Fact Sheet: 2016 Broadband Progress Report
Chairman's Draft

Background

Section 706 of the Telecommunications Act of 1996 requires the FCC to determine whether "advanced telecommunications capability" -- broadband -- is being deployed to all Americans in a "reasonable and timely fashion." If the answer is negative, the Act requires the FCC to "take immediate action" to speed deployment. Following is a summary of Chairman Wheeler's draft of the 2016 Broadband Progress Report, which he is circulating to his fellow commissioners for their consideration at the January 28 Open Meeting.

The Conclusion

- While the nation continues to make progress in broadband deployment, advanced telecommunications capability is not being deployed in a reasonable and timely fashion to all Americans.

  Factors leading to this conclusion are as follows:
    - Approximately 34 million Americans still lack access to fixed broadband at the FCC's benchmark speed of 25 Mbps for downloads, 3 Mbps for uploads
    - A persistent urban-rural digital divide has left 39 percent of the rural population without access to fixed broadband
        - By comparison, only 4 percent living in urban areas lack access
        - 10 percent lack access nationwide
    - 41 percent of Tribal Lands residents lack access
    - 41 percent of schools have not met the Commission's short-term goal of 100 Mbps per 1,000 students/staff.
        - These schools educate 47 percent of the nation's students,
        - Only 9 percent of schools have fiber connections capable of meeting the FCC's long-term goal of 1 Gbps per 1,000 students
    - Internationally, the U.S. continues to lag behind a number of other developed nations, ranking 16th out of 34 countries

Other Findings

- Advanced telecommunications capability requires access to both fixed and mobile broadband
    - Fixed and mobile service offer distinct functions meeting both complementary and distinct needs
        - Fixed broadband offers high-speed, high-capacity connections capable of supporting bandwidth-intensive uses, such as streaming video, by multiple users in a household.
            - But fixed broadband can't provide consumers with the mobile Internet access required to support myriad needs outside the home and while working remotely.
        - Mobile devices provide access to the web while on the go, and are especially useful for real-time two-way interactions, mapping applications, and social media
            - But consumers who rely solely on mobile broadband tend to perform a more limited range of tasks and are significantly more likely to incur additional usage fees or forgo use of the Internet.

- The increasingly dynamic nature of residential and business communications requires both fixed and mobile broadband access. A standard reflecting access to both fixed and mobile broadband reflects current consumer needs, usage, and preference.

- *However, given the current record, the FCC does not yet set a mobile speed benchmark, so deployment of mobile broadband is not reflected in the current assessment.*

Improved Access

Percentage of Americans Lacking Access to Fixed Broadband at 25/3

	2014	2013	2012
United States	10%	17%	20%
Rural Areas	39%	53%	55%
Urban Areas	4%	8%	11%
Tribal Lands	41%	63%	68%
Rural Areas	68%	85%	89%
Urban Areas	14%	41%	47%
U.S. Territories	66%	63%	100%

Ongoing Commission/administration/industry actions to increase broadband deployment

- Acceptance by 10 carriers in August, 2015 of $1.5 billion in annual support from Connect America Fund to expand rural broadband deployment to 3.6 million homes and business by the end of 2020 in 45 states and one territory.
- Authorization by Dec. 2015 of $34 million in support through the Rural Broadband Experiments program in 12 states
- Following modernization of the E-rate program to better support fiber and Wi-Fi in schools and libraries, the FCC has issued more than $2.8 billion in funding commitments, including $1 billion for broadband connections of 100 Mbps and higher, and $1.1 billion for Wi-Fi for Funding Year 2015.
- Further Notice considering modernization of Lifeline program to support broadband
- Open Internet order ensures an open platform for network and application innovations, which drive increased consumer demand for faster, better broadband
- Brought pole attachment rates for cable and telecom companies to near-parity
- HUD ConnectHome program to bring high-speed broadband to low-income housing in 27 cities
- As part of the Commission's efforts to ensure access to robust and affordable mobile voice and broadband service, the Commission has conducted two Mobility Fund auctions:
  - Mobility Fund Phase I auction, with winning bidders eligible to receive a total of up to approximately $300 million in one-time support to provide 3G or better mobile voice and broadband services to areas where those services did not exist, and
  - Tribal Mobility Fund Phase I auction, with winning bidders eligible to receive a total of up to approximately $50 million in one-time support to provide 3G or better mobile voice and broadband services to Tribal lands
- Investment by industry of $78 billion in network infrastructure in 2014 (US Telecom)
- Investment by wireless providers of $32 billion in 2014 (CTIA)