

Why GAO Did This Study

Access to affordable broadband service is seen as vital to economic growth and improved quality of life, yet residents in many areas of the country lack access to or do not use broadband. To extend broadband access and adoption, the American Recovery and Reinvestment Act of 2009 (Recovery Act) provided over \$7 billion to NTIA and RUS for grants or loans to support broadband projects. NTIA and RUS made all awards by September 30, 2010.

This report responds to mandates under the Recovery Act for GAO to examine the use of Recovery Act funds and report on the quarterly estimates of jobs funded. This report addresses (1) the progress of broadband projects, (2) their effect on expanding access to and adoption of broadband, and (3) any challenges awardees face in completing projects and agency actions to address these challenges. GAO analyzed program documentation and data and interviewed agency officials and BTOP and BIP awardees.

What GAO Recommends

To ensure RUS is collecting reliable information regarding the effect of its investments in broadband, GAO recommends that RUS take steps to improve the quality of its data on the number of fiber miles and wireless access points created by BIP projects. RUS disagreed with GAO's characterization that it does not collect adequate data, and stated it has already taken steps to improve data quality. GAO believes that more reliable data will permit RUS to better assess the progress of the BIP program.

View [GAO-12-937](#). For more information, contact Mark L. Goldstein at (202) 512-2834 or goldsteinm@gao.gov.

RECOVERY ACT

Broadband Programs Are Ongoing, and Agencies' Efforts Would Benefit from Improved Data Quality

What GAO Found

The progress of the broadband projects is difficult to measure because of data limitations. As projects progress, the National Telecommunications and Information Administration (NTIA) and the Rural Utilities Service (RUS) disburse awarded funds to projects on, for example, a reimbursement basis. As of July 2012, NTIA has disbursed approximately \$1.9 billion of the \$3.8 billion it awarded for projects under the Broadband Technology Opportunities Program (BTOP), and as of June 2012, RUS has disbursed approximately \$1 billion of the \$3.3 billion it awarded for projects under the Broadband Initiatives Program (BIP). These disbursements are one measure of progress, and the disbursements indicate that the projects in aggregate are less than half complete. However, disbursements sometimes lag behind actual progress for a number of reasons, such as contracts that provide for payment after work is completed. In addition, the agencies have been inconsistent in collecting non-financial data on project progress. While NTIA has collected data on BTOP projects, RUS did not collect data until recently. According to NTIA data, 76 percent of planned network miles are complete. According to RUS, the data it has recently collected are not reliable measures of fiber miles and wireless access points deployed by BIP projects. Without reliable information on the progress of BIP projects in expanding infrastructure, RUS may struggle to demonstrate the progress and effectiveness of the BIP program.

Data limitations make it difficult to fully measure the effect of BTOP and BIP on expanding access to and adoption of broadband. NTIA's non-financial data indicate that BTOP awardees have established over 57,000 new or upgraded network miles, with connections to over 8,000 community anchor institutions, such as schools, libraries, and hospitals, and nearly 34,000 new computer workstations for use in public computer centers, such as libraries. RUS initially did not collect comparable non-financial data for BIP projects, and the data it has are not reliable; therefore, it is not possible to fully assess the effect of BIP on expanding access to broadband. With respect to broadband adoption, however, both NTIA and RUS have faced difficulties collecting reliable data from awardees on subscribership for BTOP and BIP projects. Both agencies have taken steps to address this issue, with NTIA providing guidance to awardees and RUS developing a tool for staff reviews of subscribership data reported by awardees.

Both NTIA and RUS helped awardees address multiple challenges in completing their broadband projects. Specifically, awardees identified challenges complying with regulations and obtaining permits, as well as handling construction-related issues such as broadband fiber shortages. BTOP's non-infrastructure projects—which provide computers to libraries or encourage broadband adoption—faced a different set of challenges, including staffing, contracting, and procurement. NTIA and RUS have taken a number of actions—including providing regular contact and expertise, webinars, and guidance—to help awardees address these challenges. In addition, RUS hired additional staff to address delays in its review and approval of contracts, a challenge that delayed some BIP projects.