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6 LEGISLATIVE HEARING ON

7 SEVEN COMMUNICATIONS BILLS

8 WEDNESDAY, APRIL 13, 2016

9 House of Representatives

10 Subcommittee on Communications and

11 Technology

12 Committee on Energy and Commerce

13 Washington, D.C.

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17 The subcommittee met, pursuant to call, at 10:15 a.m., in

18 Room 2322 Rayburn House Office Building, Hon. Greg Walden

19 [chairman of the subcommittee] presiding.

20 Members present: Representatives Walden, Latta, Shimkus,

21 Blackburn, Lance, Guthrie, Olson, Pompeo, Kinzinger, Bilirakis,

22 Johnson, Ellmers, Collins, Cramer, Eshoo, Doyle, Welch, Yarmuth,

23 Clarke, Loeb sack, McNerney, and Pallone (ex officio).

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24 Staff present: Rebecca Card, Assistant Press Secretary; Gene
25 Fullano, Detailee, Telecom; Kelsey Guyselman, Counsel, Telecom;
26 Grace Koh, Counsel, Telecom; David Redl, Chief Counsel, Telecom;
27 Dan Schneider, Press Secretary; Gregory Watson, Legislative
28 Clerk, Communications and Technology; Jeff Carroll, Minority
29 Staff Director; David Goldman, Minority Chief Counsel,
30 Communications and Technology; Tiffany Guarascio, Minority
31 Deputy Staff Director and Chief Health Advisor; Jerry Leverich,
32 Minority Counsel; Lori Maarbjerg, Minority FCC Detailee; Ryan
33 Skukowski, Minority Policy Analyst; and Andrew Souvall, Minority
34 Director of Communications, Outreach and Member Services.

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51 Mr. Walden. We are going to call to order the Subcommittee
52 on Communications and Technology. I know we are shy one witness
53 whom we are trying to locate. Apparently there is some issues
54 getting into the building today with everybody in town. So we
55 are going to proceed with the testimony of our witnesses and our
56 opening statements, and we have somebody out looking for Ms.
57 McAuliffe, and hopefully this will time out. Well, with seven
58 bills on the agenda we felt it important to move forward.

59 So, and maybe we can close those doors too, if somebody on
60 the staff can -- yes, thank you. Well, good morning. Today's
61 hearing will examine seven important bills all seeking to improve
62 the way our communication laws work and better reflect modern
63 technology and consumer expectations. Two of these bills deal
64 with important public safety issues and how to improve emergency
65 response when it matters most. First, the Kelsey Smith Act
66 sponsored by Representative Kevin Yoder gives law enforcement the
67 tools to locate victims in emergencies using location data from
68 their cell phone providers. By creating a very narrow set of
69 circumstances in which law enforcement can access these type of

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70 data, the bill seeks to protect the privacy of users while still
71 allowing access when the situation demands it.

72 This bill utilizes existing technology to help law
73 enforcement better respond when someone is in serious danger. It
74 is important to note, however, that the legislation does not place
75 the burden of liability on cell phone carriers. The decision is
76 in the hands of law enforcement, and carriers should be able to
77 hand over the data without fear of a lawsuit.

78 I intend to offer an amendment at subcommittee markup that
79 will make sure that a carrier's customer service representative
80 isn't faced with making a decision about whether complying with
81 a request from law enforcement opens the company or individual
82 up to liability.

83 The Kelsey Smith Act is already law in 22 of our states
84 including in my own state of Oregon where it passed in 2014. So
85 the bill we are looking at today mirrors much of the language in
86 the Oregon statute giving law enforcement the ability to act
87 quickly when every second counts, but only, only in narrow
88 circumstances of a true emergency.

89 It is important to note that this legislation as being
90 proposed here today passed unanimously through both the Oregon
91 House and the Oregon Senate and was signed into law by a Democratic
92 governor demonstrating that this is not a partisan issue, but it

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93 is good policy.

94 Another important piece of public safety legislation before
95 the committee today is Kari's Law which requires that multi-line
96 telephone systems typically found in hotels, offices, and schools
97 have a default configuration to dial out to 911 without any
98 additional prefix required. To quote FCC Commissioner Jessica
99 Rosenworcel, you may only call 911 once in your life, but it will
100 be the most important call you ever make.

101 As Kari's father will testify today, children are taught from
102 an early age to dial 911 in an emergency. There should be no
103 question that when they do so they will reach the emergency
104 dispatcher. The simple fix that this bill provides, one that has
105 been already implemented by many MLTS users, has the potential
106 to prevent another tragedy like the one that happened to Kari Hunt.

107 I would like to especially thank Kari's father, Mr. Hunt;
108 Kelsey's mother, Mrs. Smith, for agreeing to testify today.
109 While your losses must be very difficult to discuss in public,
110 your testimony is certainly important in our process here as a
111 resource for the subcommittee as we work on this legislation. So
112 we are very thankful that you are willing to be here.

113 We are also going to look at a bill from Representative Austin
114 Scott which caps the Lifeline portion of the Universal Service
115 Fund. In many ways I wish we didn't have to take up this piece

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116 of legislation, take this step we are doing today. Capping the
117 fund is well within the authority of the Federal Communications
118 Commission and something that they came close to doing in the most
119 recent Lifeline reform order. Unfortunately that did not
120 happen. As a result we are left with a so-called budget for the
121 fund, a provision that requires the FCC to take note when annual
122 Lifeline spending exceeds \$2 billion and have the staff explain
123 why that spending is so high. That is it. The FCC can basically
124 blow right through its, quote unquote, budget by as much as it
125 desires.

126 I don't think this is the way government should be handling
127 the American people's dollars with cavalier disregard for basic
128 fiscal discipline. I want to be clear, we do not support
129 eliminating the Lifeline subsidy. This is an important program
130 for those that are truly eligible. We are not opposed to the
131 mission of Lifeline. Universal connectivity is a core principle
132 in this country, particularly for those who need it most like
133 children from low-income families.

134 What we cannot support, however, is a fund that lacks
135 external controls and is susceptible to waste, fraud, and abuse.
136 And we have seen in the past how rapidly this fund can expand.
137 I believe it is our duty and a duty to our constituents to make
138 sure that their money is only spent responsibly.

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139 So the reforms that the FCC has adopted over the past few
140 years, including some adopted this month, are certainly positive
141 steps toward a more accountable fund. But until there are better,
142 more effective guardrails in place there is nothing to prevent
143 the FCC from spending and spending and spending, placing an even
144 greater burden on American household budgets who have to assume
145 those costs. Real budgets that can't simply keep spending other
146 people's money is what we need.

147 In addition to these three bills, we will look at a bill to
148 encourage innovative solutions to the spectrum crunch, a problem
149 that we have been spending a great deal of time on in our
150 subcommittee. We will look at Ranking Member Pallone's bill to
151 improve post-disaster communications. That is something that he
152 is unfortunately all too familiar with after Superstorm Sandy
153 wreaked havoc across his district and all of New Jersey.

154 We will also consider a bill to allow skilled nursing
155 facilities to improve their broadband connectivity, and finally,
156 we will look at a bill to increase penalties for criminals who
157 spark an unnecessary and dangerous law enforcement response by
158 falsifying caller ID.

159 So I would like to thank all the sponsors on both sides of
160 the aisle for bringing these bills to our subcommittee, and I want
161 to thank the witnesses that we have before us today. With that

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162 I would yield back the balance of my time and recognize the
163 distinguished ranking subcommittee member from California, Ms.
164 Eshoo.

165 Ms. Eshoo. Thank you, Mr. Chairman, and good morning to you,
166 and thank you to the panelists for being here today especially
167 on the two bills that the chairman raised first in his opening
168 comments. We appreciate it. We are advancing several
169 bipartisan bills today that are going to make progress in a number
170 of critical areas.

171 I am disappointed that the subcommittee has once again chosen
172 to target the FCC's Lifeline program. The name of the program
173 is highly instructive, Lifeline. And we know, I think, better
174 than the rest of the entire Congress that because of the issues
175 that we deal with that wireless mobile services today are an
176 essential in our day-to-day lives for everything across the board.
177 Whether it is commerce, employment, employee, shopping,
178 education, you name it, we are all dependent upon it and so are
179 poor people in our country.

180 So I think that this bill imposing an arbitrary cap on the
181 Lifeline program of \$1.5 billion and eliminate the program's
182 support for voice-only mobile services within two years and
183 prohibiting Lifeline from being used to subsidize the sale of
184 lease of a mobile phone is damaging to a part of our population

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185 that needs these services just as much as we do, just as much as
186 our children do.

187 Really not any different, if not even more, and if it were
188 enacted into law, a CURB Lifeline Act would deny millions of
189 low-income Americans access to basic communication services and
190 that includes, as I said, so many of the functions that we
191 undertake in life every day. According to the Universal
192 Service Administrative Company, only 33 percent of eligible
193 households, or approximately 13 million American households,
194 participated in the Lifeline program as of October 2015. This
195 means that more than 26 million households qualified for the
196 program but didn't participate.

197 So capping the Lifeline program would prevent these eligible
198 households from accessing the Lifeline service if they apply after
199 the budget cap has been reached. And just mentioning about a
200 budget, we don't have a budget. We are not doing a budget. So
201 now, if a household happens to fall on hard times, a cap on
202 Lifeline's budget would arbitrarily punish these Americans. And
203 I just think that this is eminently unfair and I think that our
204 committee can do much, much better than this.

205 So I am disappointed. I hope Mr. Chairman that you and our
206 colleagues will work with us to see if we can't come up with a
207 better way of addressing this. I know that there has been things

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208 that have gone wrong with the program. There is something that
209 has gone wrong with every program in the country and it is up to
210 Congress to reform and as well as the executive branch to do what
211 they need to do.

212 Just last week, the FCC fined a Lifeline provider \$51 million
213 for enrolling ineligible and duplicate customers, the largest
214 fine that the Commission has proposed against a Lifeline provider.
215 So we are not opposing to going after bad actors when taxpayer
216 dollars are involved in it.

217 So I hope that we can work together on this, because I think
218 it is a historic moment for those who understand that expanding
219 broadband to low-income households is going to help lift our
220 country up. We know, and even in the presidential campaign that
221 there is a great debate about inequality in our country. This
222 increases the inequality. This creates an even larger gap. This
223 doesn't do anything to lessen that gap.

224 So thank you, Mr. Chairman, for holding this hearing today.
225 Again, thank you to the witnesses and to the sponsors of
226 legislation, the bills that are before us, and with that I yield
227 back. Thank you.

228 Mr. Walden. I thank the gentlelady for her comments. I
229 recognize the gentlelady from Tennessee, the --

230 Ms. Eshoo. Oh, Mr. Chairman, I am sorry.

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231 Mr. Walden. Yes.

232 Ms. Eshoo. Can I ask for unanimous consent to place the
233 opening statement --

234 Mr. Walden. Without objection.

235 Ms. Eshoo. -- of Ms. Matsui in the record? And also
236 several letters from business, from National Congress of American
237 Indians -- well, there are --

238 Mr. Walden. Without objection.

239 Ms. Eshoo. -- I think, five letters here I would like to
240 submit for the record.

241 Mr. Walden. We have reviewed them.

242 Ms. Eshoo. Thank you.

243 Mr. Walden. Without objection, they will be entered into
244 the record at the appropriate location.

245 [The information follows:]

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247 *****COMMITTEE INSERT 1*****

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248 Mr. Walden. We will now recognize the gentlelady from
249 Tennessee, the vice chair of the full committee Ms. Blackburn,
250 for five minutes.

251 Mrs. Blackburn. Thank you, Mr. Chairman. And I want to say
252 welcome to our witnesses. Mr. Hunt, I want to especially welcome
253 you and thank you for your willingness to share your story. We
254 are appreciative.

255 I want to also mention Ms. Matsui's Spectrum Challenge bill.
256 This is something that I am pleased that we are going to discuss
257 today. I think it does really focus the efforts on spectrum
258 efficiency, and I am appreciative of that. We need to discuss
259 spectrum efficiency.

260 I also had noted the CTIA report which talks about the 350
261 megahertz of spectrum that are going to be needed by 2019. And
262 whether it is that report or looking at the Cisco estimates of
263 how many wireless devices, the Internet of Things, the utilization
264 expansion of spectrum, that is something we need to be thoughtful
265 as we make decisions and approach this. We don't want to get into
266 a spectrum crisis or a spectrum crunch. We note to each of you
267 that us being diligent and doing the due diligence, if you will,
268 on this issue is going to be important.

269 So we are going to look forward to discussing that further.
270 I will yield, Mr. Chairman, to any members on our side that --

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271 Mr. Pompeo is seeking time. I yield the remainder to Mr. Pompeo.

272 Mr. Pompeo. Thank you, Ms. Blackburn. And thank you, Mr.
273 Chairman, for holding this hearing today. I want to talk about
274 an important piece of legislation that was originally offered by
275 Representative Yoder, my colleague from Kansas, on which I was
276 an original cosponsor.

277 It has now been close to eight years since Kelsey Smith, an
278 amazing young Kansas woman, was abducted from a shopping center
279 parking lot in broad daylight. This horrible crime was captured
280 on security camera outside the Target store she was visiting that
281 day to purchase an anniversary gift for her boyfriend.

282 Her abduction wasn't done under the cover of night and there
283 was no question about the urgency of the situation. And it was
284 at this moment the clock started ticking. Three hours is what
285 law enforcement tells you is the critical window to increase the
286 chances of returning an abducted child alive. A hundred and
287 eighty minutes is not a lot of time, and I am sure that for a parent
288 praying for the safe return of their child, their son or daughter,
289 each second that slips by is pure hell.

290 In this case it took four days, four days to identify the
291 location of Kelsey. It is just Kansas common sense that law
292 enforcement should have a way to quickly find the location of a
293 wireless telecommunications device if a person has been

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294 determined to be at risk of death or serious physical harm due
295 to being kidnapped or reported missing. This bill, the Kelsey
296 Smith Act, does just that. At the same time it maintains privacy
297 protections for all the other information including calls made,
298 received, and text messages. The only thing that would be
299 disclosed is the location, the all-critical location of that cell
300 phone.

301 Mr. Chairman, 22 states have done this. It is truly a shame
302 that we have not been able to pass this legislation at the federal
303 level. It is tragic indeed. But Kelsey's legacy is not one of
304 tragedy. Great things have happened all across the country.
305 There was a six-year-old boy saved in your state, Ms. Blackburn,
306 in Tennessee, from a suspected rapist because the state had
307 implemented the Kelsey Smith Act. It is a legacy of countless
308 others who live today because of her work and the work of her
309 parents, one of whom will be testifying before us this morning.

310 I strongly support this legislation and encourage my
311 colleagues to join me in urging for its swift passage, and with
312 that I yield back.

313 Mr. Walden. The gentleman might want to yield to Mr. Latta
314 who is seeking time as well.

315 Mr. Pompeo. Yes, it is Ms. Blackburn's time. I will yield
316 to Mr. Latta.

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317 Mr. Latta. Well, I appreciate the gentleman from Kansas for
318 yielding. And I thank the chairman for holding today's hearing
319 and on these seven bills which is aimed at advancing public safety
320 reform and outdated FCC programs. And if I could just
321 start, in my 11 years that I was in the Ohio General Assembly I
322 chaired the Judiciary Committee and I chaired the Criminal
323 Committee in the State House. And I appreciate the family for
324 being here because I know, listening to the testimony for 11 years
325 I unfortunately saw the most horrific and the most tragic events
326 that occurred in the state of Ohio, and I appreciate you all for
327 being here.

328 And again the horrific tragedies that brought forth the
329 Kelsey Smith Act and Kari's Law Act both have tangible solutions
330 and will help save lives. In case of emergency situations we need
331 to ensure assistance is easily accessible and provide law
332 enforcement the necessary information to locate individuals in
333 order to prevent serious physical harm. Again I commend
334 these families for sharing their stories and seeking to protect
335 others by urging changes in the law. I look forward to hearing
336 from all of our witnesses and hope today's discussion generates
337 ideas that will provide public safety and accountability at the
338 Commission. And with that Mr. Chairman, I yield back the balance
339 of my time.

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340 Mr. Walden. I thank the gentleman, and I will now recognize
341 the ranking member of the full committee, the gentleman from New
342 Jersey, Mr. Pallone, for opening comments.

343 Mr. Pallone. Thank you, Mr. Chairman and our Ranking Member
344 Eshoo, and thank you to all the witnesses for being here today.
345 I would like to start by acknowledging that the families of Kari
346 Hunt and Kelsey Smith are in the hearing room and testifying today,
347 and I understand that a terrible tragedy has befallen your
348 families and would like to thank you for your courageous activism
349 on these issues.

