



BROADBAND

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Patrick Woodie:

Good morning everyone. It is with great pleasure that I have an opportunity to welcome you to the first session of our five-part series, Rural Talk, an advocacy speaker series. Today's one-hour panel discussion will highlight the challenges, opportunities, policy levers, and local innovations, surrounding rural broadband. Before I hand the program over to our moderator for today, I'll take just a moment to review a few housekeeping items. Please note that all participants are muted. We do however want to give you the opportunity to engage with our expert panelists.

Patrick Woodie:

You can do so via the Zoom Q&A feature. If you're using the call-in option, you may email your questions to events@ncruralcenter.org. We're so very thankful for our amazing sponsors who continue to have great faith in the work we do and great faith in rural North Carolina. Thank you to our rural broadband session sponsors ATMC, and NC State Extension as well as our Rural Talk series sponsors, CloudWyze and Wells Fargo. We'd also like for you to continue today's conversation on Twitter. Be sure to follow and tag [@ncruralcenter](https://twitter.com/ncruralcenter) and [@ruralcounts](https://twitter.com/ruralcounts) and you use the hashtag #RuralTalk2020.

Patrick Woodie:

The crux of our discussion today will be guided by the expertise and wisdom of a stellar lineup of speakers in the field, including two of our esteemed state legislators, Senator Harry Brown and Representative Zack Hawkins. They will be joining the conversation after an initial panel has a chance to discuss some questions. Before we get started, let's find out who we have on the line. So our speakers can tailor their responses to the audience that we have. We'll give everyone 20 seconds to respond to the poll that should be showing at this time on your screen.

Patrick Woodie:

If you're using the Zoom application. What organizational sector do you represent? The options are corporate, education, government, individual, nonprofit, philanthropy, small business, and other. So, it looks like about 36% of our audience is in the government sector, both local and probably state. We have 28% from the nonprofit sector. We have 11% from the education sector, 6% corporate, 4% philanthropy, 6% small business. So, a great cross section from across the state. I also know that a number of staff from the general assembly and some representatives of our congressional delegation are also on the call.

Patrick Woodie:

Now, without any further delay, let me hand the virtual mark over to our moderator and Rural Center board member, Sarah Thompson.

Sarah Thompson:

Good morning everyone, thank you for joining us to have this very important and timely discussion. I'm going to jump right in and introduce our panelists. As Patrick said, I'm Sarah Thompson, Executive Director of the Southwestern Commission Council of Governments out in the far western counties. We have with us today Jody Heustess, Vice President for marketing and customer care at ATMC. Robert Hosford, the NC State Director for USDA Rural Development, and Jeff Sural, the director of the state broadband infrastructure office in the North Carolina Department of Information Technology.

Sarah Thompson:

Thank you three for joining us. I'm going to get into some questions here. The first one is, although professionally, we've all been active in expanding the reach of high quality affordable broadband to rural communities, we are also individual consumers of digital technologies and we personally benefit from it daily. So let's start by talking about how the COVID-19 pandemic conditions have deepened our appreciation and understanding of broadband services. I'll just kick it off by talking about public education as apparent with K through 12 students in the home.

Sarah Thompson:

It has become so apparent during this crisis how important adequate broadband is to help our children get their education during this time. So Robert, Jody and Jeff, in that order, please tell us how you're reflecting on this.

Robert Hosford:

Well thank you, Sarah. And thank you for having me as a panelist today, very humbling to be a part of this group. So when we're evaluating this pandemic and the effect it's had on rural economic development in our programs, we have proved that we're capable of providing our services to the public despite what has occurred. I found a lot of efficiencies out there. The situation has also shown that there's so much more that needs to be accomplished and expanding adequate broadband services into the rural areas of our state.

Robert Hosford:

Whether it be for schools, businesses, homes, faith-based entities or hospitals. The lack of broadband in some areas has deeply impacted the work environment in the school systems. There are some children that are just frankly unable to make use of distance learning at this very critical time. It's given me a deep appreciation of having the ability to carry out my day-to-day activities, due to having adequate access but, there are some that would like to work remotely, but due to the lack of adequate service where they happen to live, they're just not able to do that.

Robert Hosford:

Just because we have adequate service in our workplace, doesn't necessarily mean that we have adequate service at home. My eight-year-old daughter goes to school in downtown Raleigh, she has no problem getting adequate service right there in Five Points. But, compare that to a child in rural Columbus county. Or you pick the rural part of Perquimans County. Then you have to go to the Starbucks if there even is one, and you do their homework from there, and that's an equity that we need to address in the State.

Sarah Thompson:

Absolutely.

Robert Hosford:

I think so.

Sarah Thompson:

Yeah, absolutely. It often is the last mile to the home service. That's the greatest issue in rural areas. Jody, how about you?

