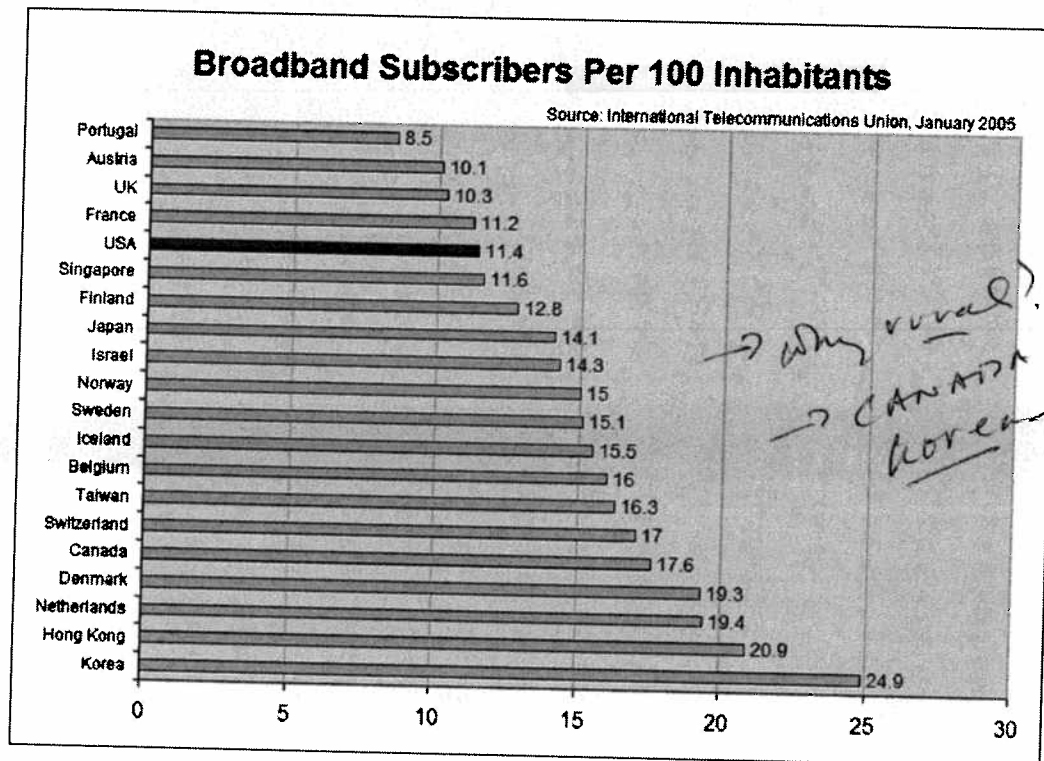


Additional Talking Points for Rural Broadband

- The US leads all countries with 42,172,000 total broadband subscribers (29.08% yearly growth), followed by China (28,182,000 subscribers), and Japan (21,056,000 subscribers). However, at its current growth rate of over 90% a year, **China should overtake the US in total broadband subscribers by the end of 2006.**
- On a per-capita basis the US has dropped from 13th to 16th among nations globally in broadband penetration with 11.4 connections per 100 inhabitants. South Korea however more than doubles the US figure with 24.9 connections per 100 inhabitants. In fact, the US has been losing traction on this front since 2001 when we ranked 4th.

Global Broadband Penetration per 100 Inhabitants



- A month of broadband access costs American consumers \$40 to \$60 versus \$20 to \$35 in South Korea, according to *Fortune*. Also according to *Fortune*, the South Korean government has spent billions in recent years to create a high-speed backbone for school and government offices, and offered incentives for companies to broaden their residential networks.
- Almost 60 percent of US households with incomes at or above \$150,000 have broadband connections, whereas less than 10 percent of households with incomes at or below \$25,000 have a broadband connection.

Good Comparison: Many policy experts equate the rural deployment of broadband access to the rural electrification efforts of the early 20th Century. In the case of electricity, the federal government was an active partner in the rollout of service to the rural regions of the U.S. The government subsidized the

infrastructure resulting in the nationwide deployment of household electricity. The question that remains is whether the development of broadband rises to the same level of necessity as electricity. We think it does in order to make the progress in economic development that all South Carolina deserves.