350 Many of the bills we are discussing today deal with public
351 safety issues, which is particularly timely since this is National
352 Public Safety Telecommunications Week. Telecommunications
353 plays a critical role in public safety, and ensuring people have
354 access to communications services can make all the difference
355 during an emergency.

356 We learned firsthand in New Jersey during Hurricane Sandy
357 that calling for help is difficult when the power is out, and when
358 the cell towers are also down it is nearly impossible. We need
359 to be better prepared because no one should be left with silence
360 on the other end of the call when they dial 911.

361 I would like to thank Chairman Walden for adding three
362 Democratic bills to today's hearing including my bill, the

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363 Securing Access to Network in Disasters called the SANDy Act. The
364 bill has a number of straightforward proposals that like the other
365 bills introduced by my Democratic colleagues should garner
366 bipartisan support.

367 The SANDy Act would recognize the critical role that all
368 communication providers, broadcasters, cable and
369 telecommunications serve in emergencies, but most notably the
370 bill would ensure consumers have access to wireless service even
371 if their particular wireless network goes down.

372 I look forward to hearing more about all the other bills on
373 today's agenda. Unfortunately, I must express serious concerns
374 about one bill, H.R. 4884, which would cap the Lifeline program.
375 In some ways it makes sense that a Lifeline bill is teed up with
376 the other public safety bills we are considering today because
377 our phones truly are lifelines. They are the essential
378 lifesaving devices that we keep with us every day.

379 But unlike the other bills that we are considering today that
380 propose ways to improve public safety, this bill to curb the
381 Lifeline program would take essential lifesaving devices away
382 from the people who need help the most. Millions of low-income
383 Americans rely on this program to provide them with the basic
384 communication services that most of us take for granted like the
385 ability to call 911.

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386 The provisions of H.R. 4884 would gut the Lifeline program
387 by setting a cap, forcing a rapid phase-out of voice services,
388 and preventing the subsidy from being used towards equipment like
389 handsets. Each of these provisions alone would be bad enough.
390 However, taken together these provisions will rip phones out of
391 the hands of millions of Americans.

392 If Republicans truly want to control the costs in the
393 Lifeline program, their blunt force bill is the wrong approach.
394 There is a better way. Let us work together to address
395 inequality, to improve the economy, to find more people jobs, and
396 the best way to lower the cost of the program is to lift people
397 up not to take away their connection to a better life.

398 I look forward to today's discussion, and I yield the
399 remainder of my time to Mr. McNerney.

400 Mr. McNerney. I thank the ranking member. I want to talk
401 about the Lifeline program. For over 30 years millions of
402 low-income Americans have been able to access phone service
403 strictly because of the Lifeline program. Families that are
404 Lifeline-eligible are low income. That means for a family of four
405 an income of 32,800 a year.

406 So for these people, the current subsidy is \$9.25 a month
407 and that is just for the phone service. H.R. 4884 will limit the
408 number of families that are eligible for this program, and for

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409 these families the Lifeline program makes an enormous difference.
410 It allows Americans to apply for jobs. It allows seniors to
411 manage health care. It allows loved ones to stay connected. And
412 it gives families and individuals access to 911.

413 Mandating a cap on the Lifeline program, eliminating
414 standalone mobile service and prohibiting funds from being used
415 for devices would have a devastating impact on families of
416 low-income Americans. A better way to control costs of the
417 Lifeline program is to lift people up out of poverty. Let us work
418 together to close the wage gap, increase the minimum wage, and
419 start infrastructure projects that will put these folks to work.

420 So I think there is a much better way to go about this than
421 capping a very critical program like Lifeline, and I yield back
422 to the ranking member.

423 Mr. Pallone. And I yield back, Mr. Chairman.

424 Mr. Walden. The gentleman yields back. Before I turn to
425 our witnesses I would like to ask unanimous consent to enter into
426 the record the following documents: a written statement from State
427 Senator Greg Smith on the Kelsey Smith Act; a letter from
428 Representative Gohmert supporting Kari's Law; a letter from FCC
429 Commissioner Ajit Pai supporting Kari's Law; a letter from the
430 Good Samaritan Society supporting H.R. 4111; and a letter
431 supporting H.R. 4884, the CURB Lifeline Act, from Taxpayers

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432 Protection Alliance, Sixty Plus Alliance, and Frontiers of
433 Freedom.

434 Without objection, those will also go into the record.

435 [The information follows:]

436

437 *****COMMITTEE INSERT 2*****

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438 Mr. Walden. We are now prepared to turn to our extraordinary
439 panel of witnesses, and again we appreciate very much your being
440 here. We look forward to all of your comments. As a precursor,
441 you have to push a little button on the base of that microphone
442 and you have to pull it fairly close for us all to hear it.

443 And so we are going to start with Mr. Hank Hunt, father of
444 Kari Hunt. Mr. Hunt, thank you again for being here. We are
445 sorry for the tragedy that has befallen your family. We look
446 forward to your testimony.

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447 STATEMENTS OF HANK HUNT, PARENT OF KARI HUNT; MELISSA SMITH,
448 TREASURER, KELSEY SMITH FOUNDATION AND PARENT OF KELSEY SMITH;
449 STEVE SOUDER, DIRECTOR, FAIRFAX COUNTY, VIRGINIA 911 CENTER;
450 NATHAN WESSLER, STAFF ATTORNEY AT THE ACLU SPEECH, PRIVACY AND
451 TECHNOLOGY PROJECT; ABIGAIL MEDINA, TRUSTEE, SAN BERNARDINO CITY
452 UNIFIED SCHOOL DISTRICT; AND KATIE MCAULIFFE, FEDERAL AFFAIRS
453 MANAGER, AMERICANS FOR TAX REFORM AND EXECUTIVE DIRECTOR, DIGITAL
454 LIBERTY

455

456 STATEMENT OF HANK HUNT

457 Mr. Hunt. Well, thank you. I hope I pushed that hard
458 enough.

459 Mr. Walden. Perfectly.

460 Mr. Hunt. Good morning. I want to thank the committee for
461 inviting me here and having us here for our testimony.

462 As Chairman said, on December the 1st, 2013, I lost my oldest
463 daughter to a vicious murder. She was stabbed to death by her
464 husband with their children present. This is a little over two
465 years ago and I still ask that if I stumble, understand, and if
466 I hesitate, just bear with me.

467 As this attack began, her nine-year-old daughter did what
468 she was taught to do. She grabbed the phone and she called 911.
469 It didn't work. She said she heard static. She tried again.

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470 There was nothing. She tried again and again, four times in
471 total, nothing. When I arrived at the police station an hour or
472 so after the event happened, my granddaughter sat on my lap and
473 with a very defiant expression looked at me and she said, I tried
474 but it wouldn't work, Papa. It was then I realized this had
475 happened at a hotel, and this hotel requires an extra digit for
476 an outside line and they utilize a multi-line telephone system,
477 MLTS. And after I laid my daughter to rest I became determined
478 that that was going to stop. I wasn't sure how to do it, but
479 figured I would just take it as it came. We don't teach our
480 children to dial an access number. It isn't always the number
481 9 either. Some hotels, motels, office buildings, utilize the
482 number 7 or the number 8.

483 Even more confusing, I stayed at a hotel in Waco, Texas that
484 instructed its guests on the face of the phone to call 6821 in
485 case of an emergency. I don't know who answers that. I didn't
486 try it. I wasn't brave enough. I am now. I will test 911 at
487 any hotel I go to, and the one I am staying at now you cannot call
488 911.

489 I started a Change.org petition. It is all I knew to do.
490 And as naive as I guess I am at my age, I was wanting to get a
491 hundred signatures, and I was going to march into my congressman's
492 office with a hundred signatures and create a law. On my way here

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493 I checked that petition again and we are at 550,000 almost. We
494 are closing in on that. That I believe was the magic number
495 because here I am. And being one that can be nervous a lot, when
496 I approached my congressman about it -- I finally got an invitation
497 -- I was surprised to be welcomed, and the interest that has been
498 taken in this issue has been overwhelming and very pleasing.

499 Kari's Law seeks three things: direct dialing of any phone
500 anywhere, anytime without a prefix/post-fix number being required
501 for a call to be connected; onsite notification, having a central
502 point where all calls made to 911 from any phone on any particular
503 MLTS will also alert someone on that site that a 911 call has been
504 placed; and number three, no interference or redirection of a 911
505 call. Some hotels when you dial 911 it directs it to the front
506 desk. That front desk clerk will answer that 911 call and then
507 decide whether or not it should be taken further to a local PSAP,
508 a public safety answering point. It is a very simple procedure
509 which I have found very little to no cost to implement, since
510 almost if not all MLTS systems are already capable of being
511 programmed to do so. In the majority of cases it is simply a
512 reprogram by keyboard.

513 I have learned a lot in the past 864 days since my daughter
514 passed away. People want this law. People will be greedy and
515 may try to make a buck off of it. It needs to be done. It needs

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516 to be taken care of. It has been said the telecom industry will
517 police itself without any laws or regulations requiring it to do
518 so. Over the past ten years they have been policing themselves,
519 problems still exist. Red lights and stop signs do not save
520 lives. It is the actions of the driver who is obeying the law.
521 Laws are created when ethics fail and if that is what is required,
522 then so be it.

523 I want to thank Avaya Corporation, Conveyant Systems,
524 Verizon Corporation, National Emergency Number Association and
525 several other companies, and most of all the 911 community for
526 taking the responsibility to resolve this matter. A special
527 thanks to FCC Commissioner Ajit Pai who after being approached
528 by Mark Fletcher, chief architect of public safety for Avaya
529 Corporation, took a stance, and since his involvement numerous
530 hotel chains have corrected this problem on their own. I want
531 to mention Marriott Corporation for taking the lead. They have
532 done that and they require it at any of their hotels, even the
533 franchises, and on their monthly inspections that is part of their
534 inspection.

535 I will say this. Without the determination of Mark Fletcher
536 we wouldn't be here today talking about this. I knew no way of
537 how to get this done, and he contacted me approximately a week
538 later and after discussion with him we took it forward. Kari's

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539 Law has been passed in Suffolk County New York, Illinois,
540 Maryland, the State of Texas, and just recently the State of
541 Tennessee, with legislation similar to Kari's Law being passed
542 in Connecticut and Pennsylvania.

543 In order for this to be consistent across the country we seek
544 a federal act requiring the three things that Kari's Law asks.
545 Efficient 911 can be deployed free with Kari's Law. It is a simple
546 act, direct access, onsite notification, no interception. If we
547 can't do this, if it can't be done, if it seems to be impossible,
548 but then I feel that we need to remove those instructions from
549 every police car, fire truck and ambulance in our country.

550 I appreciate the time you have allowed me here and I will
551 entertain any questions you might have.

552 [The statement of Mr. Hunt follows:]

553

554 *****INSERT 3*****

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555 Mr. Walden. Thank you, Mr. Hunt. We appreciate your
556 testimony, and your passion on this issue is very understood.

557 We will now go to Ms. Melissa "Missy" Smith, treasurer of
558 the Kelsey Smith Foundation and mother of Kelsey Smith. Ms.
559 Smith, thank you for being here today. We are sorry for the
560 tragedy your family has endured as well. We look forward to your
561 testimony.

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562 STATEMENT OF MELISSA SMITH

563

564 Ms. Smith. Thank you, Chairman Walden. I would like to
565 thank you and the other members for inviting me to come and speak
566 today, and I would like to thank Congressman Yoder, Emanuel
567 Cleaver, Representative Pompeo, and Representative Lynn for
568 sponsoring this. I would also be remiss if I didn't thank former
569 Congressmen Tiahrt and Moore who started this process when Kelsey
570 was murdered.

571 Kelsey Smith, she is the reason this legislation began in
572 Kansas seven years ago and to date has passed in 22 states. I
573 am the mother of Kelsey Smith. Her story made national and
574 international news when she was kidnapped in broad daylight from
575 a Target store just nine days after graduating from high school.

576 What does a parent go through when a child is missing? You
577 do not eat because you don't know if your child is eating. You
578 do not sleep because you don't know if your child is sleeping.
579 What took so long to find Kelsey? One word, Verizon. Let me be
580 perfectly clear. In no way do we hold them responsible for
581 Kelsey's death. They had nothing to do with that.

582 What is this law and why is it needed? Federal law states
583 that providers may release the location information. This law
584 states they shall. We spend a lot of time, money and resources

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585 training our police. We do not spend that same time, money and
586 resources training a customer service rep to answer a call at 2
587 o'clock in the morning as to what a life emergency is.

588 What about privacy? We are not asking for the call
589 information. We are just asking where is that device. I don't
590 care who you are texting. I don't care the numbers you are
591 calling. I don't care what pictures you are taking. Where is
592 that device? Once that information was released, within 45
593 minutes Kelsey's body was found.

594 What about police misconduct? We hear about that also.
595 There has not been one instance of a reported case of police
596 misusing this law. Does it work? Yes, it does. In Kansas, a
597 suicide was prevented when a child left a note for their parents
598 and they traced her phone and found her in time. An elderly stroke
599 victim was found in time. That wasn't a way we had anticipated
600 Kelsey's law being used, but he could only call his wife and they
601 were able to find him and get him the medical attention he needed
602 in time. And then last year, and this one makes me tear up, there
603 was a baby found in 40 minutes. That baby was found alive; it
604 had been carjacked -- because my baby wasn't found alive.

605 Much legislation is about numbers, so let me give you some.
606 355.4 million wireless subscribers in the United States in
607 December 2014. That is from the CTIA summary report. Forty

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608 seven percent of U.S. households in 2014 were wireless only. Two
609 of our daughters don't have a land line. 4,176, that is the number
610 of 17 to 24 year olds murdered in the United States in 2007.
611 \$20,000, that is what it cost us to bury Kelsey.

612 One hundred and twenty five is the number of detectives
613 involved in her case. Eighteen different law enforcement
614 agencies including the federal, county, and city agencies,
615 multiple municipalities, two states, all tied up for four days.
616 How much money and resources were spent on that of which I am very
617 thankful because my daughter came home. Forty five minutes, that
618 is how long it took to locate Kelsey once that engineer got to
619 the tower.

620 One, Kelsey, the reason this legislation began in 2009.
621 Zero, that is the cost of implementing this law. It doesn't cost
622 anything. There are not many times a legislator can pass a law,
623 save a life and it doesn't cost you. Priceless, the value of the
624 lives saved using the Kelsey Smith Act.

625 When this law passed in Kansas I said to Senator Rob Olson
626 at the time -- he was the original sponsor who helped me with this
627 -- that maybe my baby laid out there for four days because God
628 knew her mother had the mouth to get this done. And according
629 to C.S. Lewis I will end with this. "Experience: that most of
630 brutal of teachers. But you learn, my God do you learn." Please

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631 learn from our experience. Thank you. And I will answer any
632 questions you may have.

633 [The statement of Ms. Smith follows:]

634

635 *****INSERT 4*****

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636 Mr. Walden. Thank you, Ms. Smith. We will now turn to Mr.
637 Steve Souder, the director of the Fairfax County, Virginia 911
638 Center. Mr. Souder, thank you for being here. We look forward
639 to your comments.

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640 STATEMENT OF STEVE SOUDER

641

642 Mr. Souder. Good morning. And Chairman Walden and Ranking
643 Member Eshoo and distinguished members of the subcommittee, thank
644 you for the invitation to speak at today's hearing. My name is
645 Steve Souder and I am the director of the Fairfax County Department
646 of Public Safety Communications, a community in which some members
647 of this committee may reside.

648 Over the course of the more than 50 years in 911 public safety
649 communications, I have served in four public safety
650 communications centers in the National Capital Region and have
651 been fortunate to be the director of three. I have also been
652 fortunate to participate in the national efforts to improve public
653 safety communications, most recently as chair of the Federal
654 Communications Commission's Task Force on Optimal PSAP
655 Architecture, which addressed important issues for the 911
656 community such as, but not limited to, cybersecurity, technical
657 architecture in today's century, and of course the ever-prevalent
658 funding.

659 I am honored to be here today to discuss the important
660 legislation affecting public safety communications before this
661 subcommittee and to answer any questions that you may have. My
662 remarks will focus on H.R. 4167, Kari's Law. We just heard Mr.

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663 Hunt speak about this issue and I was welled with emotion as I
664 heard him describe his ordeal.

