

ONE HUNDRED FIFTEENTH CONGRESS  
**Congress of the United States**  
**House of Representatives**  
COMMITTEE ON ENERGY AND COMMERCE  
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November 20, 2017

The Honorable Ajit Pai  
Chairman  
Federal Communications Commission  
445 12th Street, S.W.  
Washington, DC 20554

Dear Chairman Pai:

Thank you for appearing before the Subcommittee on Communications and Technology on Wednesday, October 25, 2017, to testify at the hearing entitled "Oversight of the Federal Communications Commission."

Pursuant to the Rules of the Committee on Energy and Commerce, the hearing record remains open for ten business days to permit Members to submit additional questions for the record, which are attached. The format of your responses to these questions should be as follows: (1) the name of the Member whose question you are addressing, (2) the complete text of the question you are addressing in bold, and (3) your answer to that question in plain text.

To facilitate the printing of the hearing record, please respond to these questions with a transmittal letter by the close of business on Wednesday, December 6, 2017. Your responses should be mailed to Evan Viau, Legislative Clerk, Committee on Energy and Commerce, 2125 Rayburn House Office Building, Washington, DC 20515 and e-mailed to [Evan.Viau@mail.house.gov](mailto:Evan.Viau@mail.house.gov).

Thank you again for your time and effort preparing and delivering testimony before the Subcommittee.

Sincerely,



Marsha Blackburn  
Chairman  
Subcommittee on Communications and Technology

cc: The Honorable Michael F. Doyle, Ranking Member,  
Subcommittee on Communications and Technology

Attachment

## **Additional Questions for the Record**

### **Subcommittee Chairman Marsha Blackburn**

1. In your testimony, you cited the importance of provisions in the Subcommittee's recently passed FCC reauthorization bill that would authorize the Commission place deposits from bidders in spectrum auctions to be sent to the Treasury. Specifically, you testified this measure is "critical" because without it "the Commission currently has no way to comply with the law – and no way to move forward with any large spectrum auction.

Can you elaborate for the record on the legal and administrative impossibility of moving forward with auctions without a change in the law to allow the Commission to deposit bidder payments directly with the U.S. Treasury?

1. The Subcommittee notes recent changes in the proceeding regarding the Citizens Broadband Radio Service (GN Docket No. 12-354). It appears these changes may increase the value of the spectrum to potential bidders.

Without legislation authorizing the Commission to place auction bidder deposits directly with the Treasury, can you estimate how much the federal government loses for deficit reduction?

### **The Honorable Brett Guthrie**

1. I understand that NHTSA has an open rulemaking on the matter of V2V communications and is coordinating with the Commission on whether or how to share the spectrum currently allocated to Intelligent Transportation Systems (ITS) in the 5.9 GHz band. Are you willing to commit to working with NHTSA and other stakeholders on this issue to ensure the band remains available for ITS use in the future, and free from in-band or out-of-band emissions from other potential users?
2. There are critical infrastructure industries like electric utilities whose wireless needs are absolutely paramount when it comes to reliability and freedom from interference, as drastic consequences can follow when their networks are disrupted by outside users. Are you willing to work with utilities on how best to harden their networks, and is there anything you can share on work you've already been doing to meet their wireless reliability needs?

### **Subcommittee Ranking Member Michael F. Doyle**

1. Mr. Chairman, you have highlighted the need for evidence-based, data-driven policymaking. The FCC needs quality data to allow objective assessment of both expected effects and actual effects. Can you clarify how this will be applied to the April 2017 decision to eliminate longstanding protections in the \$45 billion Business Data Services market?
2. On the one hand, you have sought feedback on how to streamline the Form 477 process, which means less data will be available. On the other hand, you have said you plan to evaluate competition, pricing, and last-mile deployments in the BDS market at least every 3 years.
  - a. What data do you expect to utilize for the review process?

- b. When will you disclose to Congress and the public how the review will be structured and what metrics will be used as determinants of success?

**The Honorable Yvette Clarke**

1. Chairman Pai, at the Subcommittee's October 25<sup>th</sup> FCC Oversight hearing, you seemed to testify that rolling back the FCC's Local TV Ownership Rules would increase the number of diversely-owned TV stations. I would like to clarify your answers.
  - a. Will your deregulatory media ownership order (FCC-CIRC1711-06)—as opposed to any new smaller projects you are proposing— increase the number of women owned and controlled TV Stations and the number of African-American owned and controlled TV stations? Please answer yes or no, and then provide a brief explanation.
  - b. If your deregulations do not result in those increases within six months of when they go into effect, will you commit to reversing these deregulatory policies at that time? Please answer yes or no.

