

## U.S. Broadband Networks Are Among The World's Best and Performed With Excellence During the Pandemic.

- U.S. households get speeds two times the world average -- the 6th fastest among OECD countries.
- Americans use more broadband data per capita than any other major economy. U.S. home broadband lines carry 60% more data than Europe's.

## This is the Result of the U.S. Broadband Industry's Massive and Ongoing Investments.

- Nearly \$2 trillion of private investment in wireline and wireless broadband infrastructure in the last 25 years.
- An average of \$70-\$80 billion in private capital is invested in U.S. wireline and wireless broadband infrastructure and technology every year.
- U.S. per capita investment is more than double that in Europe and the OECD.

## Major Investments Have Delivered Better Reach and More Value for U.S. broadband Consumers.

- 91% of U.S. households currently have access to downstream speeds of 100 Mbps -- 85% have access to 1,000 Mbps (1 Gig).
- Network performance continues to increase as U.S. prices decline:

	Least Expensive Tier (2015)	Most Popular Tier (2015)	Highest Speed Tier (2015)
Price vs. 2020 Adjusted for inflation	21% Lower	28% Lower	44% Lower
Speed vs. 2020 On an average subscriber weighted basis	64% Faster	16% Faster	28% Faster

- America's broadband providers compete aggressively. Network deployment requires major ongoing investments to keep up with fierce competition for consumers. Everyone benefits from a wide variety of price and service options to meet their needs.

## **Americans Pay Competitive Prices for Broadband Relative to Consumers in Other Countries.**

- In the FCC 2020 Communications Marketplace Report, when the FCC adjusted for cost, demographic, and quality differences across countries, U.S. prices ranked 2nd cheapest among the 26 countries examined. Even the New America/Open Technology Institute study that claimed Europe has more affordable broadband acknowledged: “standardizing costs and speeds while also factoring in differences in population density reveals that U.S. providers on average advertise similar prices for similar speeds as European providers.”
- False claims that U.S. prices are “too high” relative to other countries typically rely on comparisons that fail to account for important differences in service quality, product features, connection charges, the role of government subsidies, and the expansive terrain and low population density in the U.S. that result in higher deployment costs.

## **Some Consumers, Particularly Low-Income, Don’t Use Broadband Even When It’s Available. Consumers Deserve Long-Term Support To Ensure They Can Get Connected.**

- Even though U.S. broadband service is competitive and reasonably priced, many people still cannot afford broadband or the equipment to use it. They may not be aware of Lifeline or other reduced cost offerings, and they may lack digital skills to feel comfortable and safe using broadband. The Emergency Broadband Benefit program will help in the near-term. What’s needed to close the broadband adoption gap is a sustainable long-term assistance program focused on providing low-income consumers with financial support for their broadband service.

## **Government-Owned Networks Should Be Viewed With Caution and Used Only Where Private Investment Cannot Reach.**

- Many government-owned broadband networks (GONs) struggle to remain financially solvent, leaving taxpayers holding the bag. Arguments to the contrary are based on methodologically flawed studies that overlook service quality differences, the impact of additional utility and connection fees, and indirect costs imposed on consumers from direct and cross-subsidies.
  - For example, a New America study extolling lower-priced government broadband excluded the impact of a \$16.50 monthly consumer utility fee and a \$3,200–\$3,600 installation fee in its cost-to-consumers assessment.



- Economist George Ford found that when properly accounting for costs and local differences, consumers in municipalities with GONs were really paying an average of 12% to 15% more than those in cities without GONs.
- A recent study of 19 government-controlled broadband networks found that only two of 19 earned enough to cover costs of development over 30-40 years of useful life, and that the majority (11) do not generate enough revenue to cover operating costs.

**To Reach 100% Connectivity, We Must Prioritize Americans Living In Areas Where There Is No Broadband Infrastructure That Provides Minimally Acceptable Speeds.**

- To protect taxpayers and consumers, there must be safeguards to ensure that public investment flows to communities that lack access before it is made available to markets that are already served. And subsidies should go first to lower-income regions with no service, and not to vacation resorts and other high-end remote areas.

