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BROADBAND PROGRESS REPORT: SIGNIFICANT IMPROVEMENTS BUT DIGITAL DIVIDE PERSISTS

Washington (January 28, 2016) – While the nation has made significant progress in broadband deployment, 34 million Americans still lack access to broadband meeting today's benchmark speeds of 25 Mpbs for downloads/3 Mbps for uploads, according to the Federal Communications Commission's 2016 Broadband Progress Report.

The report also finds that a persistent digital divide has left approximately 40 percent of the people living in rural areas and on Tribal Lands without access to service at the FCC's speed benchmark. In addition, while connectivity for schools has greatly improved since the FCC began modernizing its E-rate program, 41 percent of schools have not yet met the FCC's short-term goals for connectivity capable of supporting digital learning applications.

For these reasons, the 2016 report concludes that broadband is not being deployed to all Americans in a reasonable and timely fashion.

The report also determines that today's communications landscape requires access to both fixed and mobile broadband services, which offer both distinct and complementary functions. However, because the Commission has not yet established a mobile speed benchmark, deployment of mobility is not reflected in the current assessment.

Section 706 of the Telecommunications Act of 1996 requires the FCC to report annually on whether advanced telecommunications capability "is being deployed to all Americans in a reasonable and timely fashion." Congress defined advanced telecommunications capability as "high-quality" capability that allow users to "originate and receive high-quality voice, data, graphics, and video" services.

Key findings in the 2016 report, which the Commission adopted today, include the following:

- <u>Overall Deployment</u>: 34 million Americans (10 percent of the population) lack access to fixed broadband at speeds of at least 25 Mbps for downloads/3 Mbps for uploads
 - Deployment improved significantly from last year's report, which found 55 million (17 percent) without access to 25/3 Mbps service
- <u>Persistent Urban/Rural Disparity</u>: Americans living in rural areas and on Tribal lands continue to disproportionately lack access, as 39 percent of the rural population (23.4 million Americans), and 41 percent of residents of Tribal lands (1.6 million Americans) lack access to 25/3 Mbps service
 - By contrast, only 4 percent of urban Americans lack access to 25/3 Mbps broadband

- These numbers show improvement from last year's report, when 53 percent of rural residents lacked access, and 63 percent of the residents of Tribal Lands lacked access
- <u>Broadband speeds for schools:</u> Only 59 percent of schools have met the FCC's shortterm goal of purchasing service that delivers at least 100 Mbps per 1,000 users, and a much smaller percent have met the longer-term goal of 1 Gbps/1,000 users.

For the first time, the report also includes data for satellite broadband services. The FCC applies the same speed benchmark—25/3—to both fixed terrestrial and fixed satellite broadband services, while observing significant differences involving technical capabilities and adoption patterns between fixed terrestrial and fixed satellite services. No satellite broadband service met that speed benchmark during the reporting period.

The Report concludes that more work needs to be done by the private and public sectors to expand robust broadband to all Americans in a timely way. The FCC will continue working to accelerate broadband deployment and to remove barriers to infrastructure investment, in part by direct subsidies, and in part by identifying and helping to reduce potential obstacles to deployment, competition, and adoption.

Action by the Commission January 28, 2016 by Report (FCC 16-006). Chairman Wheeler and Commissioners Clyburn and Rosenworcel approving and issuing separate statements. Commissioner Pai concurring and issuing a separate statement. O'Rielly dissenting and issuing a separate statement.

Previous Broadband Progress Reports are available at: <u>https://www.fcc.gov/encyclopedia/archive-released-broadband-progress-notices-inquiry</u>

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