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6 ACCOUNTABILITY AND OVERSIGHT OF

7 THE FEDERAL COMMUNICATIONS COMMISSION

8 WEDNESDAY, MAY 15, 2019

9 House of Representatives

10 Subcommittee on Communications and

11 Technology

12 Committee on Energy and Commerce

13 Washington, D.C.

14

15

16

17 The subcommittee met, pursuant to call, at 10:01 a.m., in  
18 Room 2123 Rayburn House Office Building, Hon. Mike Doyle [chairman  
19 of the subcommittee] presiding.

20 Members present: Representatives Doyle, McNerney, Clarke,  
21 Loeb sack, Veasey, McEachin, Soto, O'Halleran, Eshoo, DeGette,  
22 Butterfield, Matsui, Welch, Lujan, Schrader, Cardenas, Dingell,  
23 Pallone (ex officio), Latta, Scalise, Olson, Kinzinger,

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24 Bilirakis, Johnson, Walberg, Gianforte, and Walden (ex officio).

25 Also present: Representative Griffith.

26 Staff present: AJ Brown, Counsel; Jeff Carroll, Staff  
27 Director; Jennifer Epperson, FCC Detailee; Evan Gilbert, Press  
28 Assistant; Tiffany Guarascio, Deputy Staff Director; Alex  
29 Hoehn-Saric, Chief Counsel, C&T; Zach Kahan, Outreach and Member  
30 Service Coordinator; Jerry Leverich, Counsel; Dan Miller, Policy  
31 Analyst; Phil Murphy, Policy Coordinator; Kaitlyn Peel, Digital  
32 Director; Tim Robinson, Chief Counsel; Andrew Souvall, Director  
33 of Communications, Outreach and Member Services; Robin Colwell,  
34 Minority Chief Counsel, C&T; Jordan Davis, Minority Senior  
35 Advisor; Kristine Fargotstein, Minority Detailee, C&T; Margaret  
36 Tucker Fogarty, Minority Staff Assistant; Peter Kielty, Minority  
37 General Counsel; and Tim Kurth, Minority Deputy Chief Counsel,  
38 C&T.

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39 Mr. Doyle. Good morning, everyone. The Subcommittee on  
40 Communications and Technology will now come to order. The chair  
41 will now recognize himself for five minutes.

42 I would like to welcome everyone to this subcommittee's first  
43 oversight hearing of the Federal Communications Commission. I'd  
44 also like to thank FCC Chairman Pai and the other commissioners  
45 for appearing before us today.

46 I am also very happy to welcome Commissioner Starks, both  
47 to this hearing and to the Commission. It's good to have the  
48 Commission back up to full strength. Welcome, Commissioner  
49 Starks.

50 It has been nine months since this subcommittee's last  
51 oversight hearing, and while a lot has happened in that time,  
52 a lot of issues that were a concern then remain unresolved today.

53 At our last oversight hearing, I expressed concerns about  
54 revelations that mobile carriers were selling location data.  
55 I expressed concerns about the Mobility Fund II proceeding,  
56 competition policy, and U.S. spectrum policy.

57 At that time, I expressed serious concerns to Chairman Pai  
58 about reports that mobile wireless carriers were sharing  
59 individuals' real-time location data with third parties.

60 Chairman Pai, you told us that you were investigating this  
61 issue. Today, we still don't have assurances that these

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62 practices have stopped. And since we first heard about this  
63 problem, new even more troubling revelations have emerged,  
64 namely, that this data was being sold to bounty hunters and God  
65 knows who else.

66 Americans don't know who had access to this data, who sold  
67 the data, or whether anyone is going to be held accountable because  
68 we have heard nothing about it yet from the FCC.

69 At this juncture, neither Congress nor the American people  
70 understand the scope of what happened and no one has been held  
71 accountable for this reckless and illegal practice.

72 The situation as it stands is unacceptable, as has been the  
73 lack of communication to this committee and the American people  
74 about this situation. We need answers.

75 Nine months ago, I also expressed concerns about the Mobility  
76 Fund II proceeding. In a way, I am happy that the Commission  
77 has acknowledged that the process and the data in this proceeding  
78 were deeply flawed.

79 However, rural communities around the country remain  
80 unserved and these funds remain unobligated. All we have heard  
81 from the Commission is that you are investigating this issue,  
82 too. It is my understanding that the Commission has not requested  
83 new coverage data from carriers to correct its flawed maps.

84 I don't know why you've waited so long to act to fix this

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85 problem, and today we sit here without a resolution in sight.

86 In the same vein, I expressed concerns about old and faulty  
87 data being used to justify Commission decisions regarding  
88 competition policy in the Business Data Service market.

89 Today, the Commission is considering using data we all agree  
90 to be faulty and misleading as well as data collected years ago  
91 that is long past stale in a forbearance proceeding by U.S.  
92 Telecom.

93 The Commission needs to clean up and update its data before  
94 it makes decisions that could seriously hamper the deployment  
95 of new fiber, limit consumer choice, and negatively affect  
96 government agencies that still rely on legacy infrastructure for  
97 national security and public safety notices.

98 And as we look to the future of 5G and the need for more  
99 mid-band, much thought is being given to the C-band. I have seen  
100 this band valued as high as \$70 billion, and I think making a  
101 part of this band available for 5G service is important for meeting  
102 the nation's mid-band spectrum needs.

103 But given that much of the country has no Gs, shouldn't we  
104 try to use the value of this band to fund the deployment of  
105 broadband to unserved areas as well as to help with adoption and  
106 affordability?

107 Simply put, it seems irresponsible and unconscionable to

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108 give money to four foreign satellite companies when the broadband  
109 infrastructure needs of our nation are so great.

110 And finally, on the topic of robocalls, this problem is out  
111 of control. Americans this year will receive 12 billion more  
112 robocalls than they received last year. And since the Trump  
113 administration took office Americans have gone from receiving  
114 2 billion calls a month to 5 billion calls a month.

115 It has become a game for members of Congress to get robocalled  
116 while they are complaining about robocalls, which happened to  
117 Mr. Soto at our last hearing on robocalls.

118 We are past the point of band-aids. We need real solutions  
119 to address the problem and we need real protections for the  
120 American people.

121 I want to thank you all for being here today and I look forward  
122 to the testimony of our witnesses.

123 And now the chair will recognize Mr. Latta, ranking member  
124 of the subcommittee, for five minutes for his opening statement.

125 Mr. Latta. I thank my friend, the chair of the subcommittee.

126 Thanks very much for having this hearing this morning, and also  
127 welcome to the commissioners who are here to discuss a variety  
128 of issues including infrastructure, spectrum, rural broadband,  
129 and robocalls.

130 I think it's safe to say there is more agreement on the issues

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131 I just mentioned than disagreement. We can all agree on the  
132 importance of bringing the benefits of broadband to all Americans,  
133 especially rural Americans.

134 But despite the work on this committee and the FCC, we still  
135 have members on both sides of the aisle whose constituents lack  
136 broadband.

137 Earlier this year I was fortunate to have two of the FCC  
138 commissioners join me in my district to see firsthand the  
139 connectivity my constituents enjoy and the additional  
140 connectivity they so desperately need.

141 Commissioner Carr joined me for a visit, and the one stop  
142 turned to a five-stop day when we visited a local hospital and  
143 when we talked about telehealth.

144 We went out to a local WISP and the commissioner was up on  
145 top of the elevator. We will mention he was up on top. The rest  
146 of them were taking great pictures of him up there. But he also  
147 visited one of our sheriffs and talked about 911.

148 He was out to talk about what was happening with one of our  
149 local TV stations, the public WBGU, and questions about repack  
150 and then joined us at a farm where we were talking about  
151 agriculture and what we need to do with broadband there, and we  
152 appreciated that.

153 And also we had Commissioner Carr join us two days later

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154 in the district in Defiance, Ohio, where he met with internet  
155 service providers across my district to discuss broadband access  
156 and the availability in northwest and west central Ohio, and I  
157 want to thank both commissioners for joining us that day and that  
158 week.

159 Being about to go out into the community and experience  
160 broadband connectivity or lack thereof is an incredibly useful  
161 tool to know where we need to target the precious federal funding  
162 to support additional broadband development.

163 To help further inform the FCC's ability to tell where  
164 broadband is and, more importantly, where it isn't, I introduced  
165 legislation last week with my good friend, the gentleman from  
166 Vermont, that would require the FCC to establish a challenge  
167 process to verify fixed and mobile broadband service coverage  
168 data.

169 Local officials in my district have conducted their own  
170 broadband studies to evaluate their residence broadband needs  
171 and proved that there were holes in the FCC maps.

172 After hearing about these local actions, I started working  
173 on my broadband mapping after Public Scrutiny Act or Broadband  
174 Maps Act to enhance the data the FCC already collects by involving  
175 additional entities such as local and state governments to verify  
176 FCC's data.