Good Story of what you would like to see more of statewide: Joe Taylor visited Bishopville, Lee County, a week ago at their unveiling of their Downtown revitalization project, which was funded by an Enterprise grant from the Coordinating Council. Part of this was a tech school moving into the second floor of a reworked old furniture store on Main Street, which the first floor will be the new library. The kicker here is that they installed a new computer lab, 25 machines with BB access that over looks Main Street and it is being used beyond anyone's wildest expectation, they told Joe its full almost all the time when classes are not being taught and it came about via an executive branch program – The Rural Infrastructure Fund.

We need to be aggressive on the broadband front as other state are in the beginning stages of a plan and making progress: According to a Maine Broadband study, 20 states have or are in the process of formulating some type of Broadband Initiative Examples:

- Maine - Gov. Baldacci has formed an Executive Broadband Council has a goal of ensuring 90% of all Maine residents have broadband access by 2010.
- ConnectKentucky – To bring high speed internet service to all state residents by 2007.
- Idaho – IDANET to bring broadband to rural areas by aggregating state money and being anchor tenant.
- Mississippi – Broadband Technology Development Act, provides tax credits and sales tax exemptions to companies investing in rural broadband deployment.
- Montana – Tax Credit for Broadband Investments, 20%.
- North Carolina – Rural Internet Access Authority, programs and grants.
- Tennessee – Rural Internet Access Authority, oversees, manages, and monitors efforts to provide broadband to rural counties.

Good Nugget from Maine: The Maine Learning Technology Initiative (MLTI) is the largest educational technology project in the history of Maine and perhaps the world. Maine stands as the first state to embark upon a plan to eliminate the digital divide by providing a laptop to each and every 7th and 8th grade student and teacher. Verizon's advanced network makes high-speed broadband technology available to all communities in Maine and provides the critical backbone connections that enabled the state to establish the MLTI, linking the laptops provided to every middle school student and teacher to system servers and the Internet.

Other “Cool and Groovy” Benefits of expanding Broadband:

Telemedicine: “the use of medical information exchanged from one site to another via electronic communications for the health and education of the patient or healthcare provider and for the purpose of improving patient care.” At its most fundamental level, telemedicine frees both the patient and the provider from brick and mortar limitations. The patient can address medical needs as necessary. The doctor is not limited to his office. In providing flexibility, telemedicine holds the potential to greatly increase cost effectiveness. Health care costs have skyrocketed in recent years; telemedicine offers a way to lower costs for both the patient and the provider. Its judicious use and application holds the promise of reducing the frequency and/or duration of hospital stays, reducing the frequency of physical office and home health care visits, expanding service availability to a greater number of patients at a lesser unit cost through more efficient use of provider time and facilities, and by generally supporting community wellness.

Public safety: But what if firefighters could be equipped with the information they need before they get to the fire? If they could get to the fire faster, be informed of the layout and structure of the building and have rapid communications with the other emergency vehicles involved? Such innovations would give firefighters an advantage that would allow them to address the situation more efficiently and have better opportunities to control the situation with no casualties and minimal damage. The Fire Department in Winston-Salem, North Carolina took the steps to give their firefighters these tools. In 1996, the Winston Salem Fire Department received a grant from the U.S. Department of Commerce. This money funded the Integrated Network Fire Operations (INFO) project, whose goal was to provide critical information in graphical form to the firefighters in the emergency vehicles. The city's emergency vehicles were equipped with laptop computers that could display maps, building layouts, hydrant locations and the status of other emergency vehicles. The laptops in each truck are connected via mobile wireless technology.

Telecom

not recreate wheel

Dr. Swanton, Tom Pensons, Dr. SIMANA

1. Applaud efforts to get us connected (to connect)
TH. → (+ learn)

(A) US Competitiveness:

↳ Friedman - (6.5)

↳ David McCulloch (2000-2005)

(700) + (800)

(A) Washington paper - (Bipartisanship - not wallman) (Demint)

(A) US vs. other - []

All policies local

(B) SC - internet access [(45% vs 51%) internet
not broadband

20 states process of Broadband Initiative -

Montana (20% T. credit)

(+ Maine)

(NC)

1. Broadband dec. 2003

2. Broadband plan dec. 2004

3. South Carolina Competitive Cable Services Act

3 steps

(C) Small Business - (INC. TAX, TORT REFORM, Worker Comp)
Create wealth-owning things

(D) Wealth Gap -

60% US Households (↑ 150,000 a year)

10%

↓ 25,000

NC example