Jody Heustess:

So without broadband, I would have to move out of my house. From a standpoint of just entertaining yourself, while you're locked in your house, being able to Netflix and Prime and have all kinds of options for television, I think that's something that everybody is grateful for. But from a practical standpoint, I've got a second grader and a fourth grader this morning at 8:30, my fourth grader had a Zoom call with her class, which she has three times a week, so they can continue to have a classroom-type discussion environment, from homes across the county.

Jody Heustess:

That's pretty remarkable. If she weren't able to be in a home with high speed internet, I don't know how she would be able to get these things done. Even before the pandemic, they had work that they were doing every week where they could interact with their teacher at night, over the computer to get certain study things done. So, we're lucky that she's got access to that. There are thousands of kids that do not have that and that's a problem. From a standpoint of work, we're not for the ability to use high speed internet, during the pandemic, we would be in real trouble.

Jody Heustess:

We've been able to take over 80% of our in-office staff and send them home, but we've been able to continue to do marketing functions, accounting functions, engineering functions. We've taken our call centers for customer service our call centers for repairs, and we've spread them out over three counties. And we've continued to work virtually as though we're all still in the same place. So we haven't skipped a beat with our business, and that until allows us to continue to support our customers and keep broadband going for people.

Jody Heustess:

So, without having internet available, we might have to have everyone still here, and if one person comes in that is infected with COVID, we would have to send everyone home that puts us out of business. And so, Internet's been a godsend for us here at ATMC personally, and we're hearing from thousands of our customers who are now working from home for the first time, to be able to keep their jobs moving and the economy moving to some extent.

Jeff Sural:

This is Jeff. Yeah, I think That ... certainly this situation highlights the inequities throughout the state ... and has really brought to bear the difference between the haves and have-nots. And, if you have broadband or even connection a to the Internet, you're able to continue to do a lot of the things at home that you were able to do at work. But, we're hearing it in our office from a lot of folks across the state that are struggling. And it's not just the internet connection, but it's also the quality of that connection.

Jeff Sural:

So there is a quality of service issue that's out there. Right now the state is in an interesting place, because we have a lot of good companies working hard to provide high speed Internet access in many of our rural areas. But, the issue has to do with population density and the ability for those companies to invest in areas where they can't sustain a business model. So what do we do in those situations? I think the grant programs and other incentives have been proven to work. And so that's what we've been focused on and trying to move out in several different phases.

Jeff Sural:

Some solutions ... To be honest right now we're in the triage phase. We're simply trying to get connectivity to those that need it. And for example, one idea is bus WiFi where that WiFi signal can transmit around the bus, in a radius that would allow folks to drive up to the vicinity of the bus. Some school districts have been using the yellow buses as a food distribution for the free lunch students and the idea would be to also provide that internet connection while they're picking up their free lunch.

Jeff Sural:

It's not the best solution. It's not a permanent solution. But right now we're finding that that's one creative way to get at least K through 12 students access. The other is hooking up WiFi hotspots at the schools, community colleges. Jody's company has done this, many companies around the state have really stepped up and provided a lot of options for folks, if they can't get internet access at their home. Of course, looking more permanently, we need some funding. And thank you, Representative Hawkins and Senator Brown for the passage of the COVID-19 Relief Bill Recovery Act that will provide an additional \$9 million to our state rural broadband grant program.

Sarah Thompson:

Yeah, I think this current crisis situation it really brings this issue to the forefront, and, we need to use this time to start looking forward to how we're going to get out of crisis mode and find some long term sustainability to these issues. So let's talk a little bit about that. I'll go to Jody for this question. Jody, what do communities need to be asking themselves about plans for broadband deployment, that perhaps they're not asking yet?

Jody Heustess:

I think there's a few things, number one, who's your champion? Number two, does the FCC already think that you have it? Three, is there a potential partner and then how are they going to do it? Community is sort of a loose definition here. Is it a town? Is it a county? Who is asking? Who's working to try to make internet available to you? You need to have someone who takes a leadership role in it, and if you're in a town that doesn't have it, which most towns do, then you might have a local government or is your county working for it? Are you part of a county that doesn't have it?

Jody Heustess:

You can't sit back as an individual though, and think it would be great to have internet. I'm sure someone is working on it. And hopefully it'll get here soon because, no one may be working. That's why it's good to have the Rural Center and have the DIT office with Jeff and George and his staff. I know they've done a lot of work, to work with people in rural areas across the state to help identify need, because believe it or not identifying the need of broadband is a difficult task. They're some of the most populated counties in the state.

Jody Heustess:

There are probably areas in those that still don't have access to internet. So you've got to have a community champion that's willing to step up and you've got to take it upon yourself to say, "We need this in this location and let that be known."