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177 I look forward to hearing more about the Commission's mapping  
178 efforts and ways the agency is working to get a better picture  
179 of broadband connectivity in this country so that we can target  
180 truly unserved areas.

181 I also look forward to hearing about the FCC's plans to  
182 continue making more spectrum available at 5G. As I have learned,  
183 5G requires a variety of spectrum inputs -- low band, mid-band,  
184 high band, as well as unlicensed.

185 This is because each part of the band has different  
186 characteristics and all types are needed to build a robust 5G  
187 network capable of serving this country including rural America.

188 The FCC cleared a huge swathe of mid-band spectrum in an  
189 incentive auction and carriers are now deploying innovative  
190 broadband offerings on that spectrum.

191 The Commission has also successfully auctioned off spectrum  
192 in the high band is actively working to make more spectrum  
193 available in the low band and unlicensed spaces.

194 Another issue with broad bipartisan support is the need --  
195 the scourge of illegal robocalls. They are not wanted. They  
196 are tricking people into scams that is costing Americans billions  
197 of dollars.

198 It is one of the biggest issues I hear when I am out in the  
199 district and it is affecting everyone. At our hearings on this

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200 topic last month, it became clear my district is not unique with  
201 these concerns.

202 We must and will do everything in our power to stop the  
203 annoying and illegal robocalls while protecting the technology  
204 for the lifesaving pro-consumer services people use and need.

205 I am encouraged by the work of industry to protect consumers  
206 from unwanted robocalls by developing a set of procedures to  
207 authenticate caller ID information associated with telephone  
208 calls to combat unlawful calls and caller ID spoofing.

209 I also appreciate the FCC's work in holding industry  
210 accountable for delivering that system to the public as early  
211 as the end of this year. I am optimistic that this will curb  
212 some of the illegal unwanted robocalls.

213 But as technology continues to evolve, so do the tactics  
214 the bad actors use to illegally spoof numbers to make fraudulent  
215 calls.

216 For this reason I introduced with my friend, the chairman  
217 of our subcommittee, the Support Tools to Obliterate Pesky  
218 Robocalls Act, or STOP Robocalls Act. Our bill would give the  
219 FCC additional tools in its robocall toolbox to go after the bad  
220 actors.

221 Specifically, the STOP Robocalls Act would help the FCC  
222 identify these scammers and empower consumers with robocall

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223 blocking technology.

224 I look forward to hearing from our witnesses today and I  
225 thank the chairman again for calling this hearing.

226 I yield back.

227 Mr. Doyle. The gentleman yields back.

228 The chair now recognizes Mr. Pallone, chairman of the full  
229 committee, for five minutes for an opening statement.

230 Chairman Pallone. Thank you, Chairman Doyle.

231 The American people look to the FCC to ensure that they can  
232 reliably make phone calls, send text messages, watch TV, and  
233 access the internet at reasonable rates.

234 They rely on these technologies to check in with loved ones,  
235 call for help, operate their businesses, get info during  
236 disasters, and engage with people across the globe.

237 To properly fulfill this duty, it has always been my belief  
238 that the FCC must put consumers first. But over the last two  
239 years, this FCC has too often turned its back on the public,  
240 putting the big corporate interests first.

241 This FCC has heartlessly and needlessly proposed drastic  
242 cuts to the Lifeline program. This critical subsidy program for  
243 telephone and internet access is oftentimes the only way that  
244 low-income Americans can keep in touch with friends or family,  
245 explore job options, or make medical appointments.

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246           And then it slashed media ownership rules to allow the  
247 biggest media companies to grow even larger, controlling more  
248 and more of the news and entertainment that reach Americans and  
249 making it more difficult for underrepresented populations such  
250 as minorities and women to own or manage media companies.

251           The FCC has repeatedly deferred to companies on voluntary  
252 measures to correct major consumer problems like robocalls or  
253 widespread communication failures after disasters like  
254 Hurricanes Maria and Michael.

255           And this FCC has taken more than a year to investigate the  
256 widespread disclosure of real-time location data by wireless  
257 carriers without taking any public action to require the carriers  
258 to stop sharing this data.

259           So putting aside bad policy, the FCC has also been derelict  
260 in its duty. In the first two years of the Trump presidency we  
261 have seen this agency abdicate many of its important roles.

262           For example, the Commission has, for the most part, made  
263 itself irrelevant when it comes to protecting Americans' access  
264 to the dominant communications technology of our time, and that  
265 is the internet.

266           Even more shockingly, when the Trump administration took  
267 over, the new FCC deliberately walked back its role in  
268 cybersecurity, leaving Americans vulnerable.

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269 I am hopeful things will change, but I fear even if they  
270 do, we are starting from behind because of the decisions this  
271 Commission has already made.

272 And finally, while it touts transparency and the importance  
273 of facts, this Commission, much like the Trump administration,  
274 has misled the public and hid some of its actions from public  
275 view.

276 For example, the Commission recently claimed victory over  
277 the digital divide, only for us to later learn that the Commission  
278 was relying on seriously flawed data.

279 According to reports, the chairman voted to release the  
280 congressionally-mandated broadband report knowing that the data  
281 in the draft was inaccurate.

282 Despite what the president thinks, the truth, in fact,  
283 matters. Nevertheless, the chairman recently touted a new \$20  
284 billion infrastructure program, only for us to learn afterwards  
285 that it was being funded with repurposed money from the Universal  
286 Service Fund.

287 And at the very same time, the FCC hid its proposal to cap  
288 that very same Universal Service Fund, limiting the support that  
289 goes to struggling Americans, to veterans, to schools, to  
290 libraries, to rural health care facilities, and Americans living  
291 in rural and hard-to-reach areas.

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292 Americans don't need repurposed funds and they don't need  
293 gimmicks. People all over this country are looking for a real  
294 infrastructure plan that invests in our future and strengthens  
295 our economy, and that is why we are introducing a comprehensive  
296 infrastructure package today, the LIFT America Act, that includes  
297 \$40 billion of broadband infrastructure funding for unserved and  
298 underserved areas, \$12 billion for next-generation 911, and \$5  
299 billion for financing new infrastructure projects.

300 The American people deserve better than what this agency  
301 has given them. They deserve an FCC that acts in their best  
302 interests and not on behalf of the entities it is supposed to  
303 be overseeing.

304 Oversight is critical to getting the FCC back on the right  
305 track, and I appreciate the members of the Commission coming  
306 before us today.

307 I have faith in the FCC as an institution and I do have faith  
308 in the exemplary career public servants that work there.

309 I have a minute left, Mr. Chairman. I would like to yield  
310 back to -- a minute to Ms. Matsui.

311 Ms. Matsui. Thank you, Chairman Pallone.

312 As co-chair of the Spectrum Caucus, I remain focused on  
313 ensuring our spectrum resources are allocated effectively,  
314 equitably, and rapidly.

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315           The C-band has been one of the most complex and high stakes  
316 proceedings in front of the Commission and Congress. That is  
317 why I plan to release legislation called the Win 5G Act to propose  
318 a comprise consensus-based approach to rapidly reallocate the  
319 spectrum in a manner that addresses many of the concerns raised  
320 on the Commission's record.

321           I thank the wireless, cable, and rural stakeholders  
322 preparing to support this effort. Fundamentally, a quick,  
323 equitable, and consensus-based transition process is the only  
324 way to avoid this proceeding being slowed down or tied up in court.

325           And I want to be clear that this chamber is not willing to  
326 accept an undesirable result. I look forward to working with  
327 all of you and all the interested parties to ensure the spectrum  
328 necessary for the United States to win the race to 5G is allocated  
329 rapidly.

330           Thank you, and I yield back.

331           Mr. Doyle. Gentleman yields back.

332           The chair now recognizes the ranking member of the full  
333 committee, Mr. Walden, for five minutes for an opening statement.

334           Mr. Walden. Good morning, Mr. Chairman. Thanks for having  
335 this hearing. I want to welcome all the commissioners and,  
336 Chairman Pai, we are glad to have you all back.

337           Commissioner Starks, welcome aboard. We are glad to have

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338 you hear. Buckle in. It is going to be a lot of fun. So we  
339 are glad to have you here.

340 And I know there is a lot of work being done and, Chairman  
341 Pai, I appreciate your leadership and that of the other  
342 commissioners. I think we all have agreement we need to build  
343 out more broadband to more places in America, period, hard stop.

344 We should be all for that. Last Congress we worked together  
345 in a bipartisan way to get that done and there is more work to  
346 be done.

347 We passed the RAY BAUM'S Act to reauthorize the FCC for the  
348 first time in, I don't know, 20, 30 years. We gave you some new  
349 authority and we gave you new authority to go after robocallers,  
350 which I believe you are in the process of doing. Not as fast  
351 as some would like, including probably everybody in the room and  
352 you, but you are headed there and I think that is really important.

