

**Opening Statement of the Honorable Greg Walden
Subcommittee on Communications and Technology
Hearing on “Promoting Broadband Infrastructure Investment”
July 22, 2015**

(As Prepared for Delivery)

Welcome to the Subcommittee on Communications and Technology’s hearing on Promoting Broadband Infrastructure Investment. Broadband Internet access has become the communications and commerce tool of our time. Whether it’s renewing your car registration, streaming the latest episode of Silicon Valley, or video chatting with friends and family, broadband has fundamentally changed the way approach so many things. It has literally changed the old rules for how we live our lives. Which begs the question: why are we using old rules to regulate new networks?

The broadband market has changed significantly from its early days, and continues to evolve to meet our society’s needs. Every city now wants to be a “Gig City,” to attract the best and brightest entrepreneurs and to galvanize their economies. And our rural and tribal areas want to ensure that they are not left behind their urban counterparts.

Unsurprisingly, Americans are finding varied ways to meet this demand.

Trillions of dollars – public and private – have been invested in American broadband networks since 1996. According to one study, the U.S. broadband sector invests twice as much per household as its European counterpart. And USTelecom estimates that in 2014 alone, broadband providers spent \$78 billion in capital expenditures to continue to grow and upgrade the national broadband infrastructure.

New entrants have also joined the picture. Although Google is one of the better known entrants, other start-ups have jumped in to meet demand. US Internet, a wild card small start-up, is taking on incumbents by stringing 1 Gigabit fiber across the poles of Minneapolis. Dan Gilbert is backing Rocket Fiber, a start-up in Detroit, to trench 1-Gigabit fiber throughout the town.

In other instances, municipalities have built networks or crafted private public partnerships to bring 1-Gigabit networks to their town. For example, Ting has worked with Westminster, Maryland and Charlottesville, Virginia to bring high-speed broadband to those towns. Others are working to help municipalities determine the best course for accelerating broadband access. Former FCC official Blair Levin has launched Gig U. – an organization dedicated to facilitating buildout of high-speed network. And Deb Socia, our guest today, heads Next Century Cities, which helps cities and towns collect their experiences in attracting private investment, and – when necessary – procuring and deploying municipal networks.

Despite the clear demand for high-speed services, investment in network infrastructure is not for the faint of heart. A staggering amount of capital is required to deploy fiber, antennas, routers, and switches to build a network with useful scale. Those who invest often won’t see returns for years; and the return comes only if the service satisfies enough customers to keep them coming back. There are real challenges to investing in broadband infrastructure, our laws shouldn’t be among them.

With new players and incumbents looking to invest in infrastructure and compete for customers on the networks of tomorrow, the federal government should find ways to encourage deployment and eliminate barriers. Despite repeated calls to facilitate access to federal lands and buildings, to simplify and expedite access to utility poles, and improve the process for tower and cell siting, these still present hurdles to efficient investment and deployment. Nor have we solved the issues that come with deploying on tribal lands, where the need to improve the communications network is very real.

We hope that today’s hearing will start a discussion that reinvigorates a national debate on the best policies for continuing the model of private network investment that has made the United States a world

leader in broadband. I'd like to thank our witnesses in advance for their testimony. We are looking forward to your insights.

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