

**PREPARED REMARKS OF FCC CHAIRMAN JULIUS GENACHOWSKI
CONNECT2COMPETE ANNOUNCEMENT WITH HUD SECRETARY SHAUN DONOVAN
SOUTHWEST FAMILY ENHANCEMENT CENTER
WASHINGTON, D.C.
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We are here together today because the FCC and HUD share another common goal – ensuring internet access and digital literacy for the roughly 100 million Americans who haven't yet adopted broadband at home.

At the FCC, my primary focus as Chairman has been promoting innovation, investment, and competition in the broadband sector to benefit consumers, grow our economy, enhance U.S. competitiveness, and create jobs.

America's broadband sector has been incredibly successful. Over the past four years, we've regained global leadership in mobile and other key areas of the broadband economy.

The information and communications technology sector is thriving. Annual capital investment in U.S. wireless networks has grown by more than 25% since 2009, and the U.S. accounts for one quarter of global investment in mobile infrastructure – the most of any country. The U.S. "apps economy" is the envy of the world, and the U.S. leads the world in deploying 4G mobile at scale.

And across education, health care, energy, public safety and other areas of national importance, broadband is unleashing new innovation and new opportunity.

Broadband is the central platform for economic growth, information, and opportunity in the 21st century – it has the power to give every American with an Internet connection access to a world of new opportunities that might previously have been beyond their reach.

Two days ago, the *New York Times* ran a story about Mooresville, North Carolina, where they've issued laptops to their public school students and implemented EdTech strategies, which led to a spike in test scores and graduation rates.

We've made great progress, but we still have work to do. Roughly 1 in 3 Americans – nearly 100 million – still haven't adopted broadband at home. Low-income Americans and minorities are disproportionately on the wrong-side of the digital divide. Only about half of all Latinos have adopted broadband in the home.

Why does this matter to each of us, and to the nation? The costs of digital exclusion are rising. Offline Americans are missing out on opportunities in education, health care, and employment.

Over 80% of Fortune 500 companies post job openings exclusively online. Over half of today's jobs require technology skills, and nearly 80% of jobs in the next decade are projected to require digital skills. Closing the broadband adoption and digital literacy skills gap is critical to the future of our economy.

The good news is we've narrowed the adoption gap over the past 4 years. Since 2009, the adoption rate has increased from about 60% to about 70%. Progress has been faster for mobile broadband. Smartphone ownership has increased from 16% to over 55%, and minorities are adopting mobile at a faster rate than the general population.

But for what needs to be a universal service, that's still not good enough. We can't have millions of Americans on the wrong side of the digital divide.

That's the problem that Connect2Compete is working to address, every day. Connect2Compete is focused on tackling the obstacles to broadband adoption – primarily cost and digital literacy.

On digital literacy, libraries across the country - along with companies like Best Buy - have committed to offering free digital skills training as part of Connect2Compete. I'd also like to thank Susan Hildreth for her leadership and incredible support of this program – the importance of America's libraries in closing the digital divide cannot be overstated.

I also want to commend Congressman Ed Markey for his leadership on broadband and for preparing a resolution to make National Digital Literacy Day a reality.

Now, Secretary Donovan and I are excited to announce two new commitments in the fight to close the digital divide.

First, HUD will join C2C's Digital Literacy Coalition as a digital literacy outreach partner. HUD serves over 4 million households in public housing, more than 2 million with children, and now will be a member of C2C's digital literacy coalition of libraries, non-profits, and community centers.

This is a major step forward to increase C2C's visibility and reach even more Americans with broadband, digital literacy training, and low-cost computers. HUD staff and volunteers will help us raise awareness with its partners across the country on what C2C has to offer. Furthermore, Public Housing Authorities, Multifamily Homes, and other HUD-funded organizations will encourage eligible families to consider digital literacy training opportunities and assist in registration.

Second, C2C and Best Buy's Geek Squad will launch free digital literacy training at C2C partner facilities, including HUD Neighborhood Centers starting in spring 2013. The initial program rollout, convened by C2C and the Geek Squad will take place this spring in Chicago, Detroit, Miami, Philadelphia, St. Paul, and Washington, D.C. – with plans to reach 12 cities by this summer.

This innovative new C2C digital literacy training program will teach basic computer skills, such as how to sign up for an email address, edit and send emails, and search the Internet.

Thank you again to all the partners of the Connect2Compete coalition. And thank you to Secretary Donovan for launching this effort to provide digital literacy training to over one million more Americans. We are proud to be partnering with you on this important initiative.

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