Sarah Thompson:

That's a great point. You have to identify a community leader and you may have to be that community leader yourself, it doesn't mean you have to have all the answers, but you do have to be able to convene the right people. Jody, real quick. Tell the audience who ATMC is.

Jody Heustess:

ATMC is Atlantic Telephone Membership Cooperative. We've been a nonprofit telephone cooperative since 1955, and we serve in Brunswick and Columbus Counties. We're one of seven telephone cooperatives that are nonprofits across the state. Founded to serve rural areas with telephone, and now we're doing broadband. But that second part of what we're talking about is does the FCC think you have it? Believe it or not, you may be in an area where internet is supposed to be. So, the FCC has mapping that mapping is a big deal.

Jody Heustess:

It helps determine where funding goes for rural broadband. So if you're in an area where the FCC says, "There is supposed to already be broadband." Then that area may not be eligible to receive federal or even some state funding. You may know different, but when you've got hundreds of individual companies from across the country, reporting independently where they say that they serve, sometimes the data gets a little screwy. And if that data isn't right, and it's known for not being right in a lot of instances, you may not be able to have access or a provider may not be able to have access to receive the funds that are critical to making that happen.

Jody Heustess:

So you need to check with the FCC mapping and see how your area shows up. Does it show up as offering over 10 Meg service because in some funding, if you offer over 10 Meg service, there's not funding available for it. Do you show up as over 25 by three? Who were the people who were supposed to be doing it? So it's critical that you know that. Potential partners. What kind of partners might be available and willing to come in and even entertain the notion of providing broadband to your rural area? It is a very expensive undertaking for putting fiber optics in, we know we're anywhere from 30 up to \$50,000 per mile.

Jody Heustess:

When you have very low customer density, there's not a financial case in the world where that really makes sense. But, if you can get funding with that, it can start to make sense. Then in terms of how is this partner going to do it? Are they going to come in, and are they going to put in a sustainable broadband? Something that's going to serve you today, tomorrow, 10, 15, 20 years from now. Because when you spend money on broadband, you really only want to spend it once. The state's going to probably make available money for broadband one time.

Jody Heustess:

So, you don't want to go in, in my opinion, with just good enough to debt for today, you want to put in a broadband solution that's going to be good for decades.

Sarah Thompson:

Great, thank you. So, partnerships are key, local on the ground organizing is key. We can also collect local data to truth check that FCC data. But all the money in the world won't fix this problem if we have policy barriers as well. So I'm going to take this next question to Jeff and Robert. What are the greatest policy levers now that rural advocates should be pushing on at the state and or federal levels? Let's start with Jeff and then hear from Robert as well.

Jeff Sural:

Sure. Thank you. Well, I think that we have, this tragedy, some opportunities, and those opportunities include highlighting the problems or the challenges in where those challenges lie regarding broadband connectivity. I think that folks can advocate for themselves, talk to their local representatives, county commissioners and their federal elected officials, to let those folks know, the struggles and the problems they're having, because as Jody mentioned, we'll see a lot of data that shows that you could have, or you should have broadband services available to you, but what we're finding is that those may be available across the street, or even down the street, but maybe not available to your household.

Jeff Sural:

And so, there have got to be some ways and some ideas around how we incentivize those providers. This is a market driven industry or utility, if you want to call it that. It's not regulated in the state level, and it's highly regulated at the federal level. So, some of those additional levels include increased funding, and frankly, the community planning and Sarah, you and your group Southwest have done a tremendous job. Collecting data is key among the communities, we emphasize that in our office, in fact, we just completed a survey in speed test tool, with initiative with the Farm Bureau.

Jeff Sural:

So we partnered with Farm Bureau and survey farmers. And we should have that report out shortly. Some very interesting data coming to light, when people get to answer questions about their own particular situation and then take a speed test, we'll have that survey opened for the general public in the coming days. And this is something that could be distributed through the schools, and or through the counties and then really try to focus on that data and collecting that data and overlaying it with other federal data to give us a better idea of where funding should go.

Jeff Sural:

But we're going to need funding, you can do all the community planning in the world, but as Jody mentioned, there's got to be some incentives to help those providers in the remote areas where you just don't have the population density to sustain that business model. So I would say advocate locally, make sure that funding is attached to any of those policy changes that you're advocating for.

Sarah Thompson:

Right. Thanks Jeff. Robert, talk to us about policy levers that rural advocates should be pushing on right now.

Robert Hosford:

Certainly, thank you very much. And I agree with Jeff completely. Advocating to our state and local and national leaders, mainly in the form of Congress and state representatives, is important. As my old boss, Commissioner, Steve Troxler used to say, "With an enough people enough money, you can fix anything." In this case, that may not actually be the truth because you said it right, there's not enough money in the world to touch every part of our country in the rural parts. Something else that's going to be key to this Sarah is data in good maps.

