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FCC FINDS U.S. BROADBAND DEPLOYMENT NOT KEEPING PACE

Updates Broadband Speed Benchmark to 25Mbps/3 Mbps to Reflect Consumer Demand, Advances in Technology

Washington, D.C. – Broadband deployment in the United States – especially in rural areas – is failing to keep pace with today's advanced, high-quality voice, data, graphics and video offerings, according to the 2015 Broadband Progress Report adopted today by the Federal Communications Commission.

Reflecting advances in technology, market offerings by broadband providers and consumer demand, the FCC updated its broadband benchmark speeds to 25 megabits per second (Mbps) for downloads and 3 Mbps for uploads. The 4 Mbps/1 Mbps standard set in 2010 is dated and inadequate for evaluating whether advanced broadband is being deployed to *all* Americans in a timely way, the FCC found.

Using this updated service benchmark, the 2015 report finds that 55 million Americans – 17 percent of the population – lack access to advanced broadband. Moreover, a significant **digital divide** remains between urban and rural America: <u>Over **half** of all rural Americans lack access to 25 Mbps/3 Mbps service.</u>

The divide is still greater on Tribal lands and in U.S. territories, where nearly 2/3 of residents lack access to today's speeds. And 35 percent of schools across the nation still lack access to fiber networks capable of delivering the advanced broadband required to support today's digital-learning tools.

While significant progress in broadband deployment has been made, due in part to the Commission's action to support broadband through its Universal Service programs, these advances are not occurring broadly enough or quickly enough, the report finds. 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, and the accompanying Notice of Inquiry seeks comment on what additional steps the FCC can take to accelerate broadband deployment.

Key findings include the following:

- 17 percent of all Americans (55 million people) lack access to 25 Mbps/3 Mbps service.
- 53 percent of rural Americans (22 million people) lack access to 25 Mbps/3 Mbps.
 - By contrast, only 8 percent of urban Americans lack access to 25 Mbps/3 Mbps broadband.
 - Rural America continues to be underserved at all speeds: 20 percent lack access even to service at 4 Mbps/1 Mbps, down only 1 percent from 2011, and 31 percent lack access to 10 Mbps/1 Mbps, down only 4 percent from 2011.

- 63 percent of Americans living on Tribal lands (2.5 million people) lack access to 25 Mbps/3 Mbps broadband
 - o 85 percent living in rural areas of Tribal lands (1.7 million people) lack access.
- 63 percent of Americans living in U.S. territories (2.6 million people) lack access to 25 Mbps/3 Mbps broadband.
 - o 79 percent of those living in rural territorial areas (880,000 people) lack access.
- Overall, the gap in availability of broadband at 25/3 closed by only 3 percentage points last year, from 20% lacking access in 2012 to 17% in 2013
- Overall, the broadband availability gap closed by only 3 percent last year.
- Americans living in rural and urban areas adopt broadband at similar rates where 25 Mbps/ 3 Mbps service is available, 28 percent in rural areas and 30 percent in urban areas.
- Approximately 35 percent of schools lack access to fiber, and thus likely lack access to broadband at the Commission's shorter term benchmark (adopted in its July 2014 E-rate Modernization Order) of 100 Mbps per 1,000 users, and even fewer have access at the long term goal of 1 Gbps per 1,000 users.

Section 706 of the Telecommunications Act of 1996 requires the FCC to report annually on whether broadband "is being deployed to all Americans in a reasonable and timely fashion," and to take "immediate action" if it is not. Congress defined broadband as "high-quality" capability that allow users to "originate and receive high-quality voice, data, graphics, and video" services.

Action by the Commission January 29, 2015, by Report and Notice of Inquiry (FCC 15-10). Chairman Wheeler, Commissioners Clyburn, and Rosenworcel with Commissioners Pai and O'Rielly dissenting. Chairman Wheeler, Commissioners Clyburn, Rosenworcel, Pai and O'Rielly issuing statements.

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