353 And we are wrestling with legislation here. We haven't  
354 moved anything yet but, clearly, we have ideas on this committee  
355 about what else we need to do stop these unwanted not only nuisance  
356 but perhaps very risky robocallers that interfere, as we have  
357 heard from testimony, cancer centers in America spoofing that  
358 they are actually making calls from there. We all need to be  
359 together on this and pulling the same direction to put a stop  
360 to bad behavior.

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361           And I know in some of the meetings I have had with some of  
362 the carriers they are willing to lean in full force. But they  
363 also said, look, when we do that we are probably going to catch  
364 a call that isn't really a robocall, and as much as we are sitting  
365 up here pounding to do more, we also have to understand probably  
366 what you are looking at in terms of a safe harbor provision is  
367 really important because we will have those same carriers up here,  
368 pounding on them for catching what they thought was a robocall  
369 and it wasn't.

370           And so I think we have got to be smart about how we do this.  
371 We got to be aggressive about how we do this. We all know the  
372 numbers. We all know the problem. A lot of it is offshore.

373           But, clearly, there is more that can be done and there is  
374 more to connect the rural areas. I did -- I have done 20 town  
375 halls this year, more than any member in the House, and one of  
376 them was out in Spray, Oregon, population 150, and they kind of  
377 do a little booster thing to keep the signal going while you're  
378 in town, which is one block.

379           But the educators there said, but when we get away from that  
380 kids don't have connection when they go home, and I know that's  
381 been a huge issue for Commissioner Rosenworcel and all of us,  
382 I think. How do we do this?

383           And I know there are funds that have been released.

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384 Satellite carriers say, we can go into these remote areas. This  
385 county, by the way, has one person for every nine miles of power  
386 line.

387 So this is remote. You have been out there. Others have  
388 been out there. And so we have got to look at alternative  
389 platforms that work to get in there.

390 As we honor today police officers' memorial day and the 106  
391 officers who lost their lives, we have to remember we have got  
392 FirstNet building out. We have got the issue that some of you  
393 have raised -- the diversion of 911 fees.

394 We have got the whole T-band issue as well, and Commissioner  
395 O'Rielly, I think you point out in your testimony the diversion  
396 rate in one state is 90 percent. This ought to be mail fraud,  
397 frankly, because some communities and states are telling their  
398 consumers on their phone bill you are paying for 911 when in fact  
399 they take the money and spend it elsewhere.

400 And so I am glad you all are making a point of this because  
401 we need to take care of our 911 system and take care -- and  
402 consumers ought to have a right to know that they are getting  
403 defrauded by their own governments, in some cases, where they  
404 say on your phone bill, I am taking money for 911 and, oh by the  
405 way, I am going to spend it somewhere else, and I am going to  
406 come to Washington and say, I need more money.

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407           That is not helping our law enforcement and the politicians  
408 ought to be held accountable. So in the FirstNet legislation  
409 of 2012 in the Middle Class Tax Relief Act, which I helped to  
410 author, we did a lot to set up a system to serve our first  
411 responders.

412           Part of the FirstNet deal included an agreement by public  
413 safety to receive prime spectrum for broadband in exchange for  
414 T-band spectrum. That was part of the agreement. I was there.  
415 I helped negotiate it.

416           We all agreed that T-band would phased out over time once  
417 mission critical features are available. However, with a 2021  
418 start date for the process impending, concerns have been raised  
419 about planning for the move.

420           So today, I am floating a proposal that I welcome your  
421 thoughts on as we reconcile these issues. My draft would delay  
422 the start of the T-band process for another three years to 2024.

423           To be eligible for this delay, states and localities would  
424 simply need to comply with a very common sense policy the  
425 bipartisan bills have already called for, which is to put a stop  
426 to 911 diversion.

427           So you want to -- you want to get a delay on T-band, got  
428 it, stop diverting your 911 money and defrauding your own  
429 customers. So that is a draft we are putting out.

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430           There is a lot more we can talk about here. Look forward  
431 to it. We are glad you are here and, Mr. Chairman, I yield back.

432           Mr. Doyle. The gentleman yields back.

433           The chair would like to remind members that pursuant to  
434 committee rules, all members written opening statements shall  
435 be made part of the record.

436           I would now like to introduce our witnesses for today's  
437 hearing. Our FCC chairman, Ajit Pai, welcome -- Commissioners  
438 Michael O'Rielly, Brendan Carr, Jessica Rosenworcel, and Geoffrey  
439 Starks.

440           Commissioners, welcome. We want to thank all of you for  
441 joining us today and we look forward to your testimony.

442           At this time, the chair will now recognize each witness for  
443 five minutes to provide their opening statement. Before we  
444 begin, I would like to explain the lighting system in front of  
445 you.

446           You will see a series of lights which will initially be green  
447 at the start of your statement. It will turn yellow when you  
448 have one minute remaining.

449           Please begin to wrap up your testimony when the light turns  
450 red -- your time is expired.

451           And with that, Chairman Pai, we are anxious to hear your  
452 five minutes.

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453           Is your microphone on? We actually wanted yours to work

454           so --

455           [Laughter.]

456           Mr. Pai. We will investigate it.

457           Mr. Doyle. They are investigating it.

458           Mr. Pai. Sorry for that.

459           Mr. Doyle. Technology --

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460 ?STATEMENTS OF THE HONORABLE AJIT PAI, CHAIRMAN, FEDERAL  
461 COMMUNICATIONS COMMISSION; THE HONORABLE MICHAEL O'RIELLY,  
462 COMMISSIONER, FEDERAL COMMUNICATIONS COMMISSION; THE HONORABLE  
463 BRENDAN CARR, COMMISSIONER, FEDERAL COMMUNICATIONS COMMISSION;  
464 THE HONORABLE JESSICA ROSENWORCEL, COMMISSIONER, FEDERAL  
465 COMMUNICATIONS COMMISSION; THE HONORABLE GEOFFREY STARKS,  
466 COMMISSIONER, FEDERAL COMMUNICATIONS COMMISSION

467

468 ?STATEMENT OF MR. PAI

469 Mr. Pai. Pardon the esthetic challenges.

470 But, Chairman Doyle, Ranking Member Latta, members of the  
471 subcommittee, thank you for holding this hearing today. I  
472 appreciate this opportunity to update you on the FCC's work to  
473 advance the public interest.

474 At the beginning of my chairmanship, I said that the  
475 Commission's top priority would be closing the digital divide.

476 We have been busy working to do just that.

477 Last year, for example, we finished the Connect America Fund  
478 Phase II reverse auction, which allocated about \$1.5 billion to  
479 connect over 713,000 homes and small businesses nationwide with  
480 high-speed broadband.

481 Yesterday, we gave final approval to the first batch of final  
482 applications and money will begin flowing to these auction winners

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483 by the end of the month.

484           Moreover, last December, we implemented reforms to the FCC's  
485 Alternative Connect America Cost Model, or ACAM, that will fund  
486 broadband deployment to an additional 106,000 rural homes and  
487 small businesses.

488           Earlier this month, we made new ACAM offers to small rural  
489 carriers that could result in over 1.1 million rural homes and  
490 businesses gaining access to broadband service.

491           Later this year, we will begin rulemaking to establish a  
492 \$20.4 billion rural digital opportunity fund with the goal of  
493 spurring deployment of high-speed broadband networks to up to  
494 4 million rural homes and businesses.

495           The Commission is also committed to maintaining and  
496 advancing American leadership in 5G, the next generation of  
497 wireless connectivity, through our 5G FAST plan.

498           This is a comprehensive strategy that takes a three-pronged  
499 approach of pushing more spectrum into the commercial  
500 marketplace, making it easier to deploy wireless infrastructure,  
501 and modernizing our regulations to promote fiber deployment.

502           Over the past year, we made substantial progress on all three  
503 fronts and I would be happy to discuss that with you in greater  
504 detail later today. We have also prioritized national security.

505

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506           Just last week, the FCC denied the application of China  
507 Mobile USA, a wireless carrier ultimately and controlled by the  
508 Chinese government, to enter the U.S. market.

509           Granting that application would have posed an unacceptable  
510 risk to our national security. We also recently took part in  
511 an international conference in Prague where over 30 nations came  
512 together to propose common principles for 5G security.

513           These proposals gained wide support in part because of the  
514 close collaboration among U.S. government agencies including the  
515 FCC and direct engagement on the international stage.

516           The final issue that I would like to discuss this morning  
517 is illegal robocalls. Combating these unwanted robocalls is the  
518 Commission's top consumer protection priority.