Robert Hosford:

When I worked for Commissioner Troxler I was in the military, I worked for the military for him, and they're all about maps, good maps, knowing where that broadband is, where it's not. That helps us drive business with our partners such as Jody's group and Star and all the others that we work with. As we move forward, just so you all know, since 2010, up until 2019, USDA Rural Development North Carolina alone has put \$161,600,972.53 in the ground. 53 cents is very important. I don't know how that ended up there.

Robert Hosford:

We usually like round numbers. This is a tough one. A lot of times, Congress ... many people on this phone have worked as staffers in Congress and oftentimes they'll write legislation and then they'll ask us to write regs at the administrative level policy process. Our job is to not make it more difficult, but it's also to interpret the law. But as we go forward and as your audience hear, the conversation with your members of Congress, and your members of our state general assembly, that's where it really starts.

Robert Hosford:

You give us the money, we'll spend it. But, you have to give us the authority to spend it. Thank you.

Sarah Thompson:

Great, well, so we need money, we need planning, we need mapping. And I would say we also need more people using that. So let's talk a little bit about digital inclusion. What is digital inclusion and what are examples of efforts to address it at the local, state and federal levels? And why is digital inclusion access and literacy important? Jeff, do you want to start us off on this one?

Jeff Sural:

Sure, happy to. So, digital literacy is typically something that we talk about when we're talking of policies and programs that will allow all individuals and communities to have the information technology capacity needed for full participation in our society, democracy, economy ... It's necessary for civic and cultural participation, employment, lifelong learning, access to essential services, access to telehealth services. So, when we talk about the broadband challenges in the state, we talk about basically two primary challenges.

Jeff Sural:

One is the access challenge which we just addressed. And the other is the adoption challenge. Are you subscribing to an internet service? And if not, Why? The research has shown that the primary barrier to subscribing to an internet service is cost. So, affordability is a big issue that we have to address. Then the next is of course access. But there's also digital literacy skills and relevancy issues that come to play. And we see this sometimes among senior populations that may not have the skill set to navigate a computer.

Jeff Sural:

And I know that more and more grandparents are now becoming very familiar with Zoom so, that's a good thing. But there have to be those types of programs and incentives for folks. Now we're seeing telehealth really rise and bubble up. It's something that we've looked at in addition to remote learning in the past, but now because of our current situation, those types of applications are now driving more and more people to see the necessity for signing up for a service. So, we really have to do ... and something that our office has been really focused on the last several years, is making sure that people especially in those vulnerable populations, understand the importance of an internet subscription in service and how essential it is.

Jeff Sural:

It's not something that folks simply used to watch Netflix now. It's the new telephone. Thank you.

Sarah Thompson:

Yeah. Great, Robert. Digital inclusion?

Robert Hosford:

Okay, thank you very much. Well, Digital inclusion refers to activities necessary to ensure that all individuals and communities, including the most disadvantaged, have access to use of ICTs, information communication technologies. This really for us at the Fed level encompasses five different elements. First, Jeff touched upon it, it's affordability. Second is internet-enabled devices that meets the needs of the users. So, if you don't have the right piece of equipment, how's broadband really going to help you?

Robert Hosford:

The third is access to digital literacy training. Fourth would be quality technical support. That's a big one. Especially as we're operating in this new environment, new norm I guess. And then having applications and online content designed to enable and encourage self-sufficiency. Digital inclusion has got to evolve

as technology advances. It requires intentional strategies and investments to reduce and eliminate institutional structural barriers that we have out there, some that we create on our own.

Robert Hosford:

Just so currently North Carolina has three awardees under our ReConnect Program. They will be using our funding to expand service in rural areas to some of those residents that lack adequate 10 to one, and we're going to provide them 25 to three. Additionally, we have got six organizations in here in the state that have applied for the 100% grant program, that was recently closed, and those six will total \$33.9 million. My job as state director of rural development, is to go to Washington to fight for that money for our rural communities.

Robert Hosford:

We've got a pretty decent amount of money in the kitty. But, I'm very hopeful that we can be successful with these six applicants. One of them happens to be on the phone with us right now. That's a good thing. So digital inclusion is a big word, but we look at it in five specific ways. Thank you Sarah.

Sarah Thompson:

Sure, so essentially, we need more people in rural areas using the internet to make that return on investment easier to reach for the provider. And Digital inclusion encompasses a lot of different ways that we can get there and this current crisis is bringing that to the forefront. People are realizing that it's not just for entertainment, it's to educate their children and to visit their doctor and to do ecommerce and run their small business when their doors can't be open. Jody, I'm gonna direct this one to you. And then Jeff, you may have something to add on to it.