665 911 has earned the public's trust as the go-to number when
666 there is something wrong. Simply 911, we all know it. It is,
667 as others have said, on the side of every fire truck and police
668 car, in the front page of every phone book in the United States
669 of America. It does not say that in order to make a 911 call you
670 have to use any kind of code, prefix or subtext. It is not
671 required.

672 911, the most recognized number in the United States of
673 America, the number that all of us would go to if anything happened
674 in our own communities, and a number which is called 240 million
675 times a year, 240 million times a year. No matter where you are
676 when you expect and can call 911, it will work. That is the
677 expectation. That was the expectation of Brianna when she called
678 on behalf of her mother that it would work. And that is why, when
679 she sat on her grandfather's lap and said, Daddy, or Granddad,
680 it didn't work, that should not be the fate of any other person
681 ever again.

682 Many of you are familiar with the tragic story of Kari Hunt.
683 Kari was assaulted by her ex-husband in a small hotel in Marshall,
684 Texas, in 2013. Her nine-year-old daughter, Brianna, did exactly
685 what she had been taught to do. She called 911. But because the

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686 hotel's phone system required a prefix to make outside calls, her
687 repeated attempts to get help never went through. This is a
688 situation that exists across the country where multiple line
689 telephone systems are employed, including in hotels, colleges,
690 corporate campuses, and indeed government buildings.

691 I commend and appreciate Hank Hunt's efforts in this regard
692 and I would like to also recognize FCC Commissioner Pai who has
693 been mentioned previously for joining with him, Mr. Hunt, to
694 advocate the hotel industry and multiple line telephone system
695 manufacturers to make the changes required to enable direct dial
696 to 911. Indeed, Commissioner Pai has reported that many national
697 hotel chains have already changed their multiple line telephone
698 systems to enable direct access to 911 including their owned and
699 their franchised properties. This shows that it is possible to
700 do so very easily and virtually without any cost.

701 Kari's Law, introduced by Representative Gohmert, has
702 bipartisan support and would be an important step in addressing
703 this problem by requiring that all new multiple line telephone
704 systems be configured by default to directly dial 911 without
705 requiring any additional digit code or prefix. This would be a
706 substantial improvement for 911 calls from MLTS systems, and it
707 is also an opportunity to address important issues such as the
708 delivery of accurate location information.

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709 When those 240 million 911 calls are made annually, they are
710 answered by a 911 call taker or dispatcher that sits at a console
711 in one of America's 6,100 911 centers. And as that call taker
712 answers that 911 call, the very first question they ask is where
713 is your emergency? They don't ask what. They don't ask why.
714 And they don't ask how. They ask where, because of the location
715 of the emergency is absolutely the single most important piece
716 of information the call taker has to acquire.

717 In addition to direct 911 access, MLTS phones traditionally
718 lack another key feature, accurate information location.
719 Example, before this meeting I walked down the hallway and there
720 was an office door opened, and I asked the attendant there if I
721 could use their phone. I had my uniform on. She said can I help
722 you? And I said I would like to call 911. She said okay, and
723 I dialed 911 and I got the very efficient U.S. Capitol police.
724 I also dialed 9911 and I got the Capitol Police. I thanked her
725 very much. When I asked the Capitol Police operator that had
726 answered if they knew where this phone call was coming from, they
727 said they knew the telephone number, meaning that I was calling
728 from, but they would have to reference another list to identify
729 in what office that telephone number terminated.

730 I walked into the hallway. I then used my own cell phone
731 and I dialed 911. It was answered by the Metropolitan Police

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732 Department's 911 center not far from where we sit today. I asked
733 the gentleman that answered that call what location it showed that
734 I was calling from. He said Number 50 Independence Avenue,
735 Southwest. That is the location that we are at today. The
736 Rayburn House Office Building stretches for two city blocks. It
737 is at least four floors above ground and two floors below ground.
738 And I asked, was there any indication on what we commonly call
739 in the business the ANI or the ALI screen as to where at Number
740 50 Independence Avenue I was located, and he said no, sir.

741 If I were having a heart attack or someone was having a heart
742 attack and I called on their behalf, can you imagine the challenge
743 that would exist in trying to locate one person in this building
744 that is this large that provides no more accurate information than
745 simply the address?

746 This leaves the public in danger and public safety answering
747 points, PSAPs, the first responders, expending significant
748 resources to locate and provide emergency assistance to the scene.
749 In order to ensure that every caller gets the help they need, every
750 multiple line telephone system should transmit a dispatchable
751 address where the call is actually coming from, such as the room
752 number, the office number, so that responders can quickly locate
753 the calling party.

754 Additionally, while the bill eventually makes direct dial

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755 the default for all new multiple line telephone systems, there
756 will still be a large number of embedded base of telephones that
757 wouldn't support 911 dialing by default. Depending upon
758 equipment cycles these systems may not be replaced for many years
759 to come, allowing continued consumer confusion and most
760 tragically delayed response.

761 Whether a person can direct dial 911 should not depend upon
762 where he or she is located, such as a hotel room or a dormitory,
763 or how old the telephone is that they are calling from. Kari's
764 Law is a great first step in what will hopefully lead to additional
765 efforts to fully solve the 911 problems associated with multiple
766 line telephone systems. Again I want to thank you for the
767 opportunity to address the subcommittee for your work to improve
768 public safety communications. I would especially like to thank
769 Representative Eshoo as one of the four founding members of the
770 Next Generation Congressional 911 Caucus, and I would also take
771 the privilege of asking Mr. Pallone -- I see that he has now left
772 the dias -- from my home state of New Jersey because he referenced
773 a very important week in the 911 world and that is this week,
774 National Public Safety Telecommunicators Week. The week that is
775 set aside by the Congress and signed by the President to recognize
776 those most unsung heroes in our profession, the 911 call takers
777 and dispatchers that serve the community and citizens that you

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778 men and women represent. Thank you.

779 [The statement of Mr. Souder follows:]

780

781 *****INSERT 5*****

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782 Mr. Walden. You are welcome. Thank you for your testimony.
783 That may also be a reason we are having all these bills up today,
784 so thank you. I will now go to Mr. Wessler. Nathan Wessler is
785 the staff attorney for the ACLU Speech, Privacy, and Technology
786 Project.

787 Mr. Wessler, welcome. We look forward to your comments on
788 these pieces of legislation, and please go ahead, sir.

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789 STATEMENT OF NATHAN WESSLER

790

791 Mr. Wessler. Chairman Walden, Ranking Member Eshoo,
792 members of the committee, thank you for the opportunity to testify
793 today on behalf of the ACLU concerning H.R. 4889. Although we
794 agree with the important goals of this legislation, we oppose it
795 in its current form because it lacks sufficient safeguards against
796 abuse.

797 The tragedy that gave rise to this legislation today is
798 truly, truly terrible. In emergencies where the safety of a
799 person is in imminent jeopardy, we all want to ensure that law
800 enforcement can quickly access cell phone location information
801 to avoid this kind of a tragic outcome. Allowing companies the
802 discretion to provide these records in an emergency is an
803 effective mechanism for ensuring access while preventing the
804 abuse that could jeopardize the safety of others.

805 In 2015, just two service providers alone, AT&T and Verizon,
806 processed more than 81,000 emergency requests for information.
807 These and the other service providers maintain large law
808 enforcement compliance teams that operate around the clock
809 responding to requests at any hour in order to help avoid tragedies
810 like the one that gave rise to this bill. This process has been
811 refined and improved in recent years. The same features of

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812 cell phone location information that make it useful to law
813 enforcement, the ability to track people's movements over time
814 and to precisely pinpoint their locations, also trigger the
815 protections of the Fourth Amendment. As the Supreme Court has
816 recognized and lower courts have reaffirmed, government access
817 to cell phone location information can invade reasonable
818 expectations of privacy by laying bare some of the most sensitive
819 aspects of our lives when we are at home, where we spend the night,
820 which doctors or psychiatrists we visit and more.

821 For that reason, any legislation allowing law enforcement
822 access to location records in an emergency must include strong
823 protections. Those protections are important to prevent false
824 invocations of emergencies by police who want to avoid obtaining
825 a court order or a warrant in a normal criminal investigation.

826 Our written testimony includes examples of such abuse
827 including cases where police obtained unfettered access to cell
828 phone location information, but later admitted under oath that
829 no emergency actually existed, and a case where police in
830 California reportedly coerced a kidnapping victim into saying
831 that she had been -- sorry, coerced a person into saying she had
832 been kidnapped falsely, and then sent a false emergency request
833 for location information to the purported kidnapper's cellular
834 service provider. Law enforcement agencies including the

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835 Department of Justice and the Reno, Nevada Police Department have
836 themselves admitted to issuing emergency requests where no
837 emergency in fact existed. Protections will also empower
838 service providers to turn away requests from criminals and
839 stalkers who attempt to impersonate law enforcement. Effective
840 privacy safeguards can coexist with speedy emergency request
841 procedures without interfering with law enforcement's important
842 job of protecting the public.

843 The ACLU has three recommendations for the committee.
844 First, the committee should preserve a system where service
845 providers have discretion to turn down a warrantless request when
846 it appears the emergency is false, or when the requester does not
847 appear to actually be a law enforcement official. Making
848 disclosure mandatory can facilitate abuse by removing this
849 important safety valve.

850 Second, if the committee moves forward with a mandatory
851 disclosure requirement it should add protections. Law
852 enforcement should be required to obtain after-the-fact approval
853 from a judge so that there is a neutral decision maker ensuring
854 that the claimed emergency is genuine. In cases where police are
855 found to have violated the law, there should be remedies including
856 suppression of illegally obtained evidence and a civil remedy for
857 those affected. And law enforcement should be required to

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858 provide notice to the person whose location information was
859 obtained in order to allow that person to seek redress if police
860 violated the law or to learn if someone may have impersonated an
861 officer illegally to obtain sensitive information.

862 These protections are modest. They are well established in
863 other statutes including the Wiretap Act, the Pen Register
864 statute, the USA Freedom Act, which governs certain requests for
865 information in national security investigations, and state laws
866 dealing with cell phone location records in places like Indiana,
867 California, and Colorado. The version of the Kelsey Smith Act
868 introduced in the last Congress also included some of these
869 protections.

870 Finally, the current bill allows emergency requests when law
871 enforcement have a reasonable belief that there is an emergency.
872 This standard should be raised to probable cause which is the
873 standard that was used in the version of this legislation in the
874 last Congress. A probable cause standard will help ensure that
875 sensitive location records are obtained only when there is a good
876 reason to believe an emergency exists.

877 I look forward to answering any questions and to working with
878 the committee to ensure access to location records in emergencies
879 while simultaneously safeguarding Americans' privacy and
880 preventing abuse. Thank you.

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881 [The statement of Mr. Wessler follows:]

882

883 *****INSERT 6*****

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884 Mr. Walden. Mr. Wessler, we appreciate your input on this
885 issue as well. We will now turn to Ms. Abigail Medina, trustee
886 of the San Bernardino City Unified School District. Good
887 morning, welcome, and we look forward to your comments.

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888 STATEMENT OF ABIGAIL MEDINA

889

890 Ms. Medina. Thank you. Good morning, Chairman Walden,
891 Ranking Member Eshoo, and committee members. My name is Abigail
892 Medina. I am a mother of five children, two of whom are in
893 college; a wife of over 20 years; and currently vice president
894 of the San Bernardino City Unified School District Board of
895 Education. I am here to express the value of Lifeline to the many
896 families it helps, especially in my community of the city of San
897 Bernardino in which it has endured bankruptcy, poverty, and most
898 recently the December 2nd mass killings.

899 As a resident of San Bernardino, my family too struggles
900 financially. When my husband was laid off, I worked in the fields
901 Monday through Friday leaving my family behind in order to pay
902 to help reconnect our electricity bill. Every penny counted. I
903 remember searching through our furniture for the cent that would
904 complete a dollar.

905 My husband heard about Lifeline from a family friend who saw
906 our struggles. You see, having affordable utility services
907 helped us keep afloat, and while we worked to improve our situation
908 having phone service also helped us when my husband would receive
909 a call for a job. And also in emergencies, especially since we
910 had children at home, we could make that call.

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911 These seem like little things and many people don't realize
912 how important these services are until we have none. These days
913 many need the internet to look for work. Children need to do
914 research online for homework assignments. Many of our families
915 are experiencing the widening technology in homework and access
916 gaps. Sixty four percent of all Americans believe that expanding
917 broadband access should be a national priority, and the FCC's
918 recent Lifeline decision will help expand access in low-income
919 communities.

920 Lifeline internet services will allow many families to
921 better their situation. In fact, research shows that the
922 expanding internet access helps to grow the gross domestic product
923 and personal incomes; that children would have a better and
924 greater educational opportunity especially to do homework
925 assigned on the internet that many but not all children today can
926 complete; and that teens and others would have a greater
927 opportunity to get health care advice online and save money on
928 expenses.

929 And I also want to mention that college students are also
930 struggling, because if they, my children who are in college, if
931 they have their internet disconnected or they are cut off they
932 have no access to do their homework assignments which many are
933 online.

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934 So I ask you today to think of the many families, especially
935 families in San Bernardino, the city of San Bernardino, and the
936 many communities throughout the nation who need help to find a
937 way to succeed. I stand before you to oppose capping the Lifeline
938 program so that no eligible family is turned away from this
939 important necessity. Thank you.

940 [The statement of Ms. Medina follows:]

941

942 *****INSERT 7*****

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943 Mr. Walden. We appreciate your input on the legislation.
944 Thank you for being here. We will now go to Ms. Katie McAuliffe
945 who is the federal affairs manager for Americans for Tax Reform
946 and executive director of Digital Liberty. Welcome. We are glad
947 you are here. Please proceed.

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948 STATEMENT OF KATIE MCAULIFFE

949

950 Ms. McAuliffe. Thank you. Chairman Walden, Ranking Member
951 Eshoo, and members of the subcommittee, thank you for the
952 opportunity to testify before you today on behalf of all
953 taxpayers, or in this situation rate payers. My name is Katie
954 McAuliffe, federal affairs manager at Americans for Tax Reform.
955 Americans for Tax Reform advocates on behalf of taxpayers for a
956 system in which taxes are simpler, flatter and more visible and
957 lower than they are today.

958 I am happy to lend a voice of support for H.R. 4884,
959 Controlling the Unchecked and Reckless Ballooning of Lifeline Act
960 of 2016, also known as CURB Lifeline Act of 2016. This
961 legislation provides the necessary safeguards to enhance methods
962 for stopping waste, fraud and abuse while also ensuring those most
963 in need of Lifeline receive support as intended. It also protects
964 ratepayers from footing the bill on waste, fraud and abuse.

965 Before delving into the CURB Act I wanted to congratulate
966 you and all Congress on passing the Permanent Internet Tax Freedom
967 Act. This is a great way to encourage internet access for
968 consumers while also keeping costs low.

969 The fees for the Universal Service under which Lifeline is
970 a part will still be included as a line item on ratepayers' bills.

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971 However, Permanent Internet Tax Freedom does not stop fees from
972 being assessed on bills, on voice and data service at this point.
973 The fees of the Universal Fund will still be included as a line
974 item on ratepayers' bills. Lifeline is part of the Universal
975 Service Fund that has long been in need of reform. It was
976 established in 1985 in the form of a fixed dollar subsidy to the
977 carriers for eligible low-income subscribers for Americans to
978 afford basic phone service. In 2012, spending hit an all-time
979 high and the Federal Communications Commission moved to target
980 rampant waste, fraud and abuse with a \$400 million spending
981 decrease between 2012 and 2013 alone.

982 The FCC has shown it is capable of controlling its budget.
983 Spending in the Lifeline program is set to drop a total of 670
984 million by the end of this year, with spending dropping from 2.2
985 billion to 1.5 billion. The FCC recently voted to expand the
986 Lifeline subsidy to cover broadband as well as voice service. As
987 we saw, when a new service is added spending goes up not
988 necessarily because of need or increased availability, but more
989 likely because of fraud and abuse.

990 In its new order, the FCC reestablished the \$9.25 subsidy
991 to carriers to use for Lifeline eligible subscribers and set the
992 quality standard for broadband at 3G with 500 megabytes of data
993 for wireless and speeds of 1 up and 1 down. It creates a new

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994 verification process for the eligible applicants and sets a budget
995 of 2.5 billion that can be reevaluated should spending hit 90
996 percent of the \$2.5 billion fund.

997 While I will agree that the expanding of the verification
998 process the FCC will do a better job of targeting fraud and abuse
999 unless the third party verifier incurs a waste on its own, the
1000 order does not do all it can. A powerful tool for controlling
1001 waste and fraud is to set a hard budget. While Americans for Tax
1002 Reforms would prefer there were no subsidies lashed to ratepayers
1003 that is not the option before us today.