519           That is why we have taken many steps to fight what the late  
520 Senator Hollings rightly called the scourge of civilization.  
521 We have authorized carriers to block robocalls from certain  
522 spoofed numbers.

523           We have authorized the creation of a reassigned numbers  
524 database. We have taken aggressive enforcement action against  
525 those who unleash robocalls on consumers and we have demanded  
526 that phone carriers establish a robust caller dedication  
527 framework by the end of this year.

528           I know that this is a top concern for this subcommittee as

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529 well. In the last Congress, as Congressman Walden mentioned,  
530 you included in RAY BAUM'S Act a provision to extend the FCC's  
531 truth in caller ID rules to reach calls originating from outside  
532 of the United States.

533 And last month, you held a hearing to consider many pieces  
534 of legislation to attack this problem. I applaud these efforts.

535 The onslaught of robocalls presents us with a complex  
536 challenge. There is no single bullet that will get the job done.

537 Instead, Congress, the FCC, the FTC, and other government  
538 agencies all must do what we can, working together, to stem the  
539 tide of unwanted robocalls.

540 In that spirit, I am pleased to announce this morning that  
541 the FCC will vote on our June 6th monthly meeting on significant  
542 new steps to reduce the number of unwanted robocalls.

543 Specifically, I will ask my fellow commissioners to make  
544 it easier for carriers to block these robocalls by default. Right  
545 now, many carriers let you know when a call is likely to be spam.

546 But they don't block them automatically.

547 I want to make clear that carriers can implement call  
548 blocking by default so long as consumers are given the option  
549 of opting out.

550 I am also proposing that we allow carriers to block on a  
551 network wide basis those calls that cannot be authenticated under

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Committee's website as soon as it is available.

552 the SHAKEN/STIR framework once it is implemented.

553 I believe that these measures would have a major impact in  
554 our fight against robocalls. American consumers deserve that  
555 protection and peace of mind and I hope my colleagues will join  
556 me in supporting these efforts.

557 Chairman Doyle, Ranking Member Latta, and members of the  
558 subcommittee, thank you once again for giving me the opportunity  
559 to testify. I look forward to answering your questions and to  
560 continuing to work with you on the matters within our  
561 jurisdiction.

562 Thank you, Mr. Chairman.

563 [The prepared statement of Mr. Pai follows:]

564

565 \*\*\*\*\*INSERT 1\*\*\*\*\*

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566 Mr. Doyle. Thank you, Mr. Chairman.

567 Commissioner O'Rielly, you are now recognized for five  
568 minutes for your opening statement.

569

570 ?STATEMENT OF MR. O'RIELLY

571

572 Mr. O'Rielly. Thank you, Chairman Doyle, Ranking Member  
573 Latta, and the members of the subcommittee. It is a real pleasure  
574 to appear before this subcommittee once again as it conducts  
575 further oversight of the FCC.

576 With your indulgence, I would like to raise four areas of  
577 communication policy for the subcommittee's attention.

578 First, there is near universal realization that far more  
579 needs to be done to free up additional mid-band spectrum, given  
580 its propagation characteristics and opportunities for global  
581 spectrum harmonization.

582 But freeing these bands is extremely hard. Concerning what  
583 the chairman has put forth in the motion, the Commission must  
584 redouble its efforts to reallocate additional mid-band  
585 frequencies for next-generation license services.

586 Part of this must be reallocating a portion of the 3.7 to  
587 4.2 gigahertz band, or the C-band. One of my foremost concerns  
588 is to ensure that the mechanism selected allows the quickest

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589 possible process and I remain hopeful that the satellite  
590 incumbents will be willing to part with closer to 300 megahertz  
591 of spectrum.

592 Separately, there needs to be a greater effort to identify  
593 more federal agency holdings in the mid-bands for commercial use  
594 including reallocating the 3.45 to 3.55 gigahertz band and  
595 conducting feasibility studies to determine the exact -- the  
596 extent of the commercial offerings that can be done in 3.1 to  
597 3.45 gigahertz.

598 Moreover, the Commission must take action on freeing more  
599 unlicensed spectrum, particularly in the 5.9 and 6 gigahertz  
600 bands.

601 Second, while broadband availability has improved over the  
602 years, many unserved areas remain and we must continue our efforts  
603 to expand access in an efficient and timely manner.

604 That is why I have spent so much time over the years promoting  
605 better incentives and greater efficiency within our Universal  
606 Service Fund programs.

607 At the same time, I worry that well intended -- the  
608 well-intentioned desire of Congress or selected agencies to  
609 expand broadband infrastructure will lead to unexpected wasteful  
610 or duplicative spending and adverse consequences for consumers.

611 While I would humbly suggest that the committee consider

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612 the FCC's Universal Service Fund as a primary means to distribute  
613 new funding, it is my foremost concern that any funding go to  
614 unserved areas rather than areas where broadband service already  
615 exists.

616 Coordination among agencies and departments is helpful but  
617 only through clear legislative directive and necessary oversight  
618 can Congress ensure that funding does not go to duplicate existing  
619 programs and only goes to those Americans without broadband today.

620 Third, the Commission has rightfully focused time and  
621 attention on addressing the surge of illegal robocalls in this  
622 country. In considering this issue, it is important to maintain  
623 a careful and nuanced approach.

624 Many honest legitimate businesses use automatic dialling  
625 technologies to communicate needed information to their consumers  
626 and doing so is perfectly within the scope and intent of TCPA.

627 Any approach to illegal robocalls should not expose  
628 law-abiding and legitimate organizations to indeterminate and  
629 potentially crippling legal risk.

630 In terms of illegal calls, I applaud those innovative  
631 companies and carriers that have offered or are in the process  
632 of offering free call authentication and call-blocking services  
633 to their customers.

634 To protect and encourage these initiatives, I strongly

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635 support the adoption of a safe harbor to protect carriers from  
636 liability in their call-blocking efforts as well as a reassigned  
637 number database safe harbor.

638 At the same time, carriers must adopt expeditious processes  
639 for correcting false positives. The last issue that I will touch  
640 upon today is 911 fee diversion.

641 Every month, millions of consumers pay their phone bills  
642 only to see a good portion of the money flow into a state or  
643 territory's general treasury and, as a result, only a portion  
644 or small percentage goes towards emergency services.

645 On top of being downright deceptive, this is a serious public  
646 safety matter that directly affects emergency call centers and  
647 personnel.

648 Following the FCC's December report, the states and  
649 territories guilty of diverting these critical funds in 2017 were  
650 New York, New Jersey, Rhode Island, Montana, Nevada, West  
651 Virginia, and the U.S. Virgin Islands.

652 I respectfully request the subcommittee's assistance as the  
653 name-and-shame process generated by our annual report has not  
654 -- has only been so helpful.

655 The states leaders of certain recalcitrant states,  
656 specifically, New York, New Jersey, and Rhode Island, don't seem  
657 to care about the shaming part.

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658 I believe new legislation is needed in addition to that  
659 already introduced on the topic and that will take a more forceful  
660 approach to end diversion once and for all.

661 Thank you to the chairman and the ranking member and leaders  
662 for inviting me to testify. I welcome any questions you may have.

663 Thank you.

664 [The prepared statment of Mr. O'Rielly follows:]

665

666 \*\*\*\*\*INSERT 2\*\*\*\*\*

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667 Mr. Doyle. I thank the gentleman.

668 Commissioner Carr, you are now recognized for five minutes  
669 for your opening statement.

670

671 ?STATEMENT OF MR. CARR

672

673 Mr. Carr. Chairman Doyle, Ranking Member Latta,  
674 distinguished members of the subcommittee, thank you for the  
675 invitation to testify.

676 When I first appeared before the subcommittee in 2017, the  
677 U.S. faced significant challenges in our effort to lead the world  
678 in 5G.

679 Our outdated rules meant that it took too long and it cost  
680 too much to build internet infrastructure in this country. We  
681 risked ceding U.S. leadership in 5G and a half a trillion dollars  
682 it could add to our economy to our global competitors.

683 Indeed, China was putting up new cell sites, the building  
684 blocks for 5G, at 12 times our pace. So we needed to take bold  
685 action and that is exactly what we've been doing at the FCC.

686 For one, we updated the federal rules that apply to the  
687 construction of small cells. These are the backpack-size  
688 antennas needed for next-generation connectivity.

689 We did so by excluding them from the costly and

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690 time-consuming reviews designed for the construction of large  
691 200-foot towers.

692 For another, we addressed the state and local review process  
693 for small cells. We did so by building on the common sense reforms  
694 already enacted by elected officials in their own communities,  
695 reforms that provided clarity on fees and ensure timely decisions.

696 These and other FCC reforms are already delivering results.

697 Internet speeds in the U.S. are up nearly 40 percent. Americans  
698 saw more fiber broadband built to their homes last year than ever  
699 before.