Sarah Thompson:

There's more than one way for rural communities to significantly improve their broadband access and adoption. Tell us some good examples across rural North Carolina. What are the things or conditions that they have in common, that maximize their odds for success?

Jody Heustess:

Well, I'm biased, of course because, I work in a cooperative. We were, as I said earlier, we were founded to serve rural areas. We were founded to bring telephone service to rural areas where the for-profit companies didn't want to bring it. Well, the same for-profit companies don't want to bring broadband to rural North Carolina, or areas of rural North Carolina. So, when I look at success stories of where there is rural broadband, I look to the seven cooperatives in North Carolina.

Jody Heustess:

I look at Skyline, and Surry and Star and Randolph and Wilkes and Yadkin and all the things that these folks have been doing to put broadband not only in the area which they were founded, but spreading out into other areas. My company alone, we've done millions of dollars' worth of broadband expansion and upgrades in the last three years that we self-funded. We utilized a broadband grant in 2010 to move into Columbus County and bring broadband to an area there that was using dial up. We want to reconnect last year and we're going to be doing a \$16 million project starting in a couple of months.

Jody Heustess:

We've utilized a GREAT Grant. We're nonprofits. So, we don't report to Wall Street, we report to Main Street, we can take a longer time to get a payback on our investment. We are in rural communities, we're used to serving rural communities and our focus is on rural communities. So I think there's a success story there. I think a lot of the stuff that's happening with the ReConnect Program is incredible. And hopefully they can continue that. Then the work of Jeff's group and George Collier, doing great work with a GREAT Grant.

Jody Heustess:

It would be awesome to see that not spread out over 10 years, but let's go ahead and get that money given to those folks so that they can make this happen in three years. Because 10 years from now it's too late. Let's see ... the floor not be 25/3. Let's push that up to 100 Meg, because what we ought to be shooting for in North Carolina, isn't good enough internet, we should be shooting for great internet. If you're going to spend money, if you're going to spend \$1 on providing a solution somewhere, let's make it a sustainable solution.

Jody Heustess:

25/3 is already obsolete. We don't even offer that anymore because it's too slow. So, look to success stories from companies that serve rural areas. That's what you get with your EMCs and your TMCs that are doing.

Sarah Thompson:

Thanks, Jody. Jeff, one thing I've learned in my journey through rural Internet is that there is no uniform solution, and there are areas that don't have telephone membership co-op, so maybe some of your examples of success stories could be about those projects.

Jeff Sural:

Sure, yeah. I have three and Jody alluded to EMC. So Roanoke EMC is doing great work there, an electric membership cooperative, that's their business. However, their CEO Curtis Wynn saw a need in his community, and as his member customers voiced their concerns about their broadband or lack of broadband connectivity, his company decided to step up and to offer those services. So, there's one example where an electric membership cooperative has entered into the business and will connect over 13,000 customers in northeastern North Carolina.

Jeff Sural:

Over in your neck of the woods of course, we saw a very creative partnership between Western Carolina University and Morris Broadband. And that partnership came about after the university decided to get out of the electric business it provided generation distribution, electricity to its campus and to some parts of Cullowhee and they decided to move on from that business but they had a lot of the key pieces of infrastructure that are necessary for a broadband business. Those include telephone poles and Empower and access to right-of-ways and in some other assets.

Jeff Sural:

So, working with our office, Keith Connor over out there, they were open to receiving bids from private sector internet service providers, and they entered into a partnership with Morris Broadband and they'll connect to start with over 3500 homes there in Cullowhee and potentially expanding to 7000. Now, that

the partnership will connect all of those homes without any state dollar investments or federal dollar investments. So there are creative solutions out there. We have Electricities across the state that have infrastructure that could support a partnership just like that.

Jeff Sural:

And then and then another example would be Country Cablevision up in Yancey and Mitchell counties, they were the recipient of a grand USDA grant several years ago, and the community partnered with that small cable company, and planned for additional funding, some matching funding from the company itself but from some other entities also. And so they were able to expand and provide high speed internet access to all the residents of Yancey and Mitchell Counties. And then finally, one more down south in Polk, PANGAEA, which was a partnership initiative that involved many different partners across the state, including the state itself.

Jeff Sural:

But PANGAEA is a nonprofit that provides a number of fiber to the premise services for businesses and in schools down in that area of the state, and they've done just a tremendous job in Polk and Rutherford Counties. And so there are a number of creative solutions out there. We have a large number of what we call fixed wireless providers (WISPs) they have emerged in the West in the East in those very remote locations and have done very well in providing and filling in the gaps where a wireline provider hasn't provided service.

Jeff Sural:

And so there are options out there and communities can explore those and we'd be happy to help communities to explore those different options.