1004 When faced with no budget or a \$1.5 billion cap as proposed
1005 in H.R. 4884, Congress has the authority and responsibility to
1006 set a firm cap. All other programs under the Universal Service
1007 Fund do have budget caps. I would like to suggest that the \$1.5
1008 billion cap is solid legislation on two points. 1.5 billion is
1009 an ample budget and the budget is necessary to control waste, fraud
1010 and abuse.

1011 So in closing, the affordability gap. All other preferences
1012 aside, Americans for Tax Reform strongly supports a budget cap
1013 on the Lifeline fund, especially in the current environment. The
1014 stated goal for including broadband as part of the subsidy is to
1015 bridge the digital divide and close the broadband affordability
1016 gap. While perhaps broadband may become more affordable for

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1017 some, the order does not focus on those who need access the most,
1018 those who have no broadband access at all.

1019 In 2014, the NTIA found that 48 percent of non-adopting
1020 households cited lack of need or lack of interest as a reason for
1021 not subscribing to broadband at home. The Pew Charitable Trust
1022 found in 2015 that 70 percent of non-adopters were uninterested
1023 in subscribing to broadband in the future. Many smartphone-only
1024 users say that the reason they do not have broadband at home is
1025 because the smartphone lets them do all that they need to do
1026 online, underscoring the device's utility without a home
1027 high-speed subscription, and 59 percent say they have other
1028 options for internet access outside the home.

1029 Another survey conducted jointly by the FCC and Connected
1030 Nation found that 37 percent of non-subscribers were willing to
1031 adopt broadband at a reasonable price. The remaining 68 percent
1032 of non-subscribing households cited non-price associated
1033 reasons. Among the 37 percent willing households, price as an
1034 adoption factor was highest for those making below 15,000. It
1035 was about 50 percent. Upon reaching the 35,000 marker for a
1036 family of four, 32 percent cited cost as a primary factor as a
1037 non-subscriber.

1038 So cost can be interpreted in different ways depending on
1039 how a question is asked, but more so in terms of what else is

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1040 available. I don't believe this hypothesis has been tested, but
1041 it is possible that those who cite cost as the primary reason for
1042 not subscribing may actually mean they don't see the point in
1043 spending that cost at home when broadband is so readily available
1044 elsewhere.

1045 In America we are fortunate that broadband availability via
1046 wireline or wireless covers 99 percent of the population with an
1047 88 percent in-home adoption rate. We used to go to internet cafes
1048 and pay by the minute to get online. Then there were hotspots
1049 or private wireless networks, then there was usually a cost. Now
1050 access is freely available everywhere. If not a local coffee
1051 shop, restaurant, or McDonald's, there is access in public
1052 libraries and schools. This leads us to a position where
1053 monetary cost has significantly decreased as the prominent
1054 deterrent for having access at home for non-subscribers. Even
1055 as early as 2013, consumers demonstrated the cost factor was
1056 decreasing as a barrier to connecting the unconnected. In 2013,
1057 the FCC's 14 experimental broadband Lifeline offerings, wireline
1058 and wireless broadband providers signed up less than ten percent
1059 of the predicted number of new subscribers.

1060 This, the only real world experiment with Lifeline applied
1061 to broadband, showed it is exceedingly difficult to encourage the
1062 disconnected to subscribe via discounts. To participate in the

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1063 pilots, subscribers had to certify they met income requirements
1064 and had not had a broadband subscription for at least six months.
1065 For one carrier, just over half of the applicants were rejected
1066 because they had broadband sometime within the previous six
1067 months.

1068 If the goal is connecting the disconnected to reduce the
1069 digital divide, then the subsidies applied to broadband were not
1070 as effective as expected and shown in this experiment. From this
1071 data it is likely that subsidies given based on income criteria
1072 will mostly go to those who already subscribe to broadband rather
1073 than connecting the disconnected. In his paper, Learning from
1074 the FCC's Lifeline Broadband Pilot Projects, Scott Wallstein
1075 concluded if this is the case, then the Universal Service Fund
1076 becomes an inefficient general welfare fund rather than a
1077 mechanism that encourages connectivity.

1078 In controlling waste, fraud and abuse -- the Lifeline program
1079 has a long history of abuse. Congress should use its oversight
1080 to rein in spending that encourages abuse on the backs of
1081 ratepayers. A budget of \$2.25 billion that can be reevaluated
1082 when 90 percent of the fund has already been spent does not
1083 adequately provide the proper incentives to stop abuse. The
1084 Federal Communications Commission has taken measures to stop
1085 rampant abuse in the program.

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1086 The Lifeline annual recertification process established in
1087 the 2012 Lifeline Reform Order to verify that a subsidy recipient
1088 did meet the Lifeline requirements, and households were not
1089 receiving multiple subsidies significantly cut spending in the
1090 program. As a result, 29 percent of all 2012 Lifeline subscribers
1091 were de-enrolled, and between 2012 and 2013, waste, fraud, and
1092 abuse of the program was cut by nearly \$400 million. As a whole,
1093 since 2012 abuse has been cut by nearly 670 million, and spending
1094 of the fund reduced from 2.2 billion to about 1.5 billion.

1095 As broadband is included, the National Eligibility Verifier
1096 adds another layer of abuse protection, though I cannot speculate
1097 as to whether this entity will incur more government waste.
1098 Another reason a budget cap is important is not only to curb
1099 carrier abuse, but also to prevent government waste of dollars
1100 that should be directed towards helping those in need.

1101 This shows promise, and the Commission under Congress'
1102 direction should not stop there. While there are penalties both
1103 monetary and otherwise, they serve as only a mild deterrent.
1104 Importantly, the ones actually defrauded, the ratepayers, do not
1105 receive restitution. Setting an actual budget that must be
1106 adhered to is key to protecting ratepayers, while still providing
1107 support to those in need of access.

1108 Mr. Walden. Ms. McAuliffe?

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1109 Ms. McAuliffe. Yes.

1110 Mr. Walden. Are you about finished? I have let you go an
1111 extra five minutes.

1112 Ms. McAuliffe. Oh, I am about done.

1113 Ms. Eshoo. About ten minutes, she has --

1114 Mr. Walden. Yes, it is supposed to be five minutes.

1115 Ms. McAuliffe. Oh, then I will just stop right there. Yes,
1116 we will stop there.

1117 [The statement of Ms. McAuliffe follows:]

1118

1119 *****INSERT 8*****

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1120 Mr. Walden. Okay. Thank you very much. Yes, I gave
1121 everybody a little flexibility today, but we were doubling down,
1122 so no problem.

1123 I am going to start with the questions. And Ms. Smith, Mr.
1124 Wessler had some comments from the ACLU about potential abuse and
1125 all, and I would like to get your take and Mr. Souder's take on
1126 that. What do you think? What have you seen in states? I was
1127 going to inquire in my own state of Oregon if they have seen any
1128 abuse. And aren't there other statutes that would govern a
1129 fraudulent claim of emergency when none existed?

1130 Ms. Smith. Thank you, Mr. Chairman. I have not heard of
1131 any reports. I did read his examples. But if a law enforcement
1132 officer is going to commit a fraudulent claim, I do believe we
1133 have laws that already address that and they could be prosecuted.
1134 My husband was a police officer for almost 20 years and was a police
1135 officer when Kelsey went missing. And does it happen? Sure, but
1136 the same can be said about cell phone providers not releasing that
1137 information.

1138 Mr. Walden. Mr. Souder, what is your experience in this
1139 realm?

1140 Mr. Souder. Thank you for the question. Personally, and
1141 the folks that I work with around the National Capital Region where
1142 we all live, we do not see any abuse of that at all. It is used

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1143 very judiciously, and only where it is absolutely incredibly
1144 important that it be used. And there are ample, ample situations
1145 where by it being used for the right reason at the right time,
1146 many lives have been saved or have been saved from being more
1147 injured than they had already been.

1148 Mr. Walden. Mr. Wessler, I have a question for you. On the
1149 Oregon statute it says it passed unanimously, the House the
1150 Senate, and signed by a Democratic governor. What was ACLU's
1151 position on that?

1152 Mr. Wessler. I am sorry, Congressman. I don't know that.
1153 Each of our state affiliates handles state legislation
1154 separately. I work for our national office.

1155 Mr. Walden. Could you find out for me?

1156 Mr. Wessler. I can.

1157 Mr. Walden. I am not an attorney. I know better though than
1158 to ask a question I don't know the answer to.

1159 Mr. Wessler. Absolutely. And Congressman, if I can just
1160 say quickly that --

1161 Mr. Walden. Sure.

1162 Mr. Wessler. -- there have been a variety of protections
1163 put into place in different versions of the Kelsey Smith Act
1164 enacted by states around the country. In states like Indiana and
1165 Colorado, for example, there are requirements for after-the-fact

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1166 judicial review, probable cause requirements. In California, a
1167 comprehensive cell phone privacy act had similar protections.

1168 Mr. Walden. So Mr. Souder, can you speak to the
1169 after-the-fact judicial review and what that effect would have
1170 on a 911 dispatcher or your system?

1171 Mr. Souder. As someone mentioned earlier, you may only call
1172 911 once in your life, but it is the most important phone call
1173 you may make.

1174 Mr. Walden. That was one of the Democrat members of the FCC.

1175 Mr. Souder. I think that is the foundation from which we
1176 really look at the whole industry of 911 and the delivery of
1177 service. Providing help to those that need it in the quickest,
1178 most efficient way is absolutely the most important thing. I
1179 can't imagine how awkward our job would be if restrictions were
1180 placed on it greater than those that are on it already. It would
1181 clearly distract from the entire intent of 911.

1182 Mr. Walden. Okay. Ms. Smith, anything you want to finish
1183 up with?

1184 Ms. Smith. I just wanted to say we have protocols in that
1185 in place that the police would have to verify that they are the
1186 police. And it is not like a police officer can just call up and
1187 say to Verizon, hey, give me this information. There are steps
1188 that have to be taken and there are protocols. And I just find

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1189 it somewhat amusing that the ACLU has said we don't want this
1190 mandated, but yet in his testimony there are several mandates that
1191 he would like put in place. You can't really have it both ways.

1192 Mr. Walden. All right. In the essence of time I am going
1193 to end my questioning and now recognize the gentlelady from
1194 California, Ms. Eshoo, for questions.

1195 Ms. Eshoo. Thank you, Mr. Chairman, and to each one of the
1196 witnesses, thank you for your testimony. Moving, instructive,
1197 helpful, and -- well, that is a lot because that is what a hearing
1198 is for.

1199 Mr. Souder, thank you for your wonderful work. It has been
1200 part of the joy of my public service to have become involved with
1201 all of the first responders across our country, so thank you for
1202 what you have done to advance that collective work.

1203 I think that we all agree with it, when you dial 911 from
1204 a hotel, an office, anywhere that you shouldn't have to have some
1205 kind of prefix. I mean, I never taught my children any prefix.
1206 It was just what did Mommy tell you? Tell me the number again,
1207 say it again, from their earliest consciousness. And we all
1208 embrace this.

1209 Now location accuracy for our systems is very, very important
1210 because once you reach a 911 call center the people answering the
1211 phones have to know where you are to dispatch first responders.

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1212 I think it is the other bookend. No prefix and location. And
1213 I think that if one is missing, then the other really has an overall
1214 effect on the emergency. And the reason why I ask this is
1215 because Kari's Law is very, obviously very important. It is born
1216 out of tragedy which is instructive to us, but I am concerned that
1217 it doesn't have any, it doesn't speak to location technology. Do
1218 you have the same unsettled sensibility as I do on this?

1219 Mr. Souder. Ms. Smith, would you like to say anything,
1220 because I would like to follow on you, if you don't mind.

1221 Mr. Hunt. The reason it is not included in Kari's Law is
1222 because of the expense. In order to have a dispatchable phone
1223 number you have to have one for every phone in every building that
1224 will tell you the room number, the floor number and as such,
1225 whereas those phone numbers aren't bought, they are leased. They
1226 are a monthly recurring charge per phone. This is a cost that
1227 is unnecessary with onsite notification.

1228 Ms. Eshoo. Well, let me ask you, do you think the cost
1229 matches the urgency of the tragedies that you are living through
1230 and others are living through? I mean, where do you cut off cost?
1231 Do you think some people, there is a cost attached so sorry about
1232 you, but -- I just think it is part of the emergency system.

1233 Mr. Hunt. When a building has 5,000 phones in it and each
1234 one has to pay an extra two dollars per phone a month that can

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1235 put a company under. Onsite notification, had my daughter
1236 experienced onsite notification, someone from that hotel would
1237 have known that call was made and had gone to that room, we would
1238 hope. Therefore -- this gentleman told the courts that it took
1239 him five minutes to kill my daughter.

1240 Ms. Eshoo. Let me get back to -- if I might, I only have
1241 five minutes not ten. I want to get back to Mr. Souder. Does
1242 it concern you that Kari's Law requires that these problems be
1243 fixed on only new phone systems purchased two years after
1244 enactment?

1245 Mr. Souder. Very personally, I want to be sure that we are
1246 looking at this in the context of the provisions of the Kari
1247 proposed law as well as the broader implications of location
1248 technology when it --

1249 Ms. Eshoo. What is your opinion of it? I am just asking.

1250 Mr. Souder. My opinion very definitely is that Kari's Law
1251 is very well written, but it has to be tied with the location that
1252 the call is coming from, yes.

1253 Ms. Eshoo. Thank you. Thank you. It is an important thing
1254 to get on the record.

1255 Ms. McAuliffe, did you write your own testimony? It seemed
1256 like you weren't sure about what you were reading.

1257 Ms. McAuliffe. Oh, no. I wrote my own testimony.

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1258 Ms. Eshoo. You wrote it, okay. Do you think that the budget
1259 cap can lead to more wasteful spending in the program? And this
1260 is the issue that I want to raise. If those that are eligible
1261 for the service but don't need it, then decide to apply for the
1262 subsidy out of fear that the service is going to run out of money,
1263 what kind of an effect do you think that is going to have?

1264 Ms. McAuliffe. So are you referencing something kind of
1265 similar to when --

1266 Ms. Eshoo. No, it is just a straightforward question. I
1267 mean, if you can't answer it I will go to someone else because
1268 I don't have --

1269 Ms. McAuliffe. No, I don't think that would be an issue.

1270 Ms. Eshoo. Why? Based on what?

1271 Ms. McAuliffe. I don't think it would be an issue that a
1272 bunch of people would rush out and try to get the subsidy because
1273 it was capped.

1274 Ms. Eshoo. And that is a sensibility of yours? I mean, have
1275 --

1276 Ms. McAuliffe. Yes.

1277 Ms. Eshoo. -- you done any research on it?

1278 Ms. McAuliffe. No, I have not.

1279 Ms. Eshoo. Thank you.

1280 Mr. Walden. The chair now recognizes the vice chair of the

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1281 subcommittee, Mr. Latta, for five minutes.

1282 Mr. Latta. Well, thank you, Mr. Chairman. And thank you
1283 very much again to our witnesses, especially the family members
1284 for providing your testimony today because I know how difficult
1285 it is for you to have to give it to us today. But it is very
1286 important that we hear your stories so those stories aren't
1287 repeated by other families across our country.

1288 And also, Mr. Souder, I would like to thank you for what you
1289 did a little bit earlier before you came into our hearing room
1290 about making 911 calls from here, because I have heard that problem
1291 before that it is not very easily, especially in a building this
1292 size, to find out where someone is. And I appreciate that.

1293 But Mr. Hunt, if I could just maybe ask you a question in
1294 regards to encouraging the fact especially from the MLTS vendors
1295 is that every single one of their phones can be configured to allow
1296 for that dialing of that 911. And moreover, the reprogramming
1297 system for the phones not set up for direct dialing from the
1298 factory is relatively easy and inexpensive. In other words,
1299 there is no technical reason why every phone in the U.S. cannot
1300 be set up to allow for that direct 911 dialing.

1301 Despite this, and again as we have heard in the testimony
1302 today, there are thousands of hotels, schools, and office
1303 buildings across the country that do not have that direct dial

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1304 program into their MLTS systems. What else could we doing out
1305 there besides when we are looking at the law or the bill before
1306 us to incentivize institutions to adopt that direct 911 dialing?

