Testimony of John M. R. Kneuer House Energy and Commerce Committee Subcommittee on Communications and Technology February 2, 2017

Good Morning Chairman Blackburn, Ranking Member Doyle, Members of the Committee.

It is an honor to be back here before the Committee, my name is John Kneuer. From 2003 to 2007, it was my privilege to serve first as the Deputy Assistant Secretary, and then to be appointed by the President and confirmed by the Senate as the Assistant Secretary of Commerce for Communications and Information and Administrator of the National Telecommunications and Information Administration ("NTIA").

Since leaving government in 2007 I have worked in the private sector as a board member, consultant, and advisor to companies and institutions with interests in domestic and international telecommunications and technology markets. However, I am appearing before you today in my personal capacity and my testimony and comments are my own. While NTIA has developed a diverse portfolio of issues over time, its core mission can be broken down into two functions on which I will focus my testimony – telecommunications policy coordination, and federal government spectrum management.

As the principal advisor to the President on telecommunications policy, NTIA has exposure to and expertise in the broad trends and inputs that impact the economic and technical success of our telecommunications and technology markets.

As the manager of the federal government radio spectrum, NTIA has expertise in the operational needs and technologies deployed by federal agencies for our national and homeland security and scientific research.

Because of this dual responsibility, NTIA occupies an important intersection of telecommunications policy and industry, and our national and homeland security. But to be most effective, any reauthorization statute should focus NTIA on those areas where its core competency can be leveraged to maximum effect.

Policy Coordination and Development:

Under the existing authorizing statute the NTIA Administrator serves as "the President's principal adviser on telecommunications policies pertaining to the Nation's economic and technological advancement and to the regulation of the telecommunications industry."¹ This is a very broad mandate that can be read to include essentially any policy area that affects the telecommunications and technology markets. However, in my experience NTIA is at its most effective when it focuses its policy coordination efforts on the areas of its unique responsibility – the intersection of commercial and government interests.

To take one obvious example, cyber-security is an issue that cuts across commercial interests as well as important government equities. By providing the perspective of industry into the inter-agency process, NTIA can help bridge the gap between the executive branch interests with national and homeland security responsibilities and key private sector interests so that they all support our collective cyber-defenses. Similarly, NTIA can serve as a conduit from government agencies with cyber responsibilities to the private sector to ensure that information flows in both directions to maximum affect.

Spectrum Management:

As Secretary-designate Ross stated in his confirmation hearing testimony, the Department of Commerce has to work with other cabinet departments to free-up more spectrum to meet our critical demand for broadband and other emerging technologies such as autonomous vehicles and the Internet of Things (IoT). However, this doesn't need to be a zero sum transaction where industries gain and 1 47 U.S.C. 902(a)(D). agencies lose. With thoughtfully crafted policies, Cabinet Departments and agencies can benefit from commercial technological developments that produce not only spectrum efficiencies, but also new mission critical capabilities for government services. And revenue from spectrum auctions can also be used to fund these new technologies, easing budgetary pressures. Because of its exposure to both industry and government agencies, NTIA can help ensure that spectrum relocation results in positive benefits for both industry and government. And the NTIA labs in Boulder Colorado can also help in performing cutting edge research and providing technical clarity to what can be sometimes contentious policy debates.

But, there are also limits to NTIA's authority. As a sub-Cabinet agency of a single Department it is beyond NTIA's authority to dictate to other Cabinet Departments how they should allocate their spectrum and capital resources. However, there is one section of the exiting authorizing statute that should be examined for potential clarification in any future re-authorization. Under existing law, NTIA is authorized to "advise the Director of the Office of Management and Budget ("OMB") on the development of policies relating to the procurement and management of Federal telecommunications systems."² In the past this authority has been effective in combining NTIA's expertise with OMB's government-wide authority to promote spectrum efficiencies in government spectrum use. I believe there is untapped potential in this or similar authority to achieve further efficiencies to the benefit of both the private sector and the federal government.

² 47 U.S.C. 902(a)(E).

Again, I appreciate the opportunity to testify before you this morning, and I will remain available to the Committee as you consider the authorization of this important Agency. I will be happy to answer any questions.

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