Sarah Thompson:

Great. Thanks Jeff. The state office is a real asset, and we appreciate all your help. Well, I think we could continue talking for hours more on this topic. Thank you Robert, Jody, and Jeff for your answers to those pre prepared questions. Before we go on to questions from our participants, we have two legislators that have joined us this morning. First, I will introduce Senator Harry Brown from District 6. He's going to talk to us for about five minutes before his colleague jumps on and talks to us for another five. Senator, thank you for being here.

Senator Harry Brown:

Thanks, Sarah. Glad to be on. This is an interesting topic that I know we've talked about in the General Assembly for many years. And for a long time, it was where we asked the providers to come up with a fix, and I think Jeff may have mentioned it earlier that the business model just didn't work for the providers. So it became more and more clear I think, for us in the legislature, that we had to come up with a program to help fund the expansion across the state. And I know there's a lot of work done in the GREAT Program.

Senator Harry Brown:

And, we created that in the first year we put \$10 million in and those dollars of course required a match. So I think it ended up being around \$18 million that went out the first year. If you counted the match that went across rural parts of North Carolina, to kick this program off and it was a huge success because

we had requests for more money. Then the next year around we put \$15 million in and the exact same thing happened again. Those \$15 million went out pretty quick and there were more requests for an additional \$9 million.

Senator Harry Brown:

And that's why you saw in the COVID relief package that additional \$9 million, because we knew those requests were already out there to expand across the state. Then when you look at the match requirement, it will really spread this across the state even more. So we see that as really important and the panel mentioned a couple things. I think speed is important and I agree. I think we've got to continue to work to get as much speed as we can, so we don't have to go back later and try to correct that.

Senator Harry Brown:

I know in my district, Jeff and Patrick were in Jones County. Gosh, I guess it's been about five months ago. It doesn't seem that long ago but anyway, for a small provider, came up with a way to expand across Jones County, which is one of the most rural counties in the state. I'm fortunate I guess in a lot of ways to have Onslow County and Jones County can see the difference. And a county that's growing and doing well. And then I poor rural county like Jones County, and the struggles that they have, good broadband as well as other things.

Senator Harry Brown:

But again, a provider was willing to go into Jones County, and come up with a plan and make a difference in that small rural county. And those are really important. So, we made a commitment. I know we got to get this quicker, but I think in the GREAT Program, we passed the bill last year, to expand it to \$15 million, we did a long term commitment and we see this as something that is going to be a long term fix. But we got to fix it as quick as we can at the same time.

Senator Harry Brown:

So I think the legislature is committed to doing it, and we just have to continue to push it. But I think most of the members understand that there really are two North Carolinas when it comes to broadband. And we have got to find a way to fix it. I also want to mention in the bill we just passed for the coronavirus. We had \$11 million in there for connectivity. We had another ... I think it's \$20 million or so for hotspots on buses. So we really looked at some different ways that we could get more money involved in broadband, and I think that's a good thing.

Senator Harry Brown:

And I think it'll move this along much quicker, and it'll help those kids in some of these rural areas.

Sarah Thompson:

Thank you, Senator Brown. We truly appreciate those measures that the legislature has taken. Next we're going to hear from Representative Zach Hawkins from Durham. Representative Hawkins thank you for joining us.

Representative Zack Hawkins:

Thank you. Thank you for having me and I agree with my fellow legislator, Senator Brown that there are two North Carolina's and the legislature is incredibly dedicated to ensuring that we solve this problem. I grew up in rural Beaufort County, Chocowinity to be exact. That'll lead anybody to think that's a booming metropolis. Right? And went to school in Pasquotank, family in Carteret, and have traveled the state and have literally seen exactly what he said. Two North Carolinas.

Representative Zack Hawkins:

Some people can move forward and some people can't. And really the pandemic has exposed an ongoing issue. Nationally I think it's about 18 million nationally, Americans don't have access to broadband and high speed and as Jody mentioned, we have to have the highest speed, because this is an area just like technology, that's moving faster than we can keep up and so, we need to ensure that we're providing and having long term solutions, and especially when you start talking about rural North Carolina, but sometimes in urban areas, in the rural parts of those urban areas, you're dealing with connectivity issues.

Representative Zack Hawkins:

For me, it's really about ensuring that a mayor in a small town shouldn't have to, when they're trying to recruit business, they shouldn't have to talk about connectivity. An entrepreneur should be able to start a business in their garage, a kid shouldn't have to worry about going to McDonald's to do their homework. And so now that the pandemic has really brought this to light, we now understand that technology, telehealth, education and business are all impacted by the General Assembly's ability to act and move directly in this way.