1307 Mr. Hunt. Well, I think that the biggest fear that some
1308 companies have right now is liability. In some cases they can
1309 be held liable for not providing a proper atmosphere. People as
1310 we have said earlier, 911 is ingrained in our children and even
1311 in adults, and that is an expected result that you should get by
1312 dialing those numbers. When a phone prevents you from doing that
1313 you have no idea which direction to take it in, and therefore you
1314 have immediate danger to life.

1315 At this point right now most companies will do it on their
1316 own. We have been having very good luck with the hotels and motels
1317 that are doing that as I said earlier and --

1318 Mr. Latta. Could I interrupt for one second? Now how did
1319 you reach out to different hotels and maybe the other providers
1320 out there?

1321 Mr. Hunt. We had the backing of the American Hotel and
1322 Lodging Association. And once Commissioner Pai released his
1323 questionnaire to the top ten CEOs of the hotel corporations, word
1324 spread quite a bit. The industry itself seems to be taking a
1325 proactive role in it, but that is hotels and motels. We are
1326 talking about colleges, schools, office buildings. And in

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1327 reference to being able to locate a person you can have all the
1328 information in the world, but if that firefighter doesn't know
1329 where that room is it does them no good. Having someone -- when
1330 we got here today, even though we had a map on the wall and the
1331 room number we had no idea. We had to ask someone. Someone
1332 pointed it out and it ended up being fairly easy to find.

1333 But the numbers in some cases, numbers that are in between
1334 two others are in this direction and then the opposite numbers
1335 are this way and they should be next to each other, in my brain.
1336 But it was difficult to find without asking someone. And onsite
1337 notification, in our opinion, is a solution to that.

1338 If you don't have onsite notification and the room is locked
1339 what are they going to do, break the door down? If it is a dire
1340 situation then I can understand that. But if it is even a misdial
1341 you can have someone come and unlock the door for you, unlock the
1342 front door if it is after hours. They can get you there, but once
1343 the firefighters or police officers are in but gets to that
1344 location they need someone to direct them quickly without having
1345 to go through a map or a directory. Cubicle 2C3F could be an exact
1346 location, but that would probably mean nothing to a firefighter
1347 who is trying to get to someone who is injured.

1348 Mr. Latta. Thank you very much, Mr. Chair. I see my time
1349 is about to expire. I yield back.

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1350 Mr. Walden. The gentleman yields back. Before I recognize
1351 Mr. Yarmuth, I think, next, I have a letter I would like to enter
1352 into the record, with unanimous consent, from Commissioners Mike
1353 O'Rielly and Ajit Pai, which I think we already have seen.
1354 Without objection.

1355 [The information follows:]

1356

1357 *****COMMITTEE INSERT 9*****

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1358 Mr. Walden. Now I would like to recognize the gentleman from
1359 Kentucky, Mr. Yarmuth, for questions.

1360 Mr. Yarmuth. Thank you very much, Mr. Chairman. I want to
1361 thank all the witnesses, particularly Mr. Hunt and Ms. Smith.
1362 Thank you for your courage in coming here today. I join my
1363 colleagues in expressing my sorrow for your loss, and thank you
1364 for your dedication to improving this situation and heading off
1365 any potential incident like occurred to you.

1366 I am going to spend most of my time talking about Lifeline
1367 because I am very concerned about any legislation that would
1368 reduce access to what in my district and I know many districts
1369 across the country are very critical. My district is urban. It
1370 is Louisville, Kentucky. We don't qualify for the high cost fund
1371 or the rural health care fund under USF.

1372 Our schools and libraries use the E-rate providing access
1373 to the internet, but once those facilities close there is nowhere
1374 for most kids to go to complete their homework assignments or to
1375 just connect to the world as we know is as valuable part of
1376 education these days as what you find in school.

1377 The Kentucky Department of Education Technology Readiness
1378 Report indicates that more than one in four households with
1379 children in my district lack internet access. And I was at a
1380 school a couple years ago, a middle school, and asked the principal

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1381 that because 95 percent of the kids were on free and reduced lunch.
1382 And I asked her, what would you estimate the percentage of your
1383 kids who have access to the internet at home? She said ten
1384 percent. I said, well, that 90 percent, those kids are done. I
1385 mean, they are lost. And the thing about that particular
1386 situation is most of the kids at that school were bussed miles
1387 and miles away, some as many as eight or nine miles.

1388 So just, and I am going to get to a question for Ms. McAuliffe,
1389 because this notion that there are other places for students to
1390 go or families to go including McDonald's seems a little bit
1391 cavalier to me. I mean, how many blocks would you say it would
1392 be okay to have a second or third grader walk to get their homework
1393 done so they could find a McDonald's or in case a library was open?
1394 And are the parents going to take them and are the McDonald's going
1395 to welcome them and, because they are not going to be able to afford
1396 to buy anything there.

1397 I mean, it just seems to me such a cold-hearted approach to
1398 saying that these kids, I mean, and I see these kids in our schools
1399 every day and I know that there are no alternatives for them that
1400 are reasonable. You take a nine or ten-year-old kid and say, oh,
1401 the McDonald's is ten blocks away. Go walk there at 8 o'clock
1402 at night and get your homework done. Do you think that is really
1403 a reasonable alternative for people in this country, for kids in

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1404 this country?

1405 Ms. McAuliffe. Well, what I was referring to is the people
1406 who are completely unconnected, and the people who have decided
1407 they will never connect ever. So for people like that yes, they
1408 probably do go to public places. They have someplace else to
1409 access. But for people who have completely no access, I think
1410 that is what the program should be targeted to.

1411 So that 90 percent of students that you were talking about
1412 who don't have access at home, Lifeline should be targeted
1413 directly towards them and to those low-income families rather than
1414 serving as a subsidy for people who are already subscribing.

1415 Mr. Yarmuth. Well, you threw a lot of numbers out in your
1416 testimony. I didn't quite get that point from listening to your
1417 testimony. I am concerned also about this notion that -- and I
1418 think all of us agree that we ought to do everything we can to
1419 end fraud, waste and abuse in any government program. I mean,
1420 it is absolutely essential. And I think, we as Democrats, I wrote
1421 an op-ed piece about this last week. We as Democrats ought to
1422 be the most aggressive in that because we want to prove the
1423 government can work and it can be effective, so we ought to be
1424 the ones who talk about that all the time.

1425 But I do have just a theoretical question about why a cap
1426 is something that promotes a reduction in fraud and abuse.

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1427 Logically, there doesn't seem to be any connection. I can see
1428 from the agency's standpoint if you cut their funds they are going
1429 to probably be more efficient so maybe there is not as much waste.
1430 But the fraud and the abuse in this system, do you have any evidence
1431 that cutting a budget actually reduces fraud and abuse?

1432 Ms. McAuliffe. Cutting the budget has more incentives for
1433 pursuing that. And I think combined with the National
1434 Eligibility Verifier that those two working in concert is a great
1435 incentive to keep everything targeted to the people who need it
1436 most.

1437 Mr. Yarmuth. Well, the verifier is going to be in place so
1438 --

1439 Ms. McAuliffe. Right.

1440 Mr. Yarmuth. -- we don't have to legislate that. But I
1441 mean, are there any, do you have any evidence that cutting a budget
1442 has reduced fraud and abuse in any particular program?

1443 Ms. McAuliffe. I would say abuse.

1444 Mr. Yarmuth. Okay. Well, if you could submit any evidence
1445 you have I would like to see that.

1446 Ms. McAuliffe. Right.

1447 Mr. Yarmuth. Thanks very much. My time is up, Mr.
1448 Chairman. I thank you.

1449 Mr. Walden. I thank the gentleman for his questions. We

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1450 will now go to the gentleman from Kansas, Mr. Pompeo, for five
1451 minutes.

1452 Mr. Pompeo. Thank you, Mr. Chairman. And thank you to all
1453 the witnesses today. Ms. Smith, thank you especially to you for
1454 coming today to talk about your daughter and all the work you have
1455 done that has been absolutely tireless. And so we heard some
1456 concerns expressed by one of the folks who gave testimony this
1457 morning about the possible abuses of this law. You talked about
1458 it being in 22 states. Can you tell me, how would you respond
1459 to the concerns about privacy that were raised today?

1460 Ms. Smith. Only at the level when I testified would there
1461 be an ACLU member trying to oppose the legislation. That is the
1462 only time we have heard about privacy issues. You won't hear it
1463 from a parent of someone that is missing.

1464 Mr. Pompeo. I also haven't heard it from law enforcement.
1465 I have talked to law enforcement throughout the state as I travel
1466 around. We have had it in Kansas now for a good long period of
1467 time. I haven't heard them, I haven't heard the senior officers
1468 expressing any concerns about their officers abusing the power
1469 and the process they have. Are you aware of any of that?

1470 Ms. Smith. I am not.

1471 Mr. Pompeo. Ms. Smith, some of the state versions have a
1472 limited liability exception for carriers providing some

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1473 protection to them. Are you comfortable with that provision as
1474 some of the states have it if we put that in the federal version?

1475 Ms. Smith. I believe most of the states have it. Previous
1476 federal versions have that also.

1477 Mr. Pompeo. Right. Mr. Wessler, you -- thank you, Ms.
1478 Smith. Mr. Wessler, you identified in your written testimony,
1479 I think in your oral testimony as well maybe it was just three,
1480 but in the written testimony four examples. We now have 22 states
1481 that have had this on the books for cumulatively dozens and dozens
1482 of years. Are those the four examples that you think provide the
1483 case for arguing against allowing cell phones geolocation data
1484 be made available in emergency situations?

1485 Mr. Wessler. Thank you, Congressman. Those are examples
1486 that appear in case law specifically, where judges have actually
1487 had an opportunity to review police's conduct and point to that.
1488 We also point to some systemic examples including a 2010 report
1489 by the Department of Justice Inspector General showing systemic
1490 violation of emergency request procedures by the Federal Bureau
1491 of Investigation for telephone records.

1492 Mr. Pompeo. Right. That is not exactly what -- I have read
1493 that. That is not exactly what it says. Two of the four
1494 examples, just so the record's right, two of the four examples
1495 -- I have now read the court cases -- looked like they were plain

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1496 old mistakes, which I will concede law enforcement makes from time
1497 to time just like I do. So it seems to me that the case for
1498 protecting human life and finding people who are in dire need of
1499 assistance from law enforcement far outweighs what now is, by my
1500 count, one example of case law that shows some form of a potential
1501 abuse of practice over the course of years and years and years.

1502 Mr. Wessler. And Congressman, I think that point is
1503 actually to the importance of one of the very modest protections
1504 we ask for which is notice to the person whose location is obtained
1505 after the fact. Not before, obviously not to interfere with the
1506 investigation, but notice is included in federal statutes like
1507 in the Wiretap Act and in state statutes and is really key
1508 mechanism so that people can know if it was an inappropriate
1509 request. If somebody is tracked down who was truly in danger then
1510 they will have no complaint, and we want law enforcement to have
1511 that access. But notice, after-the-fact judicial review, and
1512 remedies can coexist with emergency access.

1513 Mr. Pompeo. Great, thank you. Mr. Chairman, I yield back
1514 what little time I have left. Thank you.

1515 Mr. Walden. Thank you very much. The gentleman yields
1516 back, and the chair recognizes for five minutes the gentleman from
1517 Pennsylvania.

1518 Mr. Doyle. Thank you, Mr. Chairman. And I want to thank

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1519 the witnesses, and particularly Mr. Hunt and Ms. Smith. Thank
1520 you so much for being here and participating. Your loss is a
1521 reminder to all of us that we need to make sure that our public
1522 safety laws are updated and modernized to account for changing
1523 technologies and which is one of things we on the committee take
1524 very seriously.

1525 In the last session of Congress in this committee we passed
1526 a modified version of Kelsey's Law by voice vote, I believe. I
1527 think it passed unanimously, which provided some of the provisions
1528 that Mr. Wessler was talking about. I know as a parent, I have
1529 four children, I would want that call and information to happen
1530 immediately. I think that is important.

1531 I don't, quite frankly, see a problem with after-the-fact
1532 review. I think that creates a disincentive whether it be law
1533 enforcement or anyone else from misstating who they are or what
1534 they are. I think the most important thing is when something like
1535 this happens, locate that person immediately. Nothing should
1536 stop that.

1537 But I wonder, Mr. Souder, if the action occurs immediately
1538 so that we hopefully save a life or get law enforcement to that
1539 situation as quick as possible, what harm do you see with
1540 after-the-fact, having some sort of review to make sure that the
1541 emergency was really an emergency and that the individual whose

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1542 information or location was given out is notified that that was
1543 done? And obviously if that is someone who was missing and
1544 located, they are not going to have a problem with that. But if
1545 it was used for some other nefarious purpose that they would know
1546 this and have some redress. Do you see a problem with that?

1547 Mr. Souder. I do not. And internally, meaning within the
1548 911 center and the law enforcement agencies that we work very
1549 closely with, we have a multitude of safeguards to ensure that
1550 when a request is received there is legitimacy to it, when
1551 information is provided it is provided in a secure manner, so all
1552 of those things internally are already in place. But you are
1553 talking after the fact.

1554 Mr. Doyle. Yes.

1555 Mr. Souder. I don't see any problem with it. I would only
1556 ask that the 911 center not be tasked with doing that.

1557 Mr. Doyle. Yes. No, I understand what you are saying. I
1558 mean, I think there is a solution to this. We want to do this
1559 and we want to see it happen. And I think that as long as we are
1560 not impeding the immediate location, information to where that
1561 location is because that should be paramount before any of this
1562 other, but that after the fact, to make sure that we have some
1563 safeguards in place that would be a disincentive for anyone to
1564 fraudulently say I have an emergency here when it isn't because

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1565 there is going to be some after the fact review of it, seems to
1566 me to be a reasonable solution to a problem which doesn't imperil
1567 the families or the victims, and at the same time provides some
1568 safeguards against any -- and I am sure that these instances are
1569 rare anyway, but the fact that if there is documentation that they
1570 have existed in some instances, this seems to be the reasonable
1571 compromise between the two.

1572 Mr. Hunt, I have got to tell you, I think most people don't
1573 even give it a thought that there is prefixes before 911. I was
1574 just sitting here thinking, I think all of us just thought, boy,
1575 you just grab any phone and dial 911 and you are getting connected.
1576 And when you think about it, I mean, even on our phones in the
1577 Capitol, if you are going to an outside line you have to hit that
1578 9 first before you dial. And it just seems to me in this age
1579 of technology this should be a simple fix and that no matter which
1580 phone you touch when you hit 911, because you are right, as parents
1581 that is what we tell our kids from the very beginning. That is
1582 the one number we drill into their heads that when something like
1583 this happens that is what we do.

1584 So I really hope we can address both of these problems, and
1585 I think they go hand in hand by the way that this should be done.
1586 And I certainly, Mr. Chairman, are looking forward to working with
1587 you and members of this committee to find a solution to this very

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1588 serious problem that -- and I think it is within our ability to
1589 get this done and hopefully passed into law.

1590 And so I thank both of you for coming, and Mr. Souder, I thank
1591 you too for the great work you guys are doing. And your reputation
1592 and the work of your agency in Fairfax is well known and we
1593 certainly appreciate it. And Mr. Wessler, I think some of the
1594 things you mentioned especially the after-the-fact stuff just to
1595 me makes sense. That is a safeguard we can -- and still make sure
1596 these families, when there is a victim.

1597 I have to tell you with regards to the Lifeline program, I
1598 know the Americans for whatever, Americans for Tax Reform, is that
1599 your group? I know you claim to speak for taxpayers. I guess
1600 you speak for some; you certainly don't speak for all. To cap
1601 this program to especially to take away poor people's ability to
1602 call 911, because this bill you speak of has a two-year phase-out
1603 of voice-only services and I just wonder what happens to the people
1604 on this program in two years when we phase out voice-only to this.
1605 They are going to have buy -- I know this isn't favored by the
1606 industry. It is not favored by consumer groups. It is not
1607 favored by anybody I am aware of except maybe your organization.

1608 And I would say to you too, when you talk about the waste
1609 and fraud in this program, people immediately think, yes, that
1610 is just poor people defrauding the program. The fraud is coming

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1611 from the phone companies that are trying to sell these products,
1612 trying to sell two and three and four phones to people and saying
1613 it is okay, it is within the rules. I mean, most of the fraud
1614 we have seen in this Lifeline program isn't coming from the poor,
1615 it is coming from telephone solicitors that are trying to make
1616 a commission selling these products.

1617 So I think it is a terrible idea to cap the program. The
1618 FCC is working on a reform package. The phase-out is five years
1619 instead of two. It seems eminently reasonable to me, and I hope
1620 this committee will not pursue this legislation 4884. I think
1621 it is counterproductive. And Mr. Chairman, thank you for your
1622 indulgence.

