

**TESTIMONY OF JONATHAN LARGE
DAN RIVER DISTRICT SUPERVISOR
ARARAT, VIRGINIA**

The County of Patrick was formed in 1791, and it is currently home to 19,517 citizens. One third of Patrick County is in the rolling Piedmont plateau, and the remaining two-thirds is the picturesque Blue Ridge Mountains where the Blue Ridge Parkway forms the County's western border with Carroll and Floyd Counties to the north.

Patrick County is composed of 483 square miles, and the land is generally characterized by gently rolling terrain. The population density is 40 people per square mile. There are 9,823 housing units at an average density of 20 per square mile. The per capita income for the county is \$15,574. About 9.6 percent of families and 14.4 percent of the population are below the poverty line; the current unemployment rate in Patrick County is 11 percent, which is almost double the state average. Patrick County is located at a juncture of the rolling hills of the Southern Piedmont and the crest of the Blue Ridge Mountains, making a portion of the county steep and uninhabitable. This topographic change causes distinct seasonal and temperate differences within the county. It is also the reason for Patrick County's beautiful scenery, varied outdoor recreational opportunities, and some of its most renowned tourist attractions. However, it also creates a problem for Internet connections and cell phone reception. No outside waters flow into Patrick County; all five rivers that leave the community have their headwaters here. Elevation change in Patrick County rises from a low of 800 feet near Critz to a high of 3,400 feet near Meadows of Dan.

Patrick County has long depended on the textile and lumber businesses to provide the county residents with job opportunities and employment benefits and a sense of satisfaction for a job well done.

Our textile and tobacco industry has been devastated by the loss of jobs to foreign countries, like many other communities in Southside Virginia and Piedmont North Carolina. There are empty factories which provided our citizens with jobs for decades. Those plants now sit empty with little or no hope of any other such industry coming into the county to fill the buildings and offer employment for those needing to work. Our residents have to leave the county and state in some instances, to find employment where their skills can be utilized, or the jobs they take require very little skills or training. This normally leads to lower wages to replace the earnings around which they built their household budgets. Many are living on much less than before.

Our lumber industry fed the housing markets and other lumber industries such as furniture. Since the housing market has drastically dropped, the demand for lumber is limited. Again, those who were lucky enough to find employment elsewhere normally had to take a reduction in take-home pay and thus their standard of living.

The county is working hard to help our residents and support those businesses that are still employing county residents. We are seeking new businesses, but no large companies are in our sights to provide a significant number of new jobs. We have programs in our local schools that offer our students the opportunity to graduate

from high school with a high school diploma and an Associates Degree. This means the students have the opportunity to further their education by using the earned credits to go to a four year college or to get higher paying jobs with their advanced degree. The students need the capability to connect via high speed Internet to do research or complete course assignments from their homes. The schools simply cannot provide enough computers simultaneously for all the students who want to use them at school.

Unless the county can provide jobs within the county for these students, they will leave the area to find employment that will utilize their newly learned skills and pay good wages for the work. Some of these students may also become self-employed or may become entrepreneurs and will need affordable high speed Internet to become competitive in the marketplace. If the county has any hope of recruiting new companies to the area, high speed Internet connectivity is an inherent demand to be met. The company itself will need affordable high speed connections to run their business. If it is not available, they will not come. The new companies will bring new residents to the county. Those residents will most likely be familiar with broadband connections at their homes. Some may even be or become remote workers, but only if they can connect to the office through the Internet.

For those residents who have lost their jobs, learning new skills is mandatory to find almost any employment. In some cases, they may need to complete their GED. Others may need training in certain technical skills while others seek to complete degree courses or seek higher degrees such as a Masters Degree. All can be accomplished from their homes if they have broadband Internet available. This reduces the amount of time they are away from home and their families. It also reduces the expenses of gas and automobile usage because they do not have to drive to the actual campus or training facility. Many people have not been in a classroom in a long time and are intimidated by the thought of having to be in a room with others who they believe to be so much smarter than themselves. If the amount of classroom time is greatly reduced, we fully believe many more will seek educations to help themselves and their families. These same people, once they have become Internet "savvy," will seek more knowledge, do more research and may find employment over the Internet or work from home.

