competition. While for some people, this issue is more that they do not view the Internet as a necessity. For many others, however, it does come down to a lack of resources to pay for it. Connect Arkansas has worked with various services providers to develop a discount broadband program for low-income families and we are seeing more services providers offer similar programs on their own.
- Cost of equipment to access the Internet is another issue for some. Many families state that they cannot afford the initial expense of purchasing the equipment necessary to get online. Connect has attempted to address this issue through its Computers for Kids program and its Discount Computer Program. Since 2011, Connect has distributed over 1,300 free, refurbished, Internet ready computers and provided training to families utilizing the free or reduced lunch program. In a recent survey, over 60% of those families are now Internet subscribers.

Lack of Access though is not the only issue that has kept Arkansans from adopting the Internet. Connect has looked deeper into the problem and asked that for those Arkansans that DO have Internet availability AND can afford the equipment and the cost of service why are they still not subscribing? Broadly speaking it is a lack of broadband education. Connect breaks this issue down into two categories.

The first category is people who do not believe they need the Internet. Connect surveys in 2012 show that 36% of non-adopters view the Internet as not relevant to their daily life. Responders stated that they were, “not interested”, “it was a waste of time” or that “they did not need or want it”. This is an improvement from 2011 surveys that showed 47% with this sentiment.

To reach out to people in this segment, Connect has applied a strategy where it promotes relevancy to people’s lives through various initiatives such as:

- Connect has promoted telemedicine a number of ways. One of the largest efforts was through a partnership with the University of Arkansas for Medical Sciences to train nearly 3,300 medical professionals and 300 community anchor institutions on the use of new and life-saving tele-health equipment.
- Connect has partnered with the Information Network of Arkansas to build and maintain nine transactional county websites in Arkansas which has allowed citizens of those counties access to services and information that they in the past did not have access to. By the Spring of 2014 that number will be 17 counties.
- Connect has developed resources for small business owners, giving them access to information that will help them start, manage or expand their businesses. The website, called Arkansas SourceLink, launched with more than 100 Arkansas nonprofit service providers. It also includes a calendar noting upcoming training and events in the state.
- Starting in 2012, Connect began its “Get Connected” campaign using nearly 170 media outlets to promote broadband awareness, including TV, radio and newspaper advertising, as well as

active ongoing public relations outreach to the media. This campaign had generated over 2,000 phone calls from people interested in learning more.

- Connect has worked in 17 counties as part of its E-Communities initiative to help leaders at the county and local levels to identify where Internet is relevant to their strategic goals in the areas of agriculture, education, economic development, government, health, libraries and tourism.
- Connect has met extensively with numerous state and local educational agencies to further the use and availability of the Internet throughout the educational system.
- Connect has set up informational booths at multiple community events to promote broadband usage and relevancy.

The second category is people who do not know how to utilize the Internet. Current students within the Arkansas educational system are receiving more and more instruction using the Internet. However, many Arkansas adults not currently receiving an education find the Internet too intimidating and foreign. This is particularly true to older Arkansans. Surveys show that this lack of education on how to use the Internet is also a significant barrier to many.

Connect independently, and at times in partnership with other organizations, has conducted Adult Digital Literacy training on topics ranging from Internet security and safety to communicating with family and friends using high-speed Internet. Since January, more than 500 adults – mostly senior citizens – have taken advantage of this opportunity. Connect has partnered with the Arkansas Small Business and Technology Development Centers to offer their “Website in a Day” and Social Media / Getlisted.org

Training in 57 counties. These are free opportunities for small business owners, tourism and history officials, and economic developers to see the ease of building and launching a website and embracing social media and promotion of virtually all search engines. Nearly 300 business owners and governmental workers have received training. Connect has taught e-entrepreneurship classes to 2,140 7th-12th grade students using I-pads emphasizing e-commerce and website development and has hosted an online high school business plan competition with over 220 students and teachers having participated.

There is no question that broadband can have a transformative impact on Arkansas. State leaders are constantly striving to positively affect the lives of our citizens through improving education, raising the per capita income, expanding and enhancing access to quality healthcare among other efforts.

Widespread access and adoption of broadband Internet by Arkansans arguably will be a fundamental necessity when trying to develop strategies for these efforts. Currently, 71% of Arkansans have Internet in their home which actually compares favorably to the national average of 62% according to the Pew Foundation. Service providers will continue to expand and improve coverage within the state and entities like Connect Arkansas will strive to grow Internet adoption and usage by our citizens.

Connect would like to inform this hearing that on Thursday September 26th, there will be a one day conference held in Little Rock called the "Connecting Arkansas Internet Conference" in which state

leaders will meet to discuss current broadband issues facing our state. We certainly invite anyone here today to attend, there is more information and registration on our website, connect-arkansas.org.

On behalf of Connect Arkansas, I would like to thank you for the opportunity to present today and applaud your continued efforts on this subject.