1623 Mr. Walden. Thank you very much. The gentleman yields back
1624 and the chair now recognizes the gentleman from Florida for five
1625 minutes.

1626 Mr. Bilirakis. Thank you very much, Mr. Chairman. I thank
1627 the entire panel, particularly Mr. Hunt and Ms. Smith, for your
1628 testimony today. I am going to start off with the Lifeline.

1629 Ms. McAuliffe, since Florida is a net payer into the -- and
1630 I represent Florida as the chairman said. Since Florida is a net
1631 payer into the Universal Service Fund it only underscores the
1632 importance that cutting down on fraud and waste, abuse again
1633 within the system, is imperative. We and the FCC must continue

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1634 to improve and adapt the program to modernize reality so that only
1635 eligible customers receive Lifeline credits.

1636 Can you describe the effect that an uncapped budget as
1637 currently constructed affects payer states like Florida, and how
1638 would a firm budget at any level around a million and a half or
1639 two billion dollars better protect against waste and unbalanced
1640 Lifeline disbursement?

1641 Ms. McAuliffe. Sure. So in terms of a firm budget it kind
1642 of keeps things more in line because Florida is what, 300, over
1643 300 million payee or into Lifeline, and that is money that could
1644 come back to Florida to help Florida residents who need that. So
1645 in having a budget to kind of quell this waste, fraud and abuse
1646 will make sure that the money stays more towards where it goes.
1647 And kind of in reference to the mobile-only, all I am testifying
1648 here is about having a firm budget and that that is very important
1649 to have that cap.

1650 Mr. Bilirakis. Very good, thank you, next question. It is
1651 apparent for you, again Ms. McAuliffe. It is apparent that the
1652 rampant fraud and abuse within the Lifeline program five years
1653 ago has been addressed to some extent. Do you agree with that?

1654 Ms. McAuliffe. Yes.

1655 Mr. Bilirakis. I do note that since 2012 abuse has been cut
1656 by nearly \$670 million. That is significant. And yet we see

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1657 instances just last week where a company can bypass federal
1658 safeguards to enroll 99.8 percent of their subscribers using
1659 stolen identifications or even the lack of identification for
1660 eligibility. The ratepayers are the ones that truly suffer in
1661 my opinion.

1662 What is the best way for us to add teeth to these eligibility
1663 requirements so it can act as an actual deterrent? Can we
1664 completely cut some companies out of the program at a certain level
1665 for noncompliance? Can we cut them out?

1666 Ms. McAuliffe. There should be and I believe there are,
1667 there are deterrents and abilities to cut companies'
1668 participation if they are acting in an abusive way. And I think
1669 the National Eligibility Verifier will go, will definitely help
1670 with that since it won't be the carriers self-certifying, it will
1671 be a third-party agency certifying that the people there
1672 submitting are a part of it.

1673 And I think the level that you have, 135 percent of the
1674 poverty line, which is about 32,000 for a family of four, I think
1675 that won't be an issue with the \$1.5 billion budget cut because
1676 that is about where we are right now. So anyone who is currently
1677 participating in Lifeline will still be able to continue
1678 participating.

1679 Mr. Bilirakis. And that is so very important obviously.

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1680 Ms. McAuliffe. Yes.

1681 Mr. Bilirakis. Mr. Hunt, your testimony today to the
1682 committee is truly admirable and we appreciate it so much. I
1683 cannot imagine how your loss must affect you every minute of the
1684 day, but your perseverance and determination with Kari's Law is
1685 remarkable. Thank you so very much, sir. It is common sense
1686 legislation as far as I am concerned. We have got to get this
1687 done.

1688 Mr. Hunt. Thank you.

1689 Mr. Bilirakis. Shifting to Director Souder, thank you for
1690 being here as well. In your experience, where do these multi-line
1691 telephone systems present the biggest challenges to their users?
1692 Would the notification system that alerts a central site to the
1693 exact location of the emergency as required under Kari's law cut
1694 down on response times in nursing homes and other elder
1695 facilities, and also what about schools?

1696 Mr. Souder. Schools would be included in that group of
1697 multi-telephone line subscribers as well. We are very fortunate
1698 in our region that there is a large level of compliance, but this
1699 is a very large nation and there are many hotels throughout the
1700 states, and I cannot speak to how many of them are voluntarily
1701 being compliant. But clearly I would hope that if this law was
1702 passed it will be a significant incentive so that this problem

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1703 that does exist in many places will be rapidly addressed and not
1704 waiting until the incumbent telephone equipment has lived its life
1705 cycle which could then even be many years away.

1706 Mr. Bilirakis. Again thank you, sir, for your advocacy.

1707 Mr. Bilirakis. All right. Mr. Chairman, can I ask one
1708 question of Ms. Smith? Well, if we don't have time --

1709 Mr. Collins. [Presiding.] Yes -- no, not a problem.

1710 Mr. Bilirakis. Okay, thank you. Ms. Smith, your testimony
1711 today obviously is equally heartbreaking. Your loss is
1712 unconscionable. In today's modern age of telecommunication
1713 anything short of immediate, again short of immediate, in my
1714 opinion, is frustrating. It should be immediate.

1715 I commend you for working so diligently for so long across
1716 our entire country in pursuit of this change. As you note, this
1717 law is already saving numerous lives that might otherwise be lost.
1718 That in of itself is extraordinary, so thank you so very much.
1719 Can you elaborate a bit who this law as enacted by almost half
1720 of the country, I think 22 states, is benefiting the most? Who
1721 is it benefiting the most? How could this affect residents in
1722 my state of Florida? And I understand we do not have a law on
1723 the books.

1724 Ms. Smith. Thank you, Congressman. Unfortunately your
1725 state has not passed it yet. Who does it benefit the most? The

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1726 lives that have been saved. I testified to an elderly gentleman
1727 who had had a stroke and could not talk, but he could dial his
1728 wife's phone. He was recovered. There was a suicide attempt.
1729 The young lady had left a note and she was tracked and found in
1730 time. There was a baby, and this made news last year in our area,
1731 who was carjacked. Her parents' car was carjacked and that baby
1732 was found in less than 40 minutes and the police stated it was
1733 absolutely because of Kelsey's Law. Those are the people that
1734 benefit.

1735 And an additional benefit, I believe the very first time
1736 Kelsey's Law was ever used in Kansas there was a young lady
1737 murdered and she was taken to another state. But she came home,
1738 and her father does not believe she would have come home, she
1739 wouldn't have been found had it not been for Kelsey's Law. Those
1740 are the people that benefit from this law.

1741 Mr. Bilirakis. Thank you so very much. I appreciate it.
1742 I yield back, Mr. Chairman.

1743 Mr. Collins. Thank you. The chair now recognizes the
1744 gentleman from California.

1745 Mr. McNerney. I thank the chair. Mr. Souder, we have three
1746 public safety bills on our first panel. Although two of these
1747 bills seek to strengthen public safety, I am worried that one may
1748 undermine public safety for millions of low-income Americans.

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1749 This would be the CURB Lifeline Act which makes so that low-income
1750 families may not have access to cell phones. In your experience,
1751 how important is it for low-income Americans to be able to use
1752 their mobile devices for 911 emergencies?

1753 Mr. Souder. No different than it is for you or I.

1754 Mr. McNerney. How would cutting off 911 services for
1755 low-income Americans impact public safety?

1756 Mr. Souder. We would have unfortunately less calls to
1757 respond to, although it wouldn't impact at all the need.

1758 Mr. McNerney. Thank you. Pretty blunt answers there.

1759 Ms. Medina, thank you for testifying. What impact would a
1760 rigid funding cap on Lifeline have on current and future
1761 subscribers?

1762 Ms. Medina. Well, I live in San Bernardino, the city of San
1763 Bernardino where there is a high population of poverty, and not
1764 only that crime. It would impact significantly because many
1765 families can't afford, and currently right now we have a limited
1766 amount of internet access.

1767 And when you look at, when they were mentioning earlier
1768 regarding McDonald's and other places, when you have safety issues
1769 in your community you can't easily just walk to the neighborhood
1770 McDonald's or other locations. And we have had recently,
1771 unfortunately, two youths, one 14 and one 12, die while walking

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1772 to a gasoline station which is around the corner.

1773 So we have incidents in many communities throughout the
1774 nation that you can't have, it is not easy to have access
1775 especially after school and walking to different locations. So
1776 it definitely makes a huge impact in our communities.

1777 Mr. Wessler. Congressman, if I could just add to that. A
1778 hard cap also doesn't take account of the potential for economic
1779 crises and downturns or natural disasters. It sets the cap at
1780 a limit they may make sense this second, but economic
1781 circumstances of families can change very fast and this could
1782 leave people in really dire straits.

1783 Ms. Medina. And I do want to mention when you look at caps
1784 it sets limitations on how many families you can serve, and that
1785 is the bottom line. You could have either a hundred families that
1786 could receive the service, but when you have a cap and you can
1787 no longer service them then what happens to them?

1788 Mr. McNerney. Okay, thank you. As part of the CURB
1789 Lifeline Act, support for standalone mobile voice service would
1790 be cut off for many families. Standalone mobile service has
1791 become a simple focus of the program while a majority of the
1792 program's participants connect over mobile phones. Can you
1793 explain why being able to make voice calls using mobile phones
1794 would make the most sense for low-income Americans?

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1795 Ms. Medina. Emergency, I mean it has to do with emergencies.
1796 When I have my five children, if I am not home and they have to
1797 access, my teenagers have to access to call me they have that
1798 access to call. And also with finding work, my husband was laid
1799 off at one point and how do you find work? And you have to receive
1800 a call when you apply, and as well as internet access as well when
1801 you do the applications.

1802 Mr. McNerney. Okay, thank you. Well, I think we all want
1803 to make sure that low-income families have access to emergency
1804 services.

1805 Ms. McAuliffe, in your testimony you stated that broadband
1806 internet access is freely available nearly everywhere. You
1807 mentioned restaurants, McDonald's, but many low-income Americans
1808 have multiple jobs, a lot of these establishments are closed when
1809 they have any kind of free time. How can these Americans still
1810 access the internet to do essential things like help their kids
1811 with homework and apply for better jobs?

1812 Ms. McAuliffe. Sure. So -- and that is true that those time
1813 frames are difficult. And one of the things about the new order
1814 is that it does bring in broadband access and a lot of people are
1815 choosing to access on mobile devices. So that also links in the
1816 cost of voice service has gone down so much, so when you bundle
1817 both the voice and the data service together -- right now we are

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1818 at the 1.5 billion -- it wouldn't cut anyone out, but it would
1819 actually add a service so you would end up with voice and an
1820 internet connection rather than neither.

1821 Mr. McNerney. Well, I mean, I don't think that is realistic
1822 because the subsidy is \$9.25 a month, which doesn't really even
1823 pay for mobile service much less mobile plus bundled services,
1824 so I would be careful about what that means. Thank you, Mr.
1825 Chairman.

1826 Mr. Collins. I want to thank you for your questions and
1827 thank the panel for your testimony today. That has been very
1828 useful. And we have a second panel coming up, so with that thank
1829 you for your time and you are dismissed. We will call the second
1830 panel up. Thank you.

1831 (Pause.)

1832 Mr. Collins. If we could have the witnesses grab a seat we
1833 will get going here. All right, we will just wait a second for
1834 Detective Finley to join us.

1835 Okay, now that the panel is here we can get moving on the
1836 second panel. During this panel discussion we are going to be
1837 talking about H.R. 2031, the Anti-Swatting Act of 2015; H.R. 3998,
1838 Securing Access to Networks in Disasters, or SANDy Act; H.R. 4111,
1839 the Rural Health Care Connectivity Act of 2015; and H.R. 4190,
1840 the Spectrum Challenge Prize Act of 2015. So with that the

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1841 witnesses each will have five minutes for their testimony. The
1842 lights there will let you know green is good, yellow means start
1843 to wrap up, and red means we are going to cut you off.

1844 With that Detective Sergeant Finley, we will begin with you.

1845 Welcome, and thank you for your testimony.

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1846 STATEMENTS OF DETECTIVE SERGEANT B.A. FINLEY, CRIMINAL
1847 INVESTIGATIONS DIVISION, JOHNS CREEK POLICE DEPARTMENT, JOHNS
1848 CREEK, GEORGIA; SCOTT BERGMANN, VICE PRESIDENT OF REGULATORY
1849 AFFAIRS, CTIA - THE WIRELESS ASSOCIATION; AND DAN HOLDHUSEN,
1850 DIRECTOR OF GOVERNMENT RELATIONS, GOOD SAMARITAN SOCIETY

1851

1852 STATEMENT OF B.A. FINLEY

1853 Mr. Finley. Can you hear me okay, Mr. Collins?

1854 Mr. Collins. Yes, sometimes you do have to lean close to
1855 the microphone.

1856 Mr. Finley. All right.

1857 Mr. Collins. We appreciate that.

1858 Mr. Finley. Thank you for your time, sir. Again, thank
1859 you, Mr. Collins, Ranking Member Eshoo. Thank you to all the
1860 members. Again, my name is Detective Sergeant Finley from the
1861 Johns Creek Police Department in Johns Creek, Georgia. A 20-year
1862 veteran of law enforcement, I am currently the supervisor of a
1863 criminal investigations unit in my department. The majority of
1864 the crimes I investigate are internet and cyber related crimes,
1865 and over the last couple of years I have had quite a bit of
1866 experience and success investigating swatting, hoax 911 calls in
1867 which spoofing technology was utilized.

1868 But first, let me say it is an honor and a privilege to be

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1869 here today, be in front of this committee and provide testimony
1870 on these important issues. And some of the things that I will
1871 speak of today are, quite a few of them are listed in my written
1872 stuff and I won't go over each and every one of those. But I will
1873 just give you a couple of examples of some of the things I have
1874 been involved in.

1875 In 2014, I was the lead investigator in a multi-state and
1876 international swatting investigation that involved a serial
1877 swatting suspect who had swatted 40-plus cities here in the United
1878 States and Canada. He had terrorized multiple families all over
1879 the United States and was responsible for hundreds of thousands
1880 of dollars in wasted time and resources by local and federal law
1881 enforcement officers responding to these fake incidents. He used
1882 VoIP technology as well as anonymizer websites, spoofing
1883 technology, multiple emails, and social media profiles to hide
1884 himself.

1885 During this same time period, I was investigating another
1886 swatting hoax 911 incident involving an individual who lived up
1887 in the Northeast portion of the United States and in his hoax he
1888 was using several layers of spoofing technology. He actually had
1889 a spoofing phone app. He actually created his own spoofing
1890 website, and then ran that through a nationally known spoofing
1891 company.

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1892 He also incorporated the VoIP services as well, and as you
1893 can imagine it took quite some time to sort through all of this
1894 to find him out of this multi-layer spoofing. He also used some
1895 voice-disguising software on that which made it even more
1896 difficult to finally uncover who he is.

1897 But in a lot of these situations we talk them out or you hear
1898 on the news about the incident that was called in, how many law
1899 enforcement were involved, how many ambulances and all that other
1900 stuff, and a lot of people, I think, forget about the actual
1901 victim, what happens to them. And sometimes I don't think they
1902 really understand that they suffer some intense emotional
1903 distress and trauma as well.

1904 In one of these incidents that I investigated, a male caller
1905 had called our 911 center and he said that all right, he said I
1906 killed the mom, I killed the dad, I killed the little boy in the
1907 house and I have got the little girl right here and I need \$30,000
1908 or I am killing her too. The only people that were present in
1909 the home that day were a nanny and a babysitter. There were two
1910 small children in the home at the time of the swatting call. Mom
1911 and Dad were both gone. They both found out by friends calling
1912 them and telling them that they had seen their house on the news
1913 and that something horrible had happened there.

1914 So imagine as a parent that you get a call and you rush home

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1915 thinking it is your entire family that has been killed. And as
1916 you get there you see multiple police vehicles lining up and down
1917 the street, police officers in this cul-de-sac pointing rifles
1918 at your home, EMS crews and stretchers are out on the street with
1919 ambulances and stretchers standing by for resulting casualties.

1920 I was there that day and I saw that mother as she was running
1921 through her neighbors' yards trying to get to the home. She was
1922 in a panic. She was totally distraught and had a look of horror
1923 on her face. We had to physically restrain her and tell her that
1924 her children were fine and that they were sitting in the back of
1925 our fire chief's vehicle. And to see the raw emotion pour out
1926 of that woman that day as she embraced her children and just sobbed
1927 out loud it affected everyone there.

