

North Carolina's Broadband Vision – Closing the Digital Divide



While North Carolina's economy recovers from the COVID-19 pandemic, the gap is widening between residents enjoying economic growth and those struggling to secure jobs, find housing and pursue educational resources. This gap is especially wide for Native American, Black and Latinx communities. One measure of economic success is access to high-speed internet and there are still parts of the state that are unserved or underserved with residents and businesses struggling to compete in the digital economy. The pandemic underscored the critical need for high-speed internet connectivity to close this gap.

In North Carolina, at least 1.1 million households are on the wrong side of the digital divide. Nearly 30% of these households lack access to a high-speed internet connection; and roughly half are priced out of internet access required to spend at least two percent of monthly income on a \$60 per month subscription. Many also lack the digital skills to take advantage of telehealth opportunities, pursue an education using virtual tools or use online job boards to find work. Through targeted investments we can change these statistics and achieve digital equity.

Becoming A Leader in High-Speed Internet Adoption

Governor Cooper is committed to closing the digital divide so all North Carolinians can live more abundant, better educated and healthier lives.

This means not only providing access to affordable, high-speed internet in every corner of the state, but also ensuring it is equitably adopted and residents feel enabled to use it.

By 2025, North Carolina can become a national leader, ranking in the top five states for high-speed internet adoption. As North Carolinians across the state can get, afford and use high-speed internet, they can take advantage of job, education, and health opportunities. That can drive the state's economy.

To achieve digital equity, Governor Cooper's plan invests more than \$1 billion in federal American Rescue Plan funds in these key areas:

- Infrastructure and Access
- Digital Literacy

How Does Broadband Help North Carolina?

Broadband is a critical tool for North Carolinians. Widespread, equitable access across geography, race and income opens access to business, educational opportunities and healthcare.

With broadband:

- Students learn during emergencies. Residents in all career phases gain new skills for employment.
- Small business owners and aspiring entrepreneurs break into new, growing e-commerce markets.



- Jobseekers find new employment and upgrade their skills for new careers.
- Those living far away from medical centers access quality healthcare and expertise.

Who Cannot Access Broadband?

- At least 1.1 million households have no access to high-speed internet, leaving them on the wrong side of the digital divide.
- A 9% gap exists in broadband adoption by White, Black, Latinx, Asian and Native American households.
- 19% of households with children do not have high-speed internet subscriptions.

What Are the Challenges?

Infrastructure is a major challenge, affecting both rural and areas.

- At least 122,000 or 4% of urban households and 43,000 or 35% of rural households in rural areas do not have adequate infrastructure.
- At least 620,000 North Carolinians do not have access to infrastructure for internet speeds of at least 25/3 Mbps.
- Another 266,000 households lack infrastructure for internet speeds of 100/20 Mbps.

Affordability is a barrier to low-income households.

- A monthly bill of \$60 eats up more than 2% of the monthly income of 1.3 million households in North Carolina.
- Only 47% of households in North Carolina have access to plans at \$60 a month or less.
- Surveys indicate that broadband uptake would increase among low-income households if available at \$10-\$20 a month.

Having broadband access does not mean being enabled to take full advantage of it.

- As many as 1.2 million adults in North Carolina might not have the digital skills or tools to participate in the digital economy.
- An estimated 430,000 households do not have a laptop or desktop and 180,000 also do not have a smartphone.

What's the Solution?

North Carolina is investing more than \$1 billion in more than four years to become a national leader in broadband that:

1. Makes high-speed internet infrastructure accessible to all households
2. Offers affordable internet subscriptions to all households, especially those with children
3. Closes gaps in adoption affecting Native American, Black and Latinx households
4. Provides access to devices, digital training and tools to connect residents to the digital economy

North Carolina can accomplish this by investing:

- Investing \$971 million to rapidly build crucial infrastructure in unserved areas to give internet speeds of 100/20 Mbps to 98% of households and 50/10 Mbps to 100% of households with the ability to handle future speeds of 100/100 Mbps
- Investing \$50 million to create awareness and support digital literacy and skills training to participate in the digital economy
- Promoting federal programs for affordable internet

For more details on Governor's Cooper's plan to close the digital divide, with information on resources and programs available, visit www.ncbroadband.gov/digital-divide.