Representative Zack Hawkins:

And so, I had the opportunity to watch the NC Impact with Patrick who did a really good job and others who participated. Look at Yancey County and Mitchell County in the far west, and what they were able to do with that national grant from I believe that USDA and their companies are expanding there and using the talent from the community colleges, it allows businesses to grow, I think a brewery has doubled and tripled the size. This isn't a partisan issue as you can tell with both of us being on the line and it really is one that I believe that place like Durham, I also include RTP.

Representative Zack Hawkins:

We want to make sure that every county around the state, has the ability to grow and expand and move there, because it also impacts young professionals moving there and deciding to raise a family and so we can't underestimate the impact. And for me, the policy solutions are pretty simple. I know we talked about a few of them, we have to empower our co-ops, and we have to make it affordable. We have to double the size of the GREAT Grant. And I can't remember who said it, but I would love to see \$300 million over five years.

Representative Zack Hawkins:

I know that's aggressive, but that's really just who we are. North Carolina, I think we're number nine in US population, soon to be in the top seven over the next two decades. And so we have to move in the direction of a state of our size, and then remove the restrictions from preventing last mile, and ensuring

that we include the Public Utilities Commission in some point. This is our new electrification. The project that probably did almost 100 years ago with making sure that every person across North Carolina received electricity in their home.

Representative Zack Hawkins:

We're really in that stage right now and, I'm passionate about this. I know my friend Joe Sam Queen is as well. We co-chair the work at the Broadband Working Group along with a few of our Republican and Democratic colleagues. And so this is something that I want to champion in the General Assembly and I'm so glad that you had us on today to talk about it. Because it's really the defining issue of our time. Thank you.

Patrick Woodie:

So our moderator got dropped. So this is the testament to we ... Here she is Sarah you're back.

Sarah Thompson:

Oh the irony of my internet going down mid-conversation.

Patrick Woodie:

Welcome back and Representative Hawkins just finished. I think we're ready for the Q&As.

Sarah Thompson:

Okay, great. Well, we have a few questions that were pre-submitted. We only have about 11 minutes left. And I know there's a lot of questions from our current participants as well. So to the panelists, and our legislators, whoever wants to jump in on these. A couple other questions touched on just some general confusion around why you could have pockets within a county that had great service. Then right down the road you might have no service or terrible service and how frustrating that is, as a resident and an advocate.

Sarah Thompson:

Can anyone touch on them? Jeff, can you answer to the discrepancies between service on a single road in a rural community sometimes?

Jeff Sural:

Well, from what we've seen, oftentimes it has to do simply with the provider's footprint. And, we were looking a couple weeks ago at a situation where a citizen sent us a picture and said, "Look, you can see the line going down one side of this road, this rural area, but we can't get it on the other side." And it simply has to do with cost and so, typically what we try to do in our office is troubleshoot that by going to the provider and saying, "Hey, can you provide service to the ... literally at times, the other side of the street or to a HOA that's down at the end of your line."

Jeff Sural:

And a lot of times, it's simply a business decision that they have to make. And so, what we've tried to do is work with those types of folks on creative solutions. And if those don't work of course funding is key in

those situations. But the providers can. Robert you talked to that better than I can, but that's what we've seen from our perspective.

Sarah Thompson:

Okay, well let's move on. A few of the other questions are around real general questions around, what are the plans to bring broadband to all of rural North Carolina and will we ever see a federal broadband act similar to rural electrification and will the state fund the GREAT Grant program to Tier One, Two and Three counties? And so I see all those questions as connected, and I think you can all speak to that and maybe give us a little bit of optimism and in your answer too as to how are we going to look towards what we all know is this necessary expansion of service to all parts of North Carolina?

Sarah Thompson:

Let's start with Robert on that one. Robert, how do you feel about that?

Robert Hosford:

Sure, Sarah. Well actually, Rural Development as an organization was founded by the Rural Utility Service, which was the electrification. And then, we moved to telephone. I don't know of any discussions in the Congress right now for enabling legislation for this type of thing, but they've done it in the past. And that's one of the reasons that this agency exists. So is the probability there? I think that if there's ever a silver lining in any terrible situation, this is really highlighting the need for members of Congress and for the folks in the state General Assembly.

Robert Hosford:

So, I just look back historically. We started as our RUS, Rural Utility Service. Put the telephone poles up and to get electric out to folks. So, we've trended that way since the '30s. So let's hope we continue to turn that way into the future.

Sarah Thompson:

Jeff or Jody, do you have anything to add to that?

Jeff Sural:

This is Jeff. Just real quickly, we developed at the direction of the General Assembly the state broadband plan, which was published in 2016. The governor issued an executive direct order last year creating the rural broadband taskforce and that taskforce is coming up with recommendations that would further or improve parts of that plan. And so we used that plan and the taskforce recommendations is the guidelines for how we're going to tackle this issue in the state. It's available at ncbroadband.gov.

