



Commonwealth of Kentucky
Governor Ernie Fletcher's Communications Office

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**U.S. CONGRESS PROPOSES NATIONAL TECHNOLOGY EFFORT
TO MODEL KENTUCKY INNOVATION**

Kentucky Shines in Light of National "Innovation America" Week



FRANKFORT, Ky. – The United States Congress has numerous efforts underway to establish a national initiative to replicate Kentucky's nation-leading technology development success that has resulted from ConnectKentucky's implementation of Governor Ernie Fletcher's *Prescription for Innovation*.

The bipartisan Connect the Nation Act of 2007 was recently filed by Senator Dick Durbin (D – Illinois) to encourage the rapid deployment of affordable broadband Internet service, particularly in rural areas. The legislation supports a grant program that would enable states to implement an initiative similar to ConnectKentucky, a public-private partnership leading efforts to accelerate broadband availability and technology literacy throughout the Commonwealth.

The developments in Congress come amidst nationwide efforts to highlight the importance of technology and innovation in regard to America's ability to compete in the global economy. This week, May 14 – 18, has been proclaimed by the National Governor's Association as *Innovation America* week – a time in which governors are encouraging innovation by focusing on the importance of technology for providing a quality math and science education, helping colleges and universities better prepare the workers of tomorrow and promoting investment in the businesses and entrepreneurs of the future.

"ConnectKentucky has brought together Kentucky's most innovative businesses, public agencies and educational entities to orchestrate a technology turnaround for the Commonwealth," said Governor Fletcher. "At an increasing rate, technology companies are locating in Kentucky, entrepreneurs are developing businesses in Kentucky and jobs are growing in Kentucky because the Commonwealth now has the technology

infrastructure and a more technology-savvy workforce to support business creation and growth.”

Through the work of ConnectKentucky and its partners, Kentucky’s *Prescription for Innovation* has led to the following successes during the last two years:

- Kentucky is recognized as the **national leader** in technology acceleration with the *Prescription for Innovation* repeatedly acknowledged as the national model for states;
- Broadband inventory maps have been created for the entire state, promoting current coverage and allowing providers to better target unserved areas;
- **Broadband availability has increased from 60 percent to 93 percent** of households able to subscribe (on track to reach 100 percent by the end of 2007), representing 518,000 previously unserved households and more than 1.4 million residents that can now access broadband;
- **Broadband use at home has increased 73 percent**, a rate that has led the nation;
- Broadband use among Internet connected businesses rose from 65 percent to 85 percent;
- **Home computer ownership grew by 20 percent** while the national average rose by 4 percent;
- More than **\$667 million in private capital investment in Kentucky telecom infrastructure** (unprecedented);
- Nearly **2,000 home computers have been distributed** to the homes of underprivileged Kentucky students through the No Child Left Offline program;
- **eCommunity Leadership Teams have been established in every Kentucky county** creating grassroots technology growth plans across nine sectors;
- More than **70 percent of Kentucky counties now operate or are in the process of constructing a meaningful web presence** for e-government and online citizen services, up from about 30 percent just two years ago; and
- **22,000,000+ positive media impressions** have covered Kentucky technology growth.

Over the last two years, more than 14,500 total technology jobs have been created in Kentucky[1]. Perhaps the most appropriate place to isolate and measure the direct employment impact of broadband expansion efforts is in the Information Technology (IT) sector. During the same two year period, **in the IT sector alone, Kentucky jobs have grown at a rate 31 times the national growth rate: 3.1 percent for Kentucky versus 0.1 percent nationally.**

The nationwide statistics for broadband adoption are bleak in comparison to those of Kentucky. According to a recent study released by the international Organization for Economic Cooperation and Development (OECD) the U.S. continues to fall in high-speed Internet rankings, dropping three places in six months to 15th out of 30 developed countries. Ranking at the top is Denmark with 67 percent of their citizens subscribing to broadband.

During recent testimony to the U.S. Senate Commerce, Science and Transportation Committee, ConnectKentucky CEO Brian Mefford said, “Kentucky, as a microcosm, has

demonstrated the importance of the national broadband discussion and the relevance of technology to America's ability to compete.”

“Technology has become the great equalizer, creating opportunities, fueling better education, higher quality healthcare and better quality of life – regardless of where an individual or community happens to be located,” said Mefford.

About the 2007 Connect the Nation Act: The model used by ConnectKentucky for broadband and technology expansion has been recognized repeatedly as a national leader, and is a program that would be easily transferable to other states throughout the nation. The Connect the Nation Act would work toward remedying America's broadband challenges on a state-by-state level using a program carried out in a similar fashion to that of ConnectKentucky. It calls for:

- A solution for ubiquitous broadband deployment and increased adoption by encouraging and funding public-private partnerships at a state level.
- Establishing a grant program to enable each state to develop a comprehensive approach to broadband deployment while simultaneously driving broadband adoption and technology development at a local community level.

The legislation would further allow non-profit organizations that have established a partnership with state government to apply for funding to:

- Identify and map the gaps in broadband service;
- Measure and track broadband and information technology use among citizens and businesses, investigate barriers to adoption at a local level and provide market analysis for unserved areas;
- Develop local technology planning teams with members representing a cross section of the community;
- Equip and facilitate local technology planning teams with the tools and resources to improve technology use within each sector; and
- Establish effective programs to improve computer use and Internet access for disenfranchised populations.

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About ConnectKentucky: *ConnectKentucky connects people to technology in world-altering ways: improving the lives of the formerly disconnected; renewing hope for previously withering rural communities; driving increases in the number of tech-intensive companies and jobs; and nurturing an environment for lifetime learning, improved healthcare, and superior quality of life. ConnectKentucky develops and implements effective strategies for technology deployment, use and literacy in Kentucky, creating both the forum and the incentive for interaction among a variety of people and entities that would not otherwise unite behind common goals and a shared vision. This level of teamwork is ensuring Kentucky remains the place of choice to work, live, and raise a family*

For more information about what ConnectKentucky is doing to accelerate technology in Kentucky's communities and to promote its model nationally, visit www.connectkentucky.org.

[1] Bureau of Labor Statistics (BLS) for two year period beginning January 2005 through December 2006. Includes jobs created in the following NAICS sectors: information; finance; professional, science, and technical; management; and healthcare. Sectors are comprised primarily of high tech jobs and all jobs within these sectors are "technology based". Other sectors include additional technology jobs; however, these jobs are aggregated with other non technology jobs, such as in the manufacturing sector. As BLS does not disaggregate these jobs, they could not be included in the figure above, which results in an understatement in the reporting of technology jobs.