700 The number of small cells put up in this country increased  
701 from 13,000 in 2017 to more than 60,000 in 2018. Investment in  
702 broadband networks is back on the rise and the U.S. now has the  
703 world's largest 5G deployment with 92 builds expected by year's  
704 end, and China has announced plans for zero.

705 There is much more to do. We are heading in the right  
706 direction. The FCC's policies are working, and I have had the  
707 chance to see first-hand how our decisions are helping to create  
708 jobs and benefit American workers in communities around the  
709 country in places like South Carolina where a company I visited  
710 last month built a new 100,000 square foot manufacturing plant  
711 because of the increase in demand for small cells in the U.S.

712 In fact, our success in accelerating infrastructure

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713 construction has created a new opportunity. Industry now  
714 estimates that it could fill 20,000 job openings for tower techs.  
715 That would nearly double their existing workforce and bring  
716 thousands of families into the middle class.

717 So last month, I announced a jobs initiative modelled on  
718 a program developed by Aiken Technical College in South Carolina.  
719 It looks to community colleges as a pipeline for 5G jobs.

720 In 12 weeks, someone with virtually no training can learn  
721 the technical and physical skills needed to land a good-paying  
722 job in the tower industry. I am working to expand this program  
723 to community colleges around the country.

724 While we know that broadband can create jobs, it can also  
725 help save lives. I saw this in Ohio with Ranking Member Latta  
726 at ProMedica Hospital. The head of neurology, Dr. Mouhammad  
727 Jumaa, told us that every second matters in treating stroke  
728 patients, and Dr. Jumaa showed us how we can now use a video app  
729 right on his smart phone to quickly see and treat stroke victims  
730 from almost anywhere. It's saving precious minutes and changing  
731 outcomes.

732 I think the FCC should support this new trend in telehealth.  
733 With remote patient monitoring and mobile health apps that can  
734 be accessed right on your phone, high-quality care can now be  
735 delivered to patients wherever they are.

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736           That is why I have led the FCC's effort to stand up a new  
737 connected care pilot program. It would provide up to \$100 million  
738 so low-income patients can benefit from this new trend. It would  
739 make a real difference in driving down costs and delivering  
740 quality care. My goal is to move that proceeding forward in the  
741 coming months. I look forward to working with all stakeholders  
742 to stand it up.

743           In closing, I want to thank you again, Chairman Doyle,  
744 Ranking Member Latta, members of the subcommittee, for the chance  
745 to testify. I look forward to your questions.

746           [The prepared statment of Mr. Carr follows:]

747

748 \*\*\*\*\*INSERT 3\*\*\*\*\*

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749 Mr. Doyle. Thank you, Commissioner.

750 The chair now recognizes Commissioner Rosenworcel for five  
751 minutes for her opening statement.

752

753 ?STATEMENT OF MS. ROSENWORCEL

754

755 Ms. Rosenworcel. Good morning.

756 Chairman Doyle, Ranking Member Latta, members of the  
757 subcommittee, thank you for having me here today. I am going  
758 to start with a story.

759 So picture northeast Arkansas. This is a region known as  
760 the Upper Delta. It's got a proud history. It's where Johnny  
761 Cash spent his childhood years and where Ernest Hemingway penned  
762 "A Farewell to Arms" in a barn.

763 Its fields are known the world around for the rice they  
764 produce. But this region is also on the leading edge of an ugly  
765 trend -- increasing maternal mortality.

766 You see, the United States is the only industrialized country  
767 with a growing rate of maternal mortality and the data show that  
768 it hits women of color and women in rural areas particularly hard.

769 So the week before last, I was in Little Rock and I spent  
770 time with a team from the University of Arkansas who decided that  
771 in the Upper Delta it was time to do something about

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772 pregnancy-related deaths.

773           They described a patient in the region. She was diagnosed  
774 with preeclampsia, and that's a hypertensive disorder that is  
775 a leading cause of maternal mortality.

776           To manage this disorder, monitoring is key. But this  
777 patient lived in a rural area. In fact, she had to drive several  
778 hours just to give birth in a specialty hospital. There was no  
779 way she was going to make this same drive on a daily basis during  
780 the weeks following delivery.

781           So this team at the medical center, they got creative. They  
782 sent her home with a blood pressure cuff, a special digital scale,  
783 and a pulse oximeter to measure the levels of oxygen in her blood.

784           They told her connect all of these devices to a wireless  
785 gateway and transmit daily readings back to her health care  
786 providers.

787           This was great, except for one small detail. The patient  
788 had no wireless service at home. As she described it, she lived  
789 in a dead zone. So every day after performing these rituals she  
790 climbed into her truck, drove up to the top of a hill a mile away  
791 where she was actually able to pick up a wireless signal and then  
792 she sent this data along.

793           I cannot stop thinking about this story. It demonstrates  
794 so clearly the wonder of modern communications but it also reminds

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795 us that there are too many people in too many places in this country  
796 struggling to connect.

797 And during the past two years I believe the FCC has done  
798 too little to address these problems. That is because too often  
799 this agency has acted at the behest of the largest corporate forces  
800 that surround us, short-changing the American public.

801 For starters, we do not know with certainty where broadband  
802 and wireless service is throughout the country. Our broadband  
803 maps are a mess. One Cabinet official recently called them fake  
804 news.

805 The FCC distributes billions of dollars each year to help  
806 build broadband. But it is wasteful and irresponsible for the  
807 agency to do so without having an accurate picture of where service  
808 is and is not in every community in this country.

809 On top of that, we have done too little to fix robocalls.  
810 Here are the numbers you need to know. At the start of this  
811 administration, consumers got 2 billion robocalls a month. That  
812 number is now above 5 billion. That is insane.

813 For too long, the FCC has been holding summits and holding  
814 workshops and not holding bad actors accountable. I am pleased  
815 to see that the chairman has now distributed a new set of policies  
816 for us to take a look at, but I sincerely hope it is not too little  
817 too late.

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818           Perhaps, however, the agency is best known for its misguided  
819 effort to roll back net neutrality. As a result of this decision,  
820 your broadband provider now has the right to block websites and  
821 censor online content.

822           That doesn't sound good to me and it doesn't sound good to  
823 the American public, either, 86 percent of whom support net  
824 neutrality. Should we have a court remand, I sincerely hope we  
825 take a cue from your Save the Internet Act and decide to change  
826 course.

827           Finally, public safety is paramount. But this agency has  
828 been totally silent when it comes to press reports that reveal  
829 that for a few hundred dollars shady middlemen can tell you your  
830 location within a few hundred meters, based on your wireless data.

831           I don't recall consenting to this surveillance when I signed  
832 up for wireless service and I bet neither did you. We need to  
833 be up front with the American people about just what's happening.

834  
835           But while we have been silent, I decided to do something.  
836 I wrote all the major wireless carriers and asked them to explain  
837 just when they stopped selling our data in this fashion.

838           I also asked them to share with us what they are doing with  
839 the data that's already been sold or shared. I expect those  
840 letters to be responded to today and I would be happy to share

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841 them with this committee.

842 In closing, I believe communications policy can create  
843 opportunity and help solve problems including maternal mortality.

844 But the way to do this is for the FCC to change course and put  
845 the public first.

846 Thank you. I look forward to answering any questions that  
847 you may have.

848 [The prepared statment of Ms. Rosenworcel follows:]

849

850 \*\*\*\*\*INSERT 4\*\*\*\*\*



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851 Mr. Doyle. Thank you, Commissioner.

852 The chair now recognizes Commissioner Starks for five  
853 minutes for his opening statement.

854

855 ?STATEMENT OF MR. STARKS

856

857 Mr. Starks. Good morning, Chairman Doyle, Ranking Member  
858 Latta, and members of this subcommittee. It is a privilege to  
859 appear before you here for the first time today.

860 The future is already here. It's just not evenly  
861 distributed. Wise words and ones that excellently frame the  
862 state of our digital divide.

863 I was sworn in as a commissioner about a hundred days ago  
864 and I am very excited about the development and deployment of  
865 5G and fiber networks that will offer lightning-fast speeds and  
866 more.

867 These networks will further open the floodgates of  
868 innovation and turn today's cutting-edge technology into  
869 tomorrow's everyday tools.

870 But that future has not yet come to over 24 million Americans  
871 without access to affordable high-speed broadband, and while I  
872 am committed to winning the race to 5G, I am equally committed  
873 to the far too many communities that have no G.

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874           There cannot be two Americas, one where those with much get  
875 even more and another for those who are left behind. Whenever  
876 I step outside of Washington, people tell me how broadband impacts  
877 their lives and a couple of months ago I met with folks in Blue  
878 Springs, Missouri, including Chris Chin, who is the director of  
879 agriculture for the state.

