GAO Highlights

TELECOMMUNICATIONS

FCC Should Enhance Performance Goals and Measures for Its Program to Support Broadband Service in High-Cost Areas

Why GAO Did This Study

Millions of Americans do not have access to broadband. Within the Universal Service Fund, FCC's high-cost program provided about $5 billion in 2019 to telecommunications carriers to support broadband deployment in unserved areas where the cost to provide broadband service is high. In 2011, FCC established five performance goals and related measures for the high-cost program.

GAO was asked to review the high-cost program's performance goals and measures. This report examines: (1) the extent to which the program's performance goals and measures align with leading practices to enable the effective use of performance information and (2) the key challenges selected stakeholders believe FCC faces in meeting the program's goals. GAO reviewed FCC's program goals and measures and assessed them against applicable criteria, including GAO's leading practices for successful performance measures. GAO interviewed FCC officials and representatives from industry, tribal carriers, consumer advocates, and other stakeholders, to obtain a variety of non-generalizable viewpoints.

What GAO Recommends

GAO is making four recommendations, including that FCC should ensure its high-cost program's performance goals and measures align with leading practices and publicly report on progress measured toward the goals. FCC concurred with all four recommendations.

What GAO Found

The Federal Communications Commission (FCC) has a program, known as the high-cost program, to promote broadband deployment in unserved areas. Although the performance goals for the high-cost program reflect principles in the Telecommunications Act of 1996, not all of the goals are expressed in a measurable or quantifiable manner and therefore do not align with leading practices. Furthermore, FCC's measures for its performance goals do not always align with leading practices, which call for measures to have linkage with the goal they measure and clarity, objectivity, and measurable targets, among other key attributes. For example, as shown below for two of FCC's five goals, GAO found that FCC's measures met most, but not all, of the key attributes. By establishing goals and measures that align with leading practices, FCC can improve the performance information it uses in its decision-making processes about how to allocate the program's finite resources. Leading practices also suggest that agencies publicly report on progress made toward performance goals. FCC does so, however, only in a limited fashion, which may lead to stakeholder uncertainty about the program's effectiveness.

Examples of FCC's Performance Measures Compared with a Selection of Key Attributes of Successful Performance Measures

Goal 1 & 2	Performance measure examples	Examples of key attributes of successful performance measures						
		Linkage	Clarity	Objectivity	Targets	Reliability	Limited overlap	Balance
Preserve and advance voice service	Telephone penetration rate, which measures subscription to telephone service	❌	❌	✅	❌	✅	✅	✅
Ensure universal availability of voice and broadband to homes, businesses, and community anchor institutions	Number of residential, business, and community anchor institution locations that newly gain access to broadband services	✅	✅	✅	❌	❌	✅	✅

✅ The measure fully met the key attribute ❌ The measure did not fully align with the key attribute

Source: GAO analysis of Federal Communications Commission documentation. | GAO-21-24

According to stakeholders GAO interviewed, FCC faces three key challenges to accomplish its high-cost program performance goals: (1) accuracy of FCC's broadband deployment data, (2) broadband availability on tribal lands, and (3) maintaining existing fixed-voice infrastructure and attaining universal mobile service. For example, although FCC adopted a more precise method of collecting and verifying broadband availability data, stakeholders expressed concern the revised data would remain inaccurate if carriers continue to overstate broadband coverage for marketing and competitive reasons. Overstating coverage impairs FCC's efforts to promote universal voice and broadband since an area can become ineligible for high-cost support if a carrier reports that service already exists in that area. FCC has also taken actions to address the lack of broadband availability on tribal lands, such as making some spectrum available to tribes for wireless broadband in rural areas. However, tribal stakeholders told GAO that some tribes are unable to secure funding to deploy the infrastructure necessary to make use of spectrum for wireless broadband purposes.

_____ **United States Government Accountability Office**