If Patrick County provides these types of opportunities to our citizens and businesses, we keep our current residents, our students and our businesses. We start new businesses or attract new businesses to our area, which provides employment for our people. Those businesses will spawn other businesses and more employment. Home purchases will rise to fill the need for housing, which can then fuel our lumber industry. Our tax base should increase as a result of more jobs, more people and more businesses, all which will then fuel other local companies in retail and service industries.

We believe Patrick County must provide the infrastructure to build a network which will provide the broadband connections at affordable prices. Due to Patrick County's rural and mountainous nature, the Extension of Last Mile Telecommunications Initiative was enacted in 2000. This project, funded through grants from the Tobacco Commission, provided construction of the Mid-Atlantic Broadband project. Along with local providers, Patrick County completed an advanced fiber backbone along main road arteries in the populated region of the county. Although this improved backbone for high speed Internet capability assisted local demand, as mentioned previously, with the mountainous terrain of peaks and valleys, it still resulted in large gaps throughout the county of unserved populations. It is important to have both wired and wireless broadband capability to fully serve the remote regions of the county. A recently completed broadband study confirms that there is a significant unserved population for high speed Internet. Based on the study, high speed Internet itself will create a new business, employment and education advancement for our county. We have waited and have fallen far

behind communities that have many choices for high speed connectivity which keep or bring new jobs to their people. We can wait no longer.

CLAUDVILLE COMMUNITY EXPERIENCE

Claudville was once one of the largest tobacco producing communities in Patrick County. It is situated in the South West corner of Patrick County adjacent to the North Carolina State line and is both geographically and demographically challenged. State Highway #103 transverses into NC through the heart of Claudville and according to DOT has a greater percentage of Commerce, (Transfer Truck traffic) than any of the other major roads in Patrick County. The demise of tobacco production brought on by external forces has been detrimental to this rural area. A way of life for generations of tobacco farming families is forever gone. Small business that once supported tobacco farmers with workers, services, and supplies met the same fate.

Changing economies in the industries have resulted in the closing of the textile and furniture factories within a 50-mile radius. So, jobs are unavailable to fill the void. Now we have been forced to diversify. Some farms have converted to alternative farming such as cattle, small grain, and produce. However, these will never bring in the revenue provided by manufacturing and tobacco production. Others that have lost jobs are finding ways to earn money by starting on-line Internet businesses. Active, small in-home businesses are still in the community.

We have high speed Internet service to all our public schools in Patrick County, but our students cannot take advantage of the systems full potential without high speed Internet in their homes.

- EXPLANATION OF RURAL CONNECTIVITY GRANT FAILURE

In January of 2007, Roger Hayden, Chairman of Patrick County Broadband Taskforce, worked with Representative Boucher to develop a plan for a USDA Rural Connectivity Grant, partnering with EMBARQ to supply high speed Internet connectivity to the Claudville community. This also included updating our Community Building by building a 10 Computer Learning Center and funding to operate for 2 years. Everyone in the Community was very happy; finally we had gotten a break. I had worked for over a month with EMBARQ and [explain who Richard Schollmann is]. Everyone was upbeat, everything was in order and no problems were foreseen. We knew there was fiber up the Route 103 corridor; however, it was not being used to provide high speed broadband service, so that was not a concern with respect to applying for the grant.

We had the Survey reports ready for a March 2008 broadband meeting [with who?]. After all of the groundwork we had done, another Internet provider in the area came forward in the meeting and said that they had established a presence in this area and were supplying high speed Internet service to Claudville. Therefore, the community was ineligible for a grant because the program rules stipulated that there could be no high speed service in the area.

There was disappointment that after all of our preparation, our hopes of receiving a grant were thwarted. We read the RUS requirements regarding existing service and confirmed that high speed Internet service to ONE house was enough to make the entire Claudville community ineligible for a grant.

This was a couple of years ago, and the company that was serving a single household has not provided fiber up the main road, with nodes, and they are not even providing high speed Internet service to homes on the side of the road they already serve.

The Claudville experience is an example of the importance of having reasonable definitions of "unserved" and "underserved." In this case, the definition of "unserved" used by RUS could be construed as overly restrictive, because if just one or two houses in a community have access to broadband, RUS considers the community "served," and it is ineligible for its grants program. Communities should not be disqualified from receiving stimulus support if only a handful of homes in an otherwise unserved community have access to broadband.

I want to thank you for the opportunity to inform the committee about Patrick County, Virginia and how we believe the recovery and stimulus initiatives can help us with our broadband needs in order to stimulate our economy and better educate our families at home.