880           She told me how Missouri ranks 41st in terms of internet  
881 access and how farmers in their state, including her own family  
882 feed mill and hog farm, struggle to upload their livestock and  
883 crop data to the cloud to help them manage their farms.

884           But she spoke even more passionately about how difficult  
885 it is to convince the next generation to stay in a community that  
886 lacks high-speed internet, and I know a lot of rural communities  
887 share that fear.

888           The problem with broadband access isn't limited only to rural  
889 America, though, and an internet inequality exists even in  
890 well-connected urban areas where, unfortunately, your access to  
891 quality broadband too often depends on your economic status.

892           And that is why the Lifeline program is so critical. It  
893 offers a no-frills phone and internet service so that folks can  
894 stay connected, and but rather than recognize and fully address  
895 the affordability problem that I think is critical, this  
896 commission has proposed drastic changes to the Lifeline program

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897 that would undermine this program.

898 The fundamental question is does this FCC know who has  
899 broadband and how doesn't. Unfortunately, this Commission has  
900 fallen down on this issue, I believe, beginning with our data.

901

902 Just two weeks ago, the Commission admitted that its draft  
903 broadband deployment report relied in part on data from a new  
904 provider that had inflated its coverage by nearly 62 million  
905 persons, and the error was caught not by the FCC but by a diligent  
906 public interest group.

907 We need to take a hard look at ourselves when the FCC's data  
908 management practices miss a brand new entrant that claims to cover  
909 a whopping 20 percent of Americans.

910 The stakes get higher. We manage billions of dollars that  
911 provide targeted funding but we don't know the right places to  
912 send that money.

913 Mobility Fund Phase II, one of our most important initiatives  
914 to expand rural mobile broadband coverage, was suspended  
915 indefinitely in December to investigate yet another set of data  
916 problems.

917 We can't have good money chasing bad data. These  
918 communities can't keep waiting and they shouldn't have to. Once  
919 we get folks online, though, our job doesn't stop there.

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920 Over the last year, news reports have exposed schemes that  
921 exploited wireless carriers' customer data systems that allowed  
922 bad actors to pay to track anyone in real-time with only their  
923 victim's phone number and a couple hundred dollars.

924 We've heard stories about women being tracked by former  
925 partners that appear to be exploiting this vulnerability, and  
926 as a former federal prosecutor, I've personally petitioned the  
927 court for restraining orders to protect survivors of domestic  
928 abuse and I am shocked to think that an abuser could legally track  
929 a survivor's phone to a safe house or a shelter.

930 After writing about this issue in the New York Times, I've  
931 heard from many members of the public who share my sense of outrage  
932 and I understand that at least one class action is in the offering.

933 But more than one year into the FCC's investigation, we still  
934 have not heard a resolution. Security problems aren't limited  
935 to our phones. The entire telecommunications network is equally  
936 at stake.

937 Our networks have serious vulnerabilities that bad actors  
938 can impersonate other folks, obtain access to sensitive  
939 communications, and even cause our networks to crash.

940 The situation could not be more urgent. With 5G our networks  
941 will connect to our utilities, health care, financial, and  
942 transportation system.

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943           We need to take our statutory responsibilities seriously  
944 and ensure that all of our communications systems have the best  
945 possible protections.

946           Finally, I would very much like to thank this subcommittee  
947 for its hard work and passing legislation regarding net  
948 neutrality. Millions of Americans have spoken with the same  
949 voice that they want the internet to remain open and unfettered,  
950 and the Save the Internet Act has given action to that voice.

951           I will continue to also be a champion for this issue. There  
952 is a lot of work to do. I look forward to working with my  
953 colleagues to address these challenges and many more. Thank you  
954 for having me here today and I look forward to your questions.

955           [The prepared statment of Mr. Starks follows:]

956

957 \*\*\*\*\*INSERT 5\*\*\*\*\*

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958 Mr. Doyle. Thank you, Commissioner.

959 So we have concluded our opening statements. We will now  
960 move to member questions. Each member will have five minutes  
961 to ask questions of our witnesses. I will start by recognizing  
962 myself for five minutes.

963 Chairman Pai, I have a number of questions I would like to  
964 ask you that I need to get through that just require yes or no  
965 answers. So I would appreciate you answering yes or no.

966 Regarding mobile carriers sharing their customers' location  
967 data, can you tell us, yes or no, has this practice stopped?

968 Mr. Pai. Chairman Doyle, I appreciate the question. I  
969 cannot comment on a pending law enforcement investigation.

970 Mr. Doyle. Can you tell us since the statute of limitations  
971 for these violations is only one year and a year has already passed  
972 since we first learned about these violations, has the FCC put  
973 in place any tolling agreements with any mobile carrier to ensure  
974 that they can be held accountable for these illegal practices?

975 Mr. Pai. Here, too, Chairman Doyle, I cannot comment on  
976 a pending law enforcement investigation except to say with respect  
977 to this particular question that we are mindful of the relevant  
978 statute of limitations.

979 Mr. Doyle. Do you know whether or not the wireless carriers  
980 have notified individuals whose locations was illegally tracked,

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981 yes or no?

982 Mr. Pai. Again, Chairman Doyle, this relates to the pending  
983 law enforcement investigation. I can't comment on it in an open  
984 setting.

985 Mr. Doyle. As part of your investigation, have you found  
986 any members of law enforcement, agents of the federal government,  
987 or elected officials such as members of Congress have had their  
988 locations tracked?

989 Mr. Pai. Again, Chairman Doyle, I cannot comment on a  
990 pending law enforcement investigation.

991 Mr. Doyle. Let me just say I find your answers to these  
992 questions, given the time that has elapsed and the seriousness  
993 of this issue as wholly insufficient.

994 This committee expects you to do more than just sit on your  
995 hands.

996 I would like to talk a little bit about C-band. As we all  
997 know, many members of this committee care deeply about the  
998 deployment of broadband to rural communities and making it more  
999 accessible and affordable for others.

1000 However, there is no business case for private investment  
1001 the government needs to pick up the slack. I have seen estimates  
1002 that peg the market value of C-band upwards of \$70 billion, and  
1003 for communities that currently have no Gs and see the promise

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1004 of 5G as a pipe dream, do you think it is better for that money  
1005 to go to funding broadband build out or into the pockets of foreign  
1006 satellite companies?

1007 Commissioner Rosenworcel, what do you make of this.

1008 Ms. Rosenworcel. Thank you for the question.

1009 Mr. Doyle. Microphone.

1010 Ms. Rosenworcel. Thank you for the question. I think that  
1011 we need to consult with Congress to identify what to do with the  
1012 C-band next. It appears that there is a lot of money at stake  
1013 and, as you point out, those funds could be used to expand  
1014 broadband in rural areas, help students caught in the homework  
1015 gap who don't have access to the internet service they need for  
1016 homework.

1017 But I think the first place to start is to find a neutral  
1018 entity that can tell us with clarity just how much this spectrum  
1019 is worth. It could be tens and tens of billions of dollars.  
1020 We need to understand that as a matter of good governance.

1021 Mr. Doyle. Thank you.

1022 Commissioner Starks, how about you? What do you think of  
1023 this?

1024 Mr. Starks. I agree with that perspective. I think the  
1025 most important thing is that we maximize the amount of spectrum  
1026 that can come in here into the marketplace.

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1027           And then the second thing that I would point out is I agree  
1028 that it's going to be important to make sure that we don't have  
1029 a private windfall here as we consider the C-band.

1030           Mr. Doyle. Mr. Chairman, what do you think?

1031           Mr. Pai. Chairman Doyle, I am sympathetic to the gist of  
1032 your question. Three years ago, as the first member of the  
1033 Commission to propose a rural dividend from spectrum auctions  
1034 so we could retain those funds for deploying rural broadband,  
1035 with respect to this particular issue, we've teed up a variety  
1036 of different options we are meeting with stakeholders on.

1037           My concern would be with respect to waiting for Congress  
1038 to legislate on this particular matter we've been criticized by  
1039 some, including members of the Commission, for not moving quick  
1040 enough to free up mid-band spectrum.

1041           If that's the case, waiting for legislation to emerge from  
1042 a bipartisan -- from a bicameral system along with enacting by  
1043 the president could take some time.

1044           So we have to trade off the time value of the spectrum and  
1045 the need for spectrum for broadband deployment versus some of  
1046 the concerns you have identified.

1047           Mr. Doyle. Well, if you think you're getting flak for not  
1048 moving quick enough, watch how much flak you get if you let four  
1049 foreign satellite companies keep all the money.

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1050 Chairman Pai, in the context of U.S. Telecom's forbearance  
1051 petition, I am very concerned that the Commission is using Form  
1052 477 data, which industry and policy makers widely agree is flawed  
1053 and overstates broadband availability. I am also concerned that  
1054 the Commission is considering data collected as part of the  
1055 special access data request from 2015 as part of this petition  
1056 as well.