1928 That is when you realize the impact that these swatting
1929 hoaxes can have on these victims, and it truly makes you angry
1930 to know that someone did this for fun and it motivates you to want
1931 to go find out who this person is and find them. It also makes
1932 you wonder what type of person would derive some type of enjoyment
1933 out of doing this to people.

1934 Some of the other crimes I investigated involve the spoofing,
1935 except one of them is quite popular this time of year and that
1936 is the IRS scam where people call and then they will use the local
1937 IRS number to appear on your phone and say that hey, we are from

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1938 the IRS. You owe us money. We are either going to lock you up
1939 or deport you or whatever, and people readily pay this money
1940 because they are scared to death of the IRS.

1941 Another scam is the arrest warrant scam where they call up
1942 and say you have a warrant for your arrest. We are going to take
1943 you to jail if you don't pay this amount of money. People that
1944 don't have normal contact with law enforcement don't realize that
1945 we don't call you and tell you we have warrants for your arrest.
1946 We show up at your house to come get you.

1947 But these are just a few examples of the criminals that
1948 utilize spoofing technology to facilitate their crimes. I hope
1949 it has given you a little bit of a better understanding of what
1950 goes on in these situations. They are not harmless pranks as some
1951 might describe them. When you see the toll it takes on some of
1952 these families that have gone through some of these situations
1953 you will understand.

1954 We do need good legislation to deal with this issue. As our
1955 technology increases so will these incidences. It is important
1956 to note that these criminals will always update their techniques
1957 to use the most recent technology to help further their criminal
1958 enterprise. They will always use and abuse any new technology
1959 to help them exploit companies or people. And at the end of the
1960 day the American people are going to look to both of us for help.

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1961 They are going to look to you to make the good laws and they are
1962 going to look for me to enforce them.

1963 I thank you for your time today and for the honor and
1964 privilege of being here before this institution and talking to
1965 you guys, and I will be happy to entertain any questions you may
1966 have.

1967 [The statement of Mr. Finley follows:]

1968

1969 *****INSERT 10*****

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1970 Mr. Collins. Thank you for sharing that testimony. There
1971 is things we can't conceive of and this happens to be --

1972 Mr. Finley. Yes, sir.

1973 Mr. Collins. -- in that category, so we may have some other
1974 questions afterwards. Thank you very much.

1975 Mr. Finley. Not a problem, sir.

1976 Mr. Collins. Mr. Bergman, you are now recognized for five
1977 minutes.

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1978 STATEMENT OF SCOTT BERGMAN

1979

1980 Mr. Bergmann. Thank you to the chair, and thank you to
1981 Chairman Walden and Ranking Member Eshoo and members of the
1982 subcommittee for the opportunity to provide CTIA's influence on
1983 four of the initiatives that you will consider today. CTIA
1984 appreciates this subcommittee's continued interest in wireless
1985 policy in efforts to keep Americans safe and connected while
1986 encouraging innovation and investment in the world's most vibrant
1987 wireless marketplace.

1988 CTIA has a long history of working closely with this
1989 committee to address public safety and emergency preparedness.
1990 From the adoption of 911 to wireless emergency alerts and FirstNet
1991 we have partnered with you to help keep Americans safe. In that
1992 vein, we appreciate Ranking Member Pallone's introduction of H.R.
1993 3998. The district he represents suffered great damage from
1994 Superstorm Sandy.

1995 Mr. Collins. Excuse me. Is your microphone on?

1996 Mr. Bergmann. Thank you, sir. The district he represents
1997 suffered great damage from Superstorm Sandy, and lessons from that
1998 experience spurred the SANDy Act. I am pleased to report that
1999 H.R. 3998 and corresponding interest from Chairman Wheeler and
2000 the FCC have encouraged meaningful dialogue about steps to improve

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2001 disaster preparedness. Carriers are making progress towards a
2002 framework that would address many elements included in the bill
2003 including identifying new ways to help consumers be prepared when
2004 disaster strikes, making sure that critical public safety
2005 personnel can contact wireless providers, engaging local
2006 governments to enhance their readiness, and giving providers
2007 flexibility to help one another restore service. Given this
2008 progress, we do not consider new legislative or regulatory actions
2009 necessary, but we absolutely commend Representative Pallone for
2010 his leadership.

2011 Turning to H.R. 4190, CTIA supports the Spectrum Challenge
2012 Prize Act. CTIA's members invest heavily in research and
2013 development to improve spectral efficiency, but with demand for
2014 mobile broadband continuing to rise more progress is needed. A
2015 challenge program such as that proposed by Representative Matsui
2016 may incentivize breakthroughs that can benefit consumers and our
2017 economy. CTIA believes that a comprehensive approach to
2018 wireless policy should focus on efficiency and also on identifying
2019 additional spectrum and streamlining processes for deploying
2020 network architecture. CTIA commends Chairman Walden and the
2021 subcommittee for your work to expedite the deployment of
2022 communications infrastructure on federal properties and the
2023 approval of H.R. 1641, the Federal Spectrum Incentive Act.

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2024 We would also highlight the FCC's important efforts to make
2025 available spectrum above 24 gigahertz which offers promise as we
2026 move towards 5G services. We welcome your help in ensuring that
2027 the Commission adopts rules this summer to bring high-band
2028 spectrum to market. Collectively, these initiatives will help
2029 the U.S. retain its world leadership in advanced wireless
2030 services.

2031 Moving to the Lifeline bill, CTIA's views are informed by
2032 two main points. First that all Americans should have access to
2033 high quality communication services, and second that Universal
2034 Service policies should recognize consumers' increased
2035 preference for wireless services. While CTIA appreciates the
2036 subcommittee's interest in ensuring a more efficient Lifeline
2037 program, we are concerned that a cap will inherently exclude
2038 low-income consumers that Lifeline is intended to support. CTIA
2039 is also concerned that eliminating support only for mobile voice
2040 services would reverse longstanding consensus that USF policy be
2041 technology neutral. The subcommittee may wish to consider
2042 whether it would be appropriate to transition the entire USF
2043 program to a general revenues model. Wireless consumers today
2044 bear almost half of the annual \$8 billion USF contribution burden,
2045 while 75 percent of that support goes to non-wireless services.
2046 A general revenues approach would give this subcommittee the

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2047 opportunity to consider funding levels, affordability, and
2048 inter-industry subsidies implicated under the current approach.

2049 Finally, CTIA supports H.R. 4889, the Kelsey Smith Act, with
2050 the addition of one critical provision. We urge the inclusion
2051 of clear, unambiguous language to ensure that any carrier
2052 complying with the act is protected from civil or administrative
2053 liability. Adoption of appropriate liability safeguards will
2054 ensure that carriers that comply with law enforcement requests
2055 have the necessary protection to aid in the response to critical
2056 life-threatening emergencies.

2057 Thank you for the opportunity to testify today and I look
2058 forward to your questions.

2059 [The statement of Mr. Bergmann follows:]

2060

2061 *****INSERT 11*****

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2062 Mr. Collins. Appreciate your testimony. Now Mr.

2063 Holdhusen, you have five minutes.

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2064 STATEMENT OF DAN HOLDHUSEN

2065

2066 Mr. Holdhusen. Thank you, Mr. Collins and Ranking Member
2067 Eshoo and other members of the subcommittee. I am here today and
2068 have the honor to appear before you to support bipartisan
2069 legislation H.R. 4111, the Rural Health Care Connectivity Act of
2070 2015. This was sponsored by subcommittee members Lance,
2071 Loeb sack, and Cramer. I respectfully ask that my written
2072 testimony be submitted.

2073 My name is Dan Holdhusen and I am the director of government
2074 relations for the Evangelical Lutheran Good Samaritan Society.
2075 The society is the nation's largest not-for-profit faith based
2076 senior care and services organization. It was founded in 1922
2077 and is headquartered in Sioux Falls, South Dakota.

2078 We offer a broad spectrum of senior services including not
2079 only skilled nursing care, but also home health, respite care,
2080 assisted living, post-acute care, senior apartments and
2081 affordable housing, and hospice care. Currently, the society
2082 serves more than 240 locations across the country in 24 states,
2083 caring daily for more than 30,000 people and employing more than
2084 23,000 staff members.

2085 On behalf of the society and the American Health Care
2086 Association, which is the nation's largest association of long

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2087 term and post-acute care providers, I would like to express our
2088 strong endorsement of the Rural Health Care Connectivity Act. If
2089 enacted, this bill would offer substantial and critical support
2090 for not-for-profit and public providers of skilled nursing care
2091 that operate in rural and frontier areas across the country.

2092 The society currently operates 168 skilled nursing
2093 facilities, also called SNFs of which 122 or about three-quarters
2094 of those are in the Universal Service Administrative Company
2095 defined rural areas. In fact, we have facilities in many of your
2096 districts, including Oregon, Iowa, North Dakota, Ohio, Kentucky,
2097 and Kansas. These SNFs play a critical role in the delivery of
2098 care in rural and frontier areas of our country and are significant
2099 and growing pioneers in telehealth services.

2100 Like many providers serving an aging population, the society
2101 is a provider of skilled nursing care in many rural areas of the
2102 country. As such, we are dependent on the growing use of
2103 technology to deliver needed care and services to locations that
2104 do not have the benefit of nearby health clinics or rural
2105 hospitals.

2106 The use of broadband networks is critical to accommodate the
2107 delivery and exchange of data, images, web streaming, electronic
2108 medical records, and other health information that is vital to
2109 ensure that the day-to-day care needs of residents and patients

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2110 are met. Further, an important resource for assisting with the
2111 funding of these broadband networks is the Universal Service Fund
2112 that is administered by the FCC.

2113 Although the majority of our health care partners in rural
2114 areas of the country are afforded the privilege of accessing
2115 Universal Service Fund to assist with funding broadband
2116 investment, skilled nursing facilities are not. It has been our
2117 long held belief that Congress fully intended to make rural,
2118 not-for-profit, long term care SNFs as eligible health care
2119 providers under Section 254 of the 1996 Telecom Act. In fact,
2120 on several occasions we have provided both informal and formal
2121 comments to the FCC expressing these strong held views.

2122 With the passage of this bill, the FCC will have the direction
2123 it needs to continue to develop the Healthcare Connect Fund and
2124 implement the health care broadband experiment program so that
2125 SNFs can benefit along with other covered health care providers.

2126 In conclusion, we are extremely grateful for your leadership
2127 on this important issue that deeply impacts some of society's most
2128 vulnerable populations, our nation's seniors, and we strongly
2129 urge the committee's swift adoption of the bipartisan bill,
2130 especially given that the bill was recently scored by the CBO as
2131 resulting in a net reduction in the deficit. We hope to get this
2132 bill across the finish line soon and to have access to these funds

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2133 within a year of enactment.

2134 Again, we are particularly thankful to the number of members,
2135 namely Representatives Lance, Loeb sack, and Cramer for their
2136 support of this bill. I thank you for allowing me the opportunity
2137 to strongly support the Rural Health Care Connectivity Act and
2138 I stand ready to respond to any questions. Thank you.

2139 [The statement of Mr. Holdhusen follows:]

2140

2141 *****INSERT 12*****

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2142 Mr. Latta. Well, thank you very much, and I apologize for
2143 being out. We have two other, or two subcommittees meeting in
2144 one hearing room today and so we have multiple things going on,
2145 so I appreciate you all being here today.

2146 And if I could start with the first question to Sergeant
2147 Finley, one of the things the bill does is require that the
2148 perpetrator reimburse law enforcement agencies involved in
2149 responding to a swatting call for the cost of the response. I
2150 have a two-part question, if I may.

2151 The first is looking back at some of the cases you have worked
2152 on could you give us a range or idea of the kind of dollars we
2153 are talking about? And then absent any reimbursement like this
2154 bill would allow, who bears the burden and what impact does that
2155 have on a police department like yours?

2156 Mr. Finley. Well, sir, to answer part of the second question
2157 first, I guess it would depend upon the amount of personnel that
2158 was out there, obviously on the initial one the response to it.

2159 But the part that takes up the most time obviously is the
2160 post-investigation side of this in trying to find out who this
2161 person is, because they are not quick investigations. They are
2162 long, labor intensive, because there is so many different things
2163 that you have to follow down and a lot of these places that provide
2164 these services are not even in the United States. They are in

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2165 other foreign countries. And even though we may have mutual law
2166 enforcement treaties with those, me as a municipal police officer
2167 trying to call a guy in Moscow at the Russian Federation and to
2168 give me records for something that went through a VPN that he owns
2169 is probably not going to happen, the fact if he even keeps records.

2170 So it depends, I guess, on some situations. Some of the
2171 swatting incidents that I have been involved when after the fact
2172 have been well up into the hundreds of thousands of dollars. One
2173 that I spoke with some officers around the New York area, they
2174 had an individual that called in about a boat that was sinking
2175 off the coast out there that not only involved the NYPD, it
2176 involved the New Jersey State Police, I think the United States
2177 Coast Guard, Homeland Security.

2178 They had at least, I think, eight different aircraft out
2179 there for about four hours. If you know anything about aircraft,
2180 it takes quite a bit of money to operate one of those and the air
2181 crew that are on there, not to mention all the boats that were
2182 in the water doing grid searches for about a 16-mile block looking
2183 for this individual, only to find out that they were out there
2184 for, I think, right at nine hours to find out that this was a hoax.

2185 The big thing is we are all, in law enforcement and in all
2186 first responders we are there to help people. And when you call
2187 us and tell us bad things are happening, we are going to come there

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2188 and help. And it is very frustrating when we get to these
2189 locations and find out that we mobilized all of this equipment,
2190 brought all of these people down here, because there is a big thing
2191 obviously that it takes us away from other things.

2192 And we don't know any more over the way the country is going
2193 and the world is going, we don't know if these things are real
2194 or not. You call and give us a fraudulent call and say there is
2195 an active shooter somewhere, we know that just from past
2196 experiences in the last few months there is no shortage of crazy
2197 people. There is no shortage of people who want to come over here
2198 and do harm to our country and to our people.

2199 So it is very frustrating when we have to expend these types
2200 of resources to go to these different locations only to find out
2201 that there is nothing there.

2202 Mr. Latta. Can I interrupt for one second?

2203 Mr. Finley. Yes, sir, you can.

2204 Mr. Latta. And let me ask, when you say like the Russian
2205 Federation, how often do you get a call or calls that would come
2206 from a foreign country like that that you would be investigating?

2207 Mr. Finley. There is quite a few individuals that we have
2208 got from foreign countries. I have been involved with one, he
2209 was from Canada. Even though it is right next door it is a foreign
2210 country. They are not real big on responding to any legal

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2211 processes that come from the United States into Canada unless it
2212 originates with the RCMP up there and their jurisdiction and/or
2213 their local police.

2214 So you have to involve all the legal attaches from their
2215 country to our country, federal government here and the federal
2216 government there. It is a long arduous process. But the
2217 relationships I have made with the guys in the FBI Atlanta Cyber
2218 Program as well as the United States Secret Service down in my
2219 area, they routinely find individuals in other countries and we
2220 have to partner with them to go in and get these people into
2221 custody.

2222 And a lot of times we end up doing the prosecution in the
2223 home country because it is going to be cost-prohibitive for us
2224 to go and get this person and bring them back down into the United
2225 States. We can work with them and say, look, we are going to do
2226 the same for you if you will do the same for us. And it is just
2227 a long process to do that.

2228 But I mean, to put a dollar amount on it I cannot tell you.
2229 I have probably spent a thousand something hours investigating
2230 just on the two of the cases that I had that were running
2231 simultaneously. One was a kid up here in the Northeast United
2232 States, the other one in Canada. I mean that is not to count,
2233 you count the other 43 agencies that I linked into and all the

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2234 time that I spent coordinating with the other 43 agencies, because
2235 I ended up being the go-to guy in the United States for all of
2236 them to send their information to and funnel that through the FBI
2237 Atlanta office up to the RCMPs.

2238 So we were the clearinghouse so to speak. We sat down with
2239 40-some odd cases and went through each and every one of them to
2240 try to find out that the top 10 best cases that we had to send
2241 up here on this individual, because he literally was just an
2242 internet terrorist. There was no other word for him but he was
2243 an internet terrorist. The things that he did we could talk for
2244 the rest of the afternoon, and the horrible acts that he did to
2245 young people, to young ladies especially was his target.

2246 Mr. Latta. Thank you. If I could ask the gentlelady for
2247 her indulgence, since we have three members right now would you
2248 mind if we did just second questions, the follow-up, if we could
2249 do five each and then come back and do five again? Would that
2250 be acceptable?