Jeff Sural:

And then the other component of course, is the funding. And we address that with the GREAT Grant. But there's also important programs at the federal level like USDA, and they've done a tremendous job, by creating the ReConnect Program that is flexible enough to allow smaller companies and co-ops to apply. And then finally, the one thing that I didn't mention earlier, but is federal advocacy. The FCC,

Communications Commission has a program where they're going to spend \$20 billion over the next several years on the broadband in across the country.

Jeff Sural:

We have the opportunity here in the State, to receive \$390 million to connect over 168,000 households in our rural areas. What we need is accurate data. And we need to make sure that all that funding is available and coming to the state. So, there's a plan and a process that's in place and it currently has many different parts to it and including as we mentioned, the digital equity pieces, and we really need to tackle that affordability piece. I think that's the next big issue or big challenge for us in our plan. Thank you.

Sarah Thompson:

Jody, do you have anything to add?

Jody Heustess:

I think the day is going to come when it happens. It's just how close is that day to today. Electricity is the perfect example. It's there. 99% of folks in the state that wanted telephone service eventually could get it. This year, my company applied for three GREAT Grants and the ReConnect Grant and all that are encompassing of probably around \$40 million worth of projects and will be close to over 10,000 homes. And our investment in that would be somewhere around \$12 to \$13 million. We're willing to do it.

Jody Heustess:

That's our goal. It's one house at a time. And as long as there are programs like the GREAT Grant out there that get funded each year and as long as there are federal programs out there, like ReConnect and we plan to be a big player in the art off auction that comes up the Rural Digital Opportunities Fund auction that comes up in October. We're going to continue to take part in those and get one house served at a time.

Sarah Thompson:

Great. Thank you. Brandy, I'm going to pass this to you so we can get in at least one or two questions from the audience.

Brandy Bynum Dawson:

Yeah, thank you for that, Sarah. There are actually a number of questions looks like 37 to be exact to have come in, throughout this discussion, and so I'll highlight just a few of them. I think that quite a few of them already been answered and responded to by our panelists, but ones that have not yet. So I'll outline those now. So there are a number of questions regarding FCC definition of broadband. People alluding to the fact of inaccurate mapping regarding where there is really not access, but it's seen as access by the FCC definition.

Brandy Bynum Dawson:

So can you on the panel kind of speak to that and the issues and what folks can do to get more accurate data out there?

Jeff Sural:

This is Jeff. I'll just address it real quickly from our offices initiatives. The FCC, will be changing the way that it collects that information from internet service providers in the next year or two. So that change should help with the granularity of the data that we are receiving. And then additionally, we've been working with, we're originally one of eight states to work with a National Telecommunications and Information Administration, to create a map that would give us more granularity.

Jeff Sural:

We also work with a researcher out of the university to create maps to give us a better idea of the issues or challenges, not only around access, but also adoption. And then finally, I mentioned the survey. We'll have that farm survey report out soon, but people can speak up and actually tell us, take the speed test at home if it's a quality service issue. If it's not, we'll have a phone option available, and you can tell us you don't have access at all. And so I think that puts the power in a voice with the people to give us additional data.

Jeff Sural:

So we're walking across a number of different initiatives to try to get better data.

Brandy Bynum Dawson:

Great, thank you. Again, there are a number of questions surrounding those concerns and issues. And then lastly, I'll just kind of end the Q&A, acknowledging the fact that we have not had a chance to get to all the questions, but we will work our best with our panelists to have responses to your question posted to the Rural Talk section of our website. So just to be mindful of time, we'll move on but I think a number of what you all have stated has actually been answered already. And for what has not, we will definitely not leave you hanging, we will post that information to our website, so be sure to go there.

Brandy Bynum Dawson:

And then just really quickly as a couple of last minute kind of housekeeping items, just to remind you all that you have attended the first of our five part series, so if you have not registered for the other sessions, please go to our website and do so. And you see the dates there. It'll be the same time generally the same place. So we hope to see you at our other sessions. In addition to that, I just want to take it a moment of privilege, I'll say, and remind folks if you have not taken the five to seven minutes to complete your Census, when you get off this call do that.

Brandy Bynum Dawson:

We're encouraging you, let's make sure that every North Carolinian, especially rural North Carolinians are counted in the 2020 Census. It's important for political representation, federal funding allocations, as well as community economic development. We need all those dollars to come home to North Carolina. And last but not least, I want to thank our esteemed panelists. Our legislators, our experts in the field as well. Thank you, Sarah as well for moderating a beautiful discussion. And most importantly, thank you to all of you for attending today's session.

Brandy Bynum Dawson:

Again, we hope to see you all soon and be well.