1057 This data is years out of date and does not accurately reflect  
1058 the current state of deployment or competition. If the FCC were  
1059 to base its decision on such inaccurate data, the decision would  
1060 likely be challenged in court.

1061 Will you commit to updating and fixing these data sets before  
1062 using them as a basis for Commission decisions, particularly in  
1063 supported claims that competitive policies that promote broadband  
1064 deployment are not necessary such as in the case of U.S. Telecom's  
1065 forbearance petition?

1066 Yes or no.

1067 Mr. Pai. Chairman Doyle, unfortunately it's not a yes or  
1068 no question with respect to the BDS data, for example. One of  
1069 the reasons why we included the data from the 2015 data collection  
1070 was because U.S. Telecom relies on the conclusions from the BDS  
1071 and the transport remand from the Eight Circuit.

1072 We can't simply adopt those conclusions wholesale. We

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1073 wanted to make sure that the data upon which those conclusions  
1074 were based remains a part of the forbearance record in this  
1075 particular case.

1076 We haven't agreed with it. We simply want to make sure that  
1077 we have all the data that the party petitioning for forbearance  
1078 is including in its petition.

1079 Mr. Doyle. I see my time has expired. Thank you.

1080 I now yield five minutes to our ranking member, Mr. Latta.

1081 Mr. Latta. Well, thank you, Mr. Chairman, and again to the  
1082 commissioners and the chairman, thanks very much for being with  
1083 us today.

1084 Commissioner O'Rielly, if I could start my question with  
1085 you. When you were in the district in March we heard from my  
1086 constituents to build out broadband in rural America we need these  
1087 accurate maps so that limited federal funds are going to the areas  
1088 that most need it.

1089 How important is it that any new broadband funding is  
1090 allocated based on these accurate maps?

1091 Mr. O'Rielly. So I would say maps can only be so perfect.

1092 But through revision and including a challenge process and  
1093 verification we can improve them so the dollars go to only the  
1094 areas that absolutely need them and they don't go to overbuilding,  
1095 which is a really deep concern I have.

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1096 So I agree with your point wholeheartedly.

1097 Mr. Latta. Well, I know in the past I've always said that  
1098 we have to differentiate to make sure we are talking about unserved  
1099 and underserved areas and we have to look at these unserved areas.

1100 Let me follow up. Which agency is best situated to manage  
1101 substantial new funding and ensure it goes to the right areas?  
1102 Quickly.

1103 Mr. O'Rielly. I hate to say I am biased here. I believe  
1104 the FCC program is the most efficient program. It's not by any  
1105 means perfect. It has its own flaws and we do improve it.

1106 The chairman has done great work in the last couple of years  
1107 -- things I've been working on for a decade in terms of reverse  
1108 auctions. We've really improved our process.

1109 I look at other agencies and what they've done in the past  
1110 and what they currently do, and I see tremendous flaws and I would  
1111 recommend to the -- and humbly suggest to the subcommittee you  
1112 consider FCC if additional dollars are made from the Congress.

1113 Mr. Latta. Thank you.

1114 Mr. Chairman, what are your thoughts on which agency is the  
1115 most appropriate to channel those new fundings?

1116 Mr. Pai. Thank you for the question, Ranking Member Latta.

1117 Unsurprisingly, I share my colleague's enthusiasm for the  
1118 FCC as the repository for the additional funding and part of the

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1119 reason why I see it established is that we now have a reverse  
1120 auction mechanism along with accountability in terms of the  
1121 distribution of that funding resulting in broadband deployment.

1122 And with respect to the reverse auction in particular, I  
1123 mean, I cannot understate how important that mechanism is for  
1124 distributing funding efficiently.

1125 If you talk to your electric utilities, tribal carriers,  
1126 cable companies, satellite companies, and others, now they have  
1127 a chance to compete for that funding, which makes sure that the  
1128 scarce taxpayer dollars are stretched as far as possible and as  
1129 efficient a way as possible.

1130 Mr. Latta. Thank you.

1131 Let me follow up, Chairman Pai. Last month I introduced  
1132 the Stop Robocalls Act to give the FCC additional tools to go  
1133 after these bad actors.

1134 One of the things that the Stop Robocalls Act would do is  
1135 make it easier for consumers to access technology that blocks  
1136 illegal robocalls by allowing carriers to offer it for free on  
1137 an opt-out basis.

1138 Chairman Pai, again, I appreciate your announcement this  
1139 morning that you are adding the opt out concept in my Stop  
1140 Robocalls Act to your June meeting. I will continue to work on  
1141 this with the chairman of this subcommittee so it becomes law.

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1142           And would you commit to working with Congress to ensure that  
1143 consumers can have access to illegal robocall blocking  
1144 technology?

1145           Mr. Pai. Yes, sir.

1146           Mr. Latta. Thank you.

1147           Chairman Pai, we've also heard criticism that the Commission  
1148 is not moving quickly enough to make low and mid-band spectrum  
1149 available, which is vitally important to U.S. leadership on 5G.

1150           Would you share what you are doing on spectrum as part of  
1151 the 5G FAST plan?

1152           Mr. Pai. I appreciate the question, Congressman.

1153           We have, obviously, been very active with respect to  
1154 millimeter wave. We were in the middle of a 24 gigahertz auction.  
1155 We just finished a 28 gigahertz auction.

1156           We have upper 37, 39, and 47 scheduled for later this year.  
1157 With respect to mid-band in particular, we have a lot on the  
1158 table with respect to white spaces in the 2.5 gigahertz band.

1159           We haven an ongoing dialogue with the Department of Commerce  
1160 on the 3.1 and 3.55 band. We've got the 3.5 band itself, which  
1161 Commissioner O'Rielly will lead the effort on, where we expect  
1162 commercial deployment soon and an auction next year.

1163           The 3.7 band, which the chairman has mentioned, which will  
1164 be potentially 200 to 500 megahertz, we also have an outstanding

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1165 proceeding on the 4.9 gigahertz band, the 5.9 gigahertz band,  
1166 and in particular the 6 gigahertz band, which is something that  
1167 a lot of wireless innovators have thought of.

1168 This would be, potentially, 1,200 megahertz for unlicensed  
1169 spectrum. So turbocharging Wi-Fi, allowing consumers on an  
1170 unlicensed basis to take advantage to some of the innovation that  
1171 has now become common in their lives.

1172 So we have a lot on the table, many thousands of megahertz,  
1173 and we look forward to working with you and the members of the  
1174 subcommittee to make it a reality.

1175 Mr. Latta. Well, thank you very much, and if I, in my last  
1176 40 seconds -- Commissioner Carr, you know, you spent a day out  
1177 in my district and maybe if you could just give me a quick takeaway  
1178 of what you saw out there in your five visits across the northwest  
1179 and west central Ohio.

1180 Mr. Carr. Thank you, Congressman.

1181 We had a great visit to your district. I think what we saw  
1182 there was both sides of the digital divide. We saw communities  
1183 that right now have high-tech next-generation connectivity  
1184 including at ProMedica Hospital where it is helping to change  
1185 lives for stroke patients.

1186 We were able to go to a farm in Napoleon and see the tremendous  
1187 amount of data that smart ag is now pulling off of combines and

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1188 connected soil moisture meters, and so the real economic upside.

1189 There is many communities in between where we still have  
1190 work to do and that's why we are reorienting our programs at the  
1191 FCC including universal service to make sure we have connectivity  
1192 whether it's 5G or other next generation services in every  
1193 community across the country.

1194 Mr. Latta. Well, thank you very much.

1195 Mr. Chairman, my time has expired and I yield back.

1196 Mr. Doyle. The gentleman yields back.

1197 The chair now recognizes Mr. McNerney for five minutes.

1198 Mr. McNerney. I thank the chairman. I thank the  
1199 commissioners for your testimony this morning and for your hard  
1200 work. I know all of you have perspectives and I appreciate that.

1201 Chairman Pai, the FCC recently delivered its veterans  
1202 broadband report to Congress pursuant to legislation that I signed  
1203 into law but missed the statutory deadline by over a month.

1204 While the report did acknowledge that 1.3 million veterans  
1205 participated in the Lifeline program, it failed to mention that  
1206 your proposal to reduce the program by over 70 percent would have  
1207 harmful effects on these veterans.

1208 I am concerned that your proposal would have harmful impacts  
1209 on veterans and millions of Americans including 56,000 households  
1210 in my district.

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1211           There has been almost no support on the record for this  
1212 proposal, even though the proceeding was started in 2017.

1213 Chairman Pai, please answer yes or no.

1214           Will you put this proposal to rest and end the proceeding?

1215           Mr. Pai. Congressman, the proceeding is still ongoing.

1216 We haven't made any final determinations yet.

1217           Mr. McNerney. Will you put this to rest? There is almost  
1218 no support in the record for this.

1219           Mr. Pai. Again, Congressman, it's still an ongoing  
1220 proceeding. I can't forecast where the Commission is going to  
1221 end up.