**The Honorable Debbie Dingell**

1. Chairman Pai, you noted in response to my questions at a recent FCC Oversight Hearing before the House Committee on Communications and Technology that the Federal Trade Commission (FTC) will have a role in overseeing the privacy of ATSC 3.0 users.
  - a. Has FCC staff coordinated with FTC staff to discuss these issues to ensure the FCC does not approve a technical standard that fails to adequately protect consumers' privacy or security?
2. It is my understanding that there are several different business models for targeted advertisements under ATSC 3.0. One model includes building transmitters similar to cell towers around the DMA to do regional advertising. I understand this is a very capital intensive process with a high operating expense, but that it would not require the collection of personal information from consumers.
  - a. Is that correct? If no personal information from consumers is required, what standards will be applied to determine whether my constituents would choose to see targeted advertisements or not?
3. It is my understanding that a second business model for targeted advertisements involves delivery via the internet.
  - a. In this scenario will the age, sex, address, and other demographic information would be collected in order to deliver targeted advertising?
  - b. Would consumers have to provide consent in order for their data to be collected?

- c. Could they choose not to provide their demographic information and not receive targeted advertisements but still receive the enhanced picture quality and public safety communications?
  - d. If a consumer decides to provide their personal information, who is responsible for protecting it?
- 4. It is my understanding that another business model would use an encrypted signal, even for over-the-air television broadcasts that have traditionally been free.
  - a. Would this require consumers to use some sort of encryption key to access the signal?
  - b. Would such a key require a consumer to enter their age, address, gender, and other demographic information?
  - c. If the free over-the-air signal is encrypted and needs demographic information from a consumer to access it, do you still consider this service to be “free” in your opinion?
- 5. There have been media reports that ATSC 3.0 would allow for better collection of audience data and would use this information as a sales tool for the advertisers, rather than relying on Nielsen or other measurement data.
  - a. Will the new standards permit broadcasters to collect data on age, sex, income, address, or any other personal information?
  - b. How will they be permitted to use this information?
  - c. Will consumers be able to opt-out of having their data collected for this purpose?
- 6. It appears that new ATSC 3.0-capable TV sets could be susceptible to hacking, malware, and other potential computer viruses that could lead to predatory advertising instead of legitimate commercials.
  - a. Is there anything contained in the proposal to address this potential problem?
  - b. How many TV sets are in the country today, and what will happen to them when ATSC 3.0 is deployed?
  - c. How many TV sets will need to be replaced when broadcasters are not required to carry both the current ATSC 1.0 signal and the new ATSC 3.0 signal?

**The Honorable Anna Eshoo**

- 1. Over the last year it has come to light that foreign media outlets have been using public airwaves, which are owned by the American people, to manipulate our elections and undermine our democracy. I have raised concerns in particular about RT, which the intelligence community has said they have “high confidence” interfered in our democracy. I wrote to you on May 8th urging you to consider applying broadcast transparency requirements to state-sponsored media outlets like RT so the American people can know whether foreign governments are behind the content they are viewing. Your response was ambiguous, and you refused to answer my questions.

- a. Should the Russian government, through outlets such as RT, be allowed to use our nation's public airwaves to influence our elections?
  - b. Do the American people deserve to know whether a foreign government is behind content being broadcast on our airwaves that has a direct impact on our elections?
  - c. Will you commit to applying or consider applying broadcast transparency requirements to state sponsored media outlets like RT? Yes or no. If not, why?
2. The proposed Sinclair-Tribune merger would give the new company access to over 70% of American households. Such a disproportionate share of viewer access provides Sinclair an abnormal amount of ability to influence American viewers. The American people deserve access to a competitive and independent media marketplace to provide diverse viewpoints. Competition is an essential ingredient in our nation's economy and one of the major reasons our economy has succeeded and thrived.
  - a. How would consumers benefit from a single company owning 70% of the market?
3. In the time since you came before our committee, you have announced a Lifeline item for the November agenda that would effectively scrap a program specifically designed to help bridge the digital divide you consistently claim you want to bridge. The item would cap the program for people who depend on it despite the fact that studies consistently show capping does not address the "waste fraud and abuse" problems you're attempting to address. The item also takes particular aim at tribal communities who are uniquely disadvantaged when it comes to getting connected in the 21st Century.
  - a. How do you reconcile your constant rhetoric about bridging the digital divide with the fact that your "update" of Lifeline would rob essential aid from the people who need it most and who will be left in the dust without it?

**The Honorable Jerry McNerney**

1. Chairman Pai, when I asked you about how your proposal to eliminate net neutrality protections would impact small businesses, you failed to directly answer my question.
  - a. If net neutrality protections are weakened, as you propose, can you commit to me that small businesses and jobs will not be hurt in my district? Please answer yes or no.

**The Honorable Jerry McNerney and the Honorable Debbie Dingell**

1. Chairman Pai, at the Subcommittee's July FCC Oversight hearing, you committed to turning over to our offices any reports, requests, memoranda, and server logs related to the alleged May 7<sup>th</sup> DDoS attacks on the FCC's electronic systems. After receiving no response following your commitment, we again asked about the status of our offices' request for the above-mentioned documents. You, again, committed that you would "double-check to make sure," and that you would fulfill our outstanding request.

- a. By what date can we expect you to fulfill your commitment of July 25<sup>th</sup> to produce for our offices any and all reports, requests, memoranda, and server logs related to the alleged May 7<sup>th</sup> DDoS attacks on the FCC's electronic systems?