

**Opening Statement of the Honorable Greg Walden
Subcommittee on Communications and Technology
“Hearing on Rural Call Quality and Reliability”
September 8, 2016**

(As Prepared for Delivery)

This subcommittee has spent a great deal of time over the past five years looking to the future of technology—all the great and innovative things it will bring, all of the ways it will change lives. While these new and exciting offerings are an important piece of the future, we cannot ignore the very real technological problems that exist today. As we talk about 5G service and the Internet of Everything, let’s not forget that for some folks, the big technological advancement they are hoping for is to actually receive all of their voice calls.

Most of us take for granted that when someone dials our phone number that the call will reach us. Unfortunately, for millions of rural telephone customers, that isn’t the case. Somewhere in the handoff and delivery of traffic, calls to rural customers are being dropped or degraded. The caller continues to hear ringing on their end, but the call never makes it to the intended recipient. This isn’t merely an inconvenience; it can mean lost sales for small businesses, missing out on important and timely information from banks or doctors, or even the failure of life-or-death emergency calls.

Why is this happening? To put it simply, long-distance and voice traffic starts with one provider, who then hands the call off to a third party “router” who will ultimately deliver it to the end provider serving the person who is being called. This process is typically seamless, high-quality, and is transparent to American consumers. However, in rural and hard-to-serve areas, it can be expensive to move traffic to remote customers, so the provider who originates the call will look for the least expensive option for delivering the call. In some cases, these “least-cost routers” simply cut corners to offer the lowest prices, which means that calls can be low-quality or not connected at all.

I’ve heard from my constituents about this issue, and I know many of the other members of the subcommittee have as well. Subcommittee Vice Chairman Latta and the Rural Telecom Working Group have looked at the problem, letters have been written, resolutions introduced. The FCC has also tried to mitigate the problem by requiring more extensive data collection and reporting and sanctioning those who are responsible for the call completion issues. Yet the problem persists, which is why it is time for Congress to act.

Today, as we consider legislation authored by my colleague from Iowa, Mr. Young, we will hear from witnesses who are on the front lines, providing services in rural areas and facing these problems head-on. Mr. Miller operates a telephone company that serves rural customers in Ohio, and as he will tell you, has lost customers over the call completion issues. When your customers aren’t receiving their calls, they get angry with their provider—even though that provider typically doesn’t have any control over the path that the call must take to get to its network. So when Mr. Miller’s customers miss a call, who do they contact? Not the least-cost router who abandoned the call traffic somewhere along the line. They call Mr. Miller, or they find a new provider.

I believe that Mr. Young’s bill, as amended by the text we are considering today, will be a significant step forward in the fight to ensure that rural customers get high-quality voice service.

By requiring the network providers in the middle to adhere to service standards, we greatly improve the likelihood that calls are delivered to where they are supposed to go.

As we continue our efforts to promote America's technological leadership in so many spaces, we can't ignore the day-to-day issues that continue to plague consumers. This bipartisan, common-sense legislation ensures that rural consumers are not left behind.

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