2251 Ms. Eshoo. What time do you think we are going to finish?

2252 Mr. Latta. We will be about 15 minutes or so.

2253 Ms. Eshoo. No, that is fine.

2254 Mr. Latta. Okay. Okay, the chair recognizes the
2255 gentlelady, the ranking member of the subcommittee, from
2256 California.

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2257 Ms. Eshoo. Thank you, Mr. Chairman, and thank you to the
2258 witnesses. You did an excellent job. To Mr. -- how do you
2259 pronounce your name, Holdhusen?

2260 Mr. Holdhusen. Holdhusen, yes.

2261 Ms. Eshoo. Holdhusen. Thank you for your work. It is
2262 never to be taken for granted what nonprofit and church
2263 organizations, charitable organizations do in our country. It
2264 is nothing short of remarkable, so thank you to you for your work.
2265 And I think that the bill that you are here in support of is a
2266 good one. It is going to help people, and that is what I came
2267 to Congress to do, so not to hurt anybody but to help people.

2268 To Mr. Bergmann, the recently adopted FCC Lifeline reform
2269 order phases out, as you know, the support for voice-only services
2270 by '22. Does your association support that provision?

2271 Mr. Bergmann. So we supported evolution of Lifeline to
2272 broadband services. What we thought was critical was to have a
2273 sufficient transition timeline so that the nine million or more
2274 low-income consumers who have mobile voice services today can make
2275 that transition.

2276 Ms. Eshoo. But what is the difference between the
2277 legislation we are considering today and the recent FCC action
2278 with respect to the phase-out of voice-only services, because
2279 there is a difference.

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2280 Mr. Bergmann. So what we pushed for was a longer transition
2281 period which is what the FCC adopted. We certainly appreciate
2282 their sensitivity with that transition so that as that program
2283 evolves from voice to broadband low-income consumers can make that
2284 transition.

2285 Ms. Eshoo. And to Sergeant Finley --

2286 Mr. Finley. Yes, ma'am.

2287 Ms. Eshoo. -- you are a great witness, you really are.

2288 Mr. Finley. Thank you, ma'am.

2289 Ms. Eshoo. You bring -- your professionalism is right out
2290 there in front, and the passion that you bring to your
2291 professionalism, and I think that it is very important.

2292 Mr. Finley. Thank you so much.

2293 Ms. Eshoo. In the cases where there are minors that are
2294 inflicting this great harm on people, how do you think the
2295 legislation deals with the fine that is attached to it?

2296 Mr. Finley. Well, as far it goes --

2297 Ms. Eshoo. What is the best way for us to do that? It
2298 doesn't seem to me realistic that we are going to extract what
2299 should be extracted in terms of a penalty. And my sense is that
2300 from what you said that there are a lot of young people that are
2301 doing this.

2302 Mr. Finley. Yes, ma'am. There are some adults that

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2303 actually do this. It depends on where they are at and when they
2304 graduate from 17 to 18 years old, depending on what they classify
2305 as an adult. But the biggest issue with anybody that is a
2306 juvenile, prosecuting them in the federal system is almost
2307 impossible or they are not going to do it. I mean, short of some
2308 kind of heinous crime, terrorism or mass homicide, they are not
2309 going to be prosecuted in federal court.

2310 Ms. Eshoo. But couldn't we structure this so that there is
2311 responsibility either on the part of the individual or the family?

2312 Mr. Finley. Yes, ma'am, we very well could.

2313 Ms. Eshoo. In terms of the fines?

2314 Mr. Finley. Yes, there is quite a few states that do have
2315 state legislation on swatting.

2316 Ms. Eshoo. What is the best one?

2317 Mr. Finley. You want to know who is the best one, I will
2318 go ahead and tell you. I think Georgia is because I just helped
2319 write the one for the state of Georgia.

2320 Ms. Eshoo. Okay, great.

2321 Mr. Finley. We are waiting on our governor to sign it right
2322 now. But it all depends. The biggest thing is they have to have
2323 some type of recourse for the victim, obviously the heartache and
2324 whatever it put them through. But one thing that I found even
2325 when we were doing our law in Georgia, one of our victims was there

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2326 at the state capital when we were doing some subcommittee
2327 hearings, and it was a year and a half later. And she was standing
2328 in the hall and we started talking about it and she just broke
2329 down and started crying.

2330 Ms. Eshoo. Over what she had done?

2331 Mr. Finley. And I am thinking to myself, she loves the
2332 police. She loves everything, but when her kids are outside in
2333 the street if one of our cars comes down the street that is doing
2334 neighborhood patrol she freaks out and thinks, oh my gosh, are
2335 they coming to my house? Because unfortunately for her in their
2336 situation, they used to live in a location where a person that
2337 they were actually targeting was this family had nothing to do
2338 with it. And one of them, they did the initial swatting at the
2339 house and then the kid in Canada came back and did a follow-up
2340 eight days later. So two times within a couple weeks their family
2341 was influenced by this.

2342 Ms. Eshoo. Well, do you have any advice for us on --

2343 Mr. Finley. Well, this law does a good job. It does some
2344 really good stuff and it does handle a lot of spoofing, but what
2345 happens when they don't spoof? What do we do then? What if they
2346 don't use spoofing technology in this? How are we going to
2347 address that situation? I know there is some other, there is a
2348 --

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2349 Ms. Eshoo. Well, there an awful lot of laws that are --
2350 Mr. Finley. Yes, ma'am.
2351 Ms. Eshoo. -- written in reaction to less than good things
2352 taking place, so I guess that is when we would address it.
2353 Mr. Finley. Absolutely.
2354 Ms. Eshoo. But one bill, I don't think, is going to do that.
2355 I think that is what your instructing us.
2356 Mr. Finley. Yes, ma'am. There is actually, Congresswoman
2357 Clark from Massachusetts, she has an interstate swatting bill that
2358 covers a lot of things I think that may be missing in this respect,
2359 okay. And --
2360 Ms. Eshoo. Well, maybe we should take a look at that, Mr.
2361 Chairman.
2362 Mr. Finley. Those are two very good things that are -- her
2363 and I, we were down at South by Southwest a couple months ago
2364 speaking on the same issue and talking about some of that at the
2365 inaugural Online Harassment seminar because she deals with a lot
2366 of the same issues. And quite honestly, I --
2367 Ms. Eshoo. Well, that is very helpful to us though. I think
2368 that we should review and see what Congresswoman Clark has in her
2369 bill that maybe we can merge them, or strengthen one because of
2370 the other.
2371 Mr. Finley. Well, she will give you some good testimony

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2372 because she got swatted a couple of months ago.

2373 Ms. Eshoo. All right.

2374 Mr. Finley. That is what I told her office. I said anytime
2375 you stick your neck out and do any of this stuff just know that
2376 you are going to be a target.

2377 Ms. Eshoo. Well, thank you to the three of you. You cover
2378 very important sectors of our country from law enforcement to
2379 communications to charitable organizations. Thank you very
2380 much.

2381 Mr. Latta. Thank you very much. The gentlelady's time has
2382 expired and the chair would now recognize the gentleman from North
2383 Dakota for five minutes.

2384 Mr. Cramer. The light is green, but it is clearly not on.
2385 How about if I slide down here? Will that work? How is that?
2386 That is not working either. How about if I talk really loudly?
2387 Oh, here we go. I bet this one will work.

2388 All right. Well, thank you, Mr. Chairman. Thanks to all
2389 of the outstanding witnesses. It really was great testimony. I
2390 agree with the ranking member.

2391 Mr. Holdhusen, thank you especially for being here on behalf
2392 of our bill, for your incredible testimony. But first let me say
2393 thank you for the incredible work of the Good Samaritan Society
2394 in North Dakota, South Dakota, throughout the Midwest. As you

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2395 know, I am very familiar with your facilities and many of your
2396 residents over the years, and I appreciate your good work.

2397 And getting to the point of this bill, I appreciate very much
2398 that you referenced in your testimony the fact that the score came
2399 back as a net gain, if you will, for the taxpayers. But even at
2400 that, even with that sort of static scoring system in Congress,
2401 I don't think it adequately captures what in my mind is the real
2402 cost/benefit analysis. Anytime we provide greater access,
2403 whether it is through critical access hospitals, skilled nursing
2404 facilities, home health care, the use of technology to increase
2405 access certainly is good for the residents and the patient,
2406 certainly helpful to those that are providing it, but I think
2407 sometimes we don't adequately address or speak of the other
2408 benefits of that not just to the residents and the health care
2409 provider but to the taxpayers.

2410 Is there any type of an example you could think of that I
2411 could use as a cost/benefit analysis where perhaps access to the
2412 technology provides somebody the opportunity whether it is in
2413 preventive, a preventive measure or maybe an emergency that is
2414 captured that wouldn't otherwise be addressed, because I just
2415 think there is a lot more to this story even than we know today.

2416 Mr. Holdhusen. Yes, sir. Thank you, Congressman.

2417 Indeed, there are many stories even beyond anecdotal and we are

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2418 beginning to amass empirical data that identifies that. I can
2419 give you one very concrete example and that is with what we call
2420 our LivingWell@Home program. It allows a couple of major
2421 objectives. One is, and most importantly it is patient or
2422 individual centric, it allows individuals to stay in their living
2423 environment independently for as long as possible.

2424 It is a motion sensor technology that captures different data
2425 points and sends it through broadband, which is why this bill is
2426 important, and it goes to a place where in a remote location where
2427 the preconditions can be identified and identify things that will,
2428 from a practical point of view, begin to bend the cost curve,
2429 eliminate or reduce the number of emergency room visits, eliminate
2430 rehospitalizations which are very, very costly to the system.

2431 In addition, kind of the social benefits beyond that is it
2432 provides not only the opportunity to be independent for much
2433 longer, but also security of families. We can live states away,
2434 rely on technology to follow as a consumer, my mother who now lives
2435 three states away, and identify many things that are going on in
2436 her particular life.

2437 So there is social aspects. In particular, we look at the
2438 individual centric to allow individuals to stay in their homes
2439 much longer, and then the cost savings associated with identifying
2440 preconditions which avoid those hospitalization, gets in front

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2441 of the health conditions prior to the time that they actually exist
2442 and then begin to cost the care system much more money.

2443 Mr. Cramer. Mr. Chairman, I will not run the risk of
2444 screwing up a really good answer, so I will yield back the balance
2445 of my time.

2446 Mr. Latta. The gentleman yields back. And I was going to
2447 actually give you an extra minute since you were having problems
2448 with your mic there so, but the gentleman yields back. The chair
2449 now recognizes the gentleman from New Jersey, the ranking member
2450 of the full committee, for five minutes.

2451 Mr. Pallone. Thank you, Mr. Chairman. I wanted to ask my
2452 questions of Mr. Bergmann. I mentioned in my opening statement
2453 that Hurricane Sandy hit my district particularly hard and I have
2454 spent the last three years studying what went wrong and how we
2455 can do better next time. And the result of that work is a bill
2456 I introduced last year called the SANDY Act which is one of the
2457 bills we are considering today. It would ensure, it would help
2458 ensure that people have essential access to communications
2459 networks when they need them the most.

2460 In your testimony you note that telecom carriers are making
2461 progress towards a framework that will address many of the
2462 elements included in my bill, and I thank you for your work and
2463 appreciate the industry's commitment to working with us to help

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2464 solve these problems. In my experience, regulations are not
2465 always necessary when an industry steps up and commits to solving
2466 a problem voluntarily.

2467 So that said, I am interested in hearing exactly where the
2468 industry is headed on these issues. Could you explain what steps
2469 industry is taking to address some of these issues in my bill and
2470 how long you think it would take to reach a resolution?

2471 Mr. Bergmann. So thanks so much for the question, and thank
2472 you, Congressman, for your leadership on this issue. We know how
2473 important it is and the introduction of the SANDy Act I think
2474 really did spur meaningful industry conversations.

2475 As you have noted, we have been hard at work to develop a
2476 consensus framework on how to improve preparedness for consumers,
2477 for communities, and then for caregivers as well, too. I am
2478 confident that the wireless industry has been a good partner in
2479 this effort and will continue to be so, and it is certainly very
2480 helpful that we will be able to coordinate with your office to
2481 have that effort bear fruit very soon.

2482 Mr. Pallone. But you don't want to talk about any specifics
2483 now that the industry is working on?

2484 Mr. Bergmann. Sure, absolutely. So I would sort of put
2485 things into a couple different buckets, working to make sure that
2486 consumers have all of the information that they need and that they

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2487 are prepared in advance of disaster situations, making sure that
2488 local governments as well, too, are educated and ready so that
2489 municipal governments can respond. I would say also, making sure
2490 that critical public safety personnel have the ability to contact
2491 wireless providers in the case of a disaster and then finally,
2492 making sure that providers themselves can work together where
2493 appropriate to make sure that we can restore service quickly.
2494 Those are the four areas that are really a focus for us.

2495 Mr. Pallone. Now what about the 911 call centers? Are you
2496 working with local governments and 911 call centers to make sure
2497 that public safety officials can contact carriers during an
2498 emergency? Do you want to talk about that at all?

2499 MEMBER LINES: Sure. Obviously, as you have heard
2500 throughout the day as consumers rely on wireless service more and
2501 more to reach public safety, by some estimates over 70 percent
2502 of 911 calls coming from wireless phones, we think that is
2503 absolutely critical. And communication between PSAPs and
2504 providers is very much something that we are thinking about as
2505 well too.

2506 Mr. Pallone. Now let me go to the Lifeline bill which I have
2507 been critical of. We have heard a lot about needing to control
2508 the costs of the program, and I have said that one way to fix this
2509 is to adopt policies that help people find well paying jobs so

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2510 they don't need to subscribe to the Lifeline program. But are
2511 there any other ways to help control costs or improve the program
2512 without taking phones away from people who need them?

2513 Mr. Bergmann. Sure. So for a number of years CTIA has
2514 worked closely to try to improve program administration. Going
2515 back to 2012, industry worked voluntarily to help develop the
2516 duplicates database to make sure that the same subscriber didn't
2517 get more than one Lifeline subscription. But I think the
2518 most critical reform there is the adoption of a national verifier.
2519 That is something that CTIA has pushed hard for for a number of
2520 years and something that I think that all parties can agree is
2521 critical to making sure that Lifeline services get to the people
2522 who need it, but only to the people who are eligible to receive
2523 it.

2524 Mr. Pallone. Okay. Mr. Chairman, I just wanted to ask more
2525 thing. I know CTIA has talked a lot about making sure we enable
2526 next generation wireless technology, and I believe we should
2527 examine and have a leverage of benefits of new technology to help
2528 address priorities like addressing inequality. Can you tell us
2529 how next generation wireless technology could help the people
2530 stuck on the wrong side of this inequality gap?

2531 Mr. Bergmann. So as we think about what the next generation
2532 of wireless will be and folks are looking towards 5G, there will

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2533 be tests here in the U.S. this year. There is a development of
2534 standards. I think some of the most exciting applications of 5G
2535 in the Internet of Things are around the policy priorities that
2536 are so important to this community and this committee, things like
2537 improving health care, improving education.

2538 Smart cities is one of the key focuses for 5G technology,
2539 so making sure that we are able to launch autonomous vehicles that
2540 can cut down on congestion, reduce energy loss. Trying to have
2541 that hundred times increase in the number of devices that are
2542 connected is why you see mayors across the country lining up to
2543 become the first smart city.

2544 So that is some of what we are looking forward from 5G, and
2545 we certainly appreciate this committee's help and support
2546 delivering spectrum, speeding infrastructure deployment to help
2547 us get there.

2548 Mr. Pallone. All right. Thank you. Thank you, Mr.
2549 Chairman.

2550 Mr. Latta. Well, thank you very much. And seeing no other
2551 members here to ask questions, I would just like to first thank
2552 our witnesses for being with us today. And I know that the
2553 gentleman from Oregon, the chairman of the subcommittee, the
2554 gentlelady from California, the ranking member of the
2555 subcommittee, and also the gentleman from New Jersey, the ranker

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2556 of the full committee, we thank you for your testimony today. It
2557 was very, very informative. And if there is nothing else to come
2558 before the subcommittee today, we will stand adjourned.

2559 [The Bills H.R. 2031, H.R. 3998, H.R. 4111, H.R. 4167, H.R.
2560 4190, H.R. 4884, and H.R. 4889 follow:]

2561

2562 *****INSERT 13*****

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2563

[Whereupon, at 12:53 p.m., the subcommittee was adjourned.]