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FEDERAL COMMUNICATIONS COMMISSION LOOKS AT DATA ON GROWTH OF BROADBAND SUBSCRIBERSHIP IN RURAL AREAS

Washington D.C. – The Wireline Competition Bureau (WCB) of the Federal Communications Commission (FCC) today summarized results of its twice-yearly collection of high-speed Internet access subscribership data for a sampling of rural and other states. The presentation included high-speed subscribership data for South Dakota, Kentucky, North Carolina, Wisconsin, Virginia and California. For example, in North Carolina – the state with the second largest number of persons living in rural areas – the estimated percentage of occupied housing units with a high-speed line in service jumped from 1% to 17% over the three year period from December 1999 to December 2002. The national average was 2% in 1999 and 16% for 2002.

The following chart provides the estimated percentage of occupied housing units with a high-speed line in service for sample states (see attached chart for list of all states):

	<u>December 1999</u>	<u>December 2002</u>
South Dakota	0%	6%
Kentucky	1%	5%
North Carolina	1%	17%
Wisconsin	0%	15%
Virginia	1%	15%
NATIONAL AVERAGE	2%	16%
California	3%	22%

Statistics presented at today’s Open Meeting are derived from the FCC’s local competition and broadband data gathering program, which requires facilities-based providers with at least 250 high-speed lines in service in a state to report twice year information about high-speed and advanced service lines.

The local competition and broadband gathering program has been in place since March 2000 to assist the FCC in its efforts to monitor and further implement the pro-competitive, deregulatory provisions of the Telecommunications Act of 1996. The FCC uses data from this effort to evaluate the deployment of advanced telecommunications capability.

National Broadband Data

- At the end of 2002, the number of high-speed lines connecting homes and businesses to the Internet was nearly 20 million compared to 2.8 million at the end of 1999.
- In December 1999, 60 percent of the nation's zip codes had at least one service provider with at least one subscriber to its high-speed service, 10 percent had at least four providers, and only 1 percent had seven providers. By the end of 2002 the comparable figures were 88 percent, 39 percent and 17 percent respectively.
- Nationally, the estimated percentage of occupied housing units with a high-speed line in service has increased from approximately 2 percent to 16 percent from December of 1999 to December of 2002.

For reporting purposes, high-speed lines are defined as those that provide services at speeds exceeding 200 kilobits per second (kbps) in at least one direction. Also, a service provider with high-speed lines reports a list of the zip codes in the state where it has at least one subscriber to its high-speed service.

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News about the Federal Communications Commission can also be found on the Commission's web site www.fcc.gov.