1222           Mr. McNerney. Commissioner Rosenworcel, what do you think  
1223 about his?

1224           Ms. Rosenworcel. There are people across this country that  
1225 rely on Lifeline to stay connected. They've relied on this  
1226 program since 1985 when it was first put in place to make sure  
1227 everyone could connect to health care, to education, and jobs.

1228           We are going to cut off veterans, elderly, people recovering  
1229 in Puerto Rico and so many other places if we cut this program  
1230 as the chairman has proposed. It's time for us to end this  
1231 proceeding and this effort.

1232           Mr. McNerney. Thank you.

1233           Mr. Chairman, I have a letter -- I would like to submit a

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1234 letter for the record on this issue from the Leadership  
1235 Conference.

1236 Mr. Doyle. Without objection, so ordered.

1237 [The information follows:]

1238

1239 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

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1240 Mr. McNerney. I am deeply concerned about President Trump's  
1241 repeated attacks on journalists and broadcasters. Here is a  
1242 tweet from the president on April 5th stating that the press is  
1243 truly the enemy of the people. This is from the president of  
1244 the United States.

1245 The president has gone on to threaten the license of  
1246 broadcasters who have reported news that he doesn't like. That's  
1247 one of -- rhetoric of a dictator and beneath the dignity of the  
1248 office of our president.

1249 Chairman Pai, a free and independent press is the foundation  
1250 of our democracy. You are the head of the agency that is charged  
1251 with overseeing the nation's communication sector including  
1252 broadcast and media marketplace.

1253 Starting with you, Chairman Pai, and then all the  
1254 commissioners, do you agree with the statement that the press  
1255 is truly the enemy of the people? Please answer with a yes or  
1256 no.

1257 Mr. Pai. Congressman, that is not language that I would  
1258 or have used. No.

1259 Mr. O'Rielly. No.

1260 Mr. Carr. Congressman, I have repeatedly made my views  
1261 clear on the First Amendment.

1262 Mr. McNerney. Thank you.

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1263 Ms. Rosenworcel. Absolutely not.

1264 Mr. Starks. I agree this is an easy choice. Absolutely  
1265 not.

1266 Mr. McNerney. Thank you.

1267 Chairman Pai, just one week after that tweet on April 5th,  
1268 you appeared at a press conference at the White House with  
1269 President Trump. It's unusual for a commissioner from an  
1270 independent agency to appear at a press conference with the  
1271 president.

1272 Please answer this with a yes or no. When you saw President  
1273 Trump on that day, did he mention anything to you related to FEC  
1274 license concerns or any other issue pending before the FCC related  
1275 to an entity he thinks unfairly covered him or his administration?

1276 Mr. Pai. No, not to my knowledge.

1277 Mr. McNerney. Will you commit that if President Trump or  
1278 anyone from the White House reaches out to you about anything  
1279 like this that you will personally notify our committee and my  
1280 office immediately?

1281 Mr. Pai. Yes, and I've made, I recall, a similar commitment  
1282 to the Senate Commerce Committee, your counterparts on the Senate  
1283 side.

1284 Mr. McNerney. Thank you. We will hold you to that,  
1285 Chairman.

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1286           On the spectrum, I know that having access to mid-band  
1287 spectrum is crucial for U.S. leadership in 5G.

1288           Commissioner Rosenworcel, why has the agency not moved more  
1289 quickly to address the issue of the 3.5 band?

1290           Ms. Rosenworcel. Thank you.

1291           The rest of the world is running to 5G using mid-band  
1292 spectrum. We are not doing that there in the United States and  
1293 we are going to be left behind. Mid-band spectrum propagates  
1294 far, which means it will bring 5G to rural areas.

1295           But the United States has concentrated all of its energies  
1296 on high-band spectrum in the last year and this one. We are going  
1297 to have to pivot and make mid-band a priority if we want to catch  
1298 up with the rest of the world and deliver 5G to rural communities.

1299           Mr. McNerney. Thank you, Commissioner.

1300           Mr. Chairman, I yield back.

1301           Mr. Doyle. The gentleman yields back.

1302           The chair now recognizes the ranking member of the full  
1303 committee, Mr. Walden.

1304           Mr. Walden. Thank you, Mr. Doyle. Chairman in exile, as  
1305 I like to say.

1306           [Laughter.]

1307           Mr. Walden. We have heard a lot today about the need to  
1308 protect privacy of mobile customers. I don't think there is any

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1309 disagreement with that on the Commission or up here.

1310 I share my colleagues' concerns about the unauthorized use  
1311 of wireless consumers' real-time geolocation data by third  
1312 parties. That is why as chairman I started the bipartisan process  
1313 -- bipartisan process here with my Democratic colleagues last  
1314 Congress that's still going on this year to look into this matter.

1315 From the consumer's perspective, sharing location data can  
1316 be helpful and in some cases lifesaving -- services like emergency  
1317 roadside assistance. So there can be a positive effect to this.

1318 But from our bipartisan work on this issue, we learned that  
1319 in some cases aggregators were selling data for unauthorized  
1320 purposes without permission from either the consumer or the  
1321 carrier.

1322 The FCC is taking a deeper dive into this issue through its  
1323 enforcement bureau, in my understanding, but the reality is that  
1324 many carriers have already completely cut off these programs and  
1325 they aren't coming back.

1326 The alternative many of these services are now going to is  
1327 the location data collected by tech companies, operating systems,  
1328 and apps that are constantly tracking users.

1329 The data are different and in many cases they're actually  
1330 more pervasive and more precise. Not a few meters or hundreds  
1331 of meters; it is what seat you're in.

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1332 My concern is the entire market for location data is being  
1333 shifted to relatively unregulated entities. Is this really the  
1334 best outcome for the consumer is the question I have.

1335 So, Chairman Pai, you're investigating the interactions  
1336 of carriers with location aggregators. Does the Commission have  
1337 the authority to regulate data aggregators in these situations?

1338 Mr. Pai. We do not. Typically, that would be under the  
1339 jurisdiction of the Federal Trade Commission.

1340 Mr. Walden. And can the Commission look into the sharing  
1341 of geolocation data by other entities such as operating systems  
1342 and apps?

1343 Mr. Pai. Here too we don't have jurisdiction over some of  
1344 the tech giants that have collected that information.

1345 Mr. Walden. Commissioner O'Rielly, in your testimony you  
1346 highlight additional mid-band spectrum the FCC should be  
1347 considering for unlicensed use to support 5G including the 4.9  
1348 gigahertz band.

1349 We have got a new discussion draft which would have the  
1350 Commission conduct a census of the users and how they are utilizing  
1351 4.9 licenses and would separately provide a delay in the T-band  
1352 relocation process for another three years.

1353 You often hear governors or legislators don't get the message  
1354 on 911 fee diversion. So the other feature here is to tie the

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1355 eligibility for the T-band delay to the integrity of the 911 fees.

1356 I know you have put a lot of work into this. You talked  
1357 about it in your opening statement as well. Do you think we are  
1358 on the right path?

1359 Mr. O'Rielly. Well, sitting here I am really intrigued by  
1360 your idea. There haven't been a lot of new ideas on how to address  
1361 those recalcitrant states -- New York, New Jersey, and Rhode  
1362 Island.

1363 Mr. Walden. Rhode Island especially.

1364 Mr. O'Rielly. So I am really intrigued by this that maybe  
1365 what -- the kick that is needed.

1366 Mr. Walden. I will tell you what. If a business did this  
1367 it would be mail fraud and I -- government is a business, too,  
1368 and they ought to be held accountable. But I think it's actually  
1369 worse than the fraud that is being committed because they are  
1370 denying rate payers the service they are promising them and you  
1371 all ought to be united in this cause.

1372 Does anybody disagree with what we are trying to do here?

1373 All right. I am going to take all the shaking heads as yeses  
1374 and move on, because I just think it is really, really critical.

1375 Now, I want to talk about the role of what you are doing  
1376 to build out especially 5G and all, and I appreciate the work  
1377 you are doing. I met with some of my rural electric co-op friends

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1378 and they are a little concerned about the effect of some of what  
1379 the FCC is doing when it comes to their equipment and services  
1380 and, literally, can this pole withstand that weight and this,  
1381 that, and the other.

1382 And I assume you are taking that into some level of  
1383 understanding, right?

1384 Mr. Pai. Yes, Congressman. And, additionally, we have  
1385 reached out in particular to those utilities to participate in  
1386 those reverse auctions I described.

1387 Mr. Walden. All right. Perfect.

1388 I want to go to this mapping issue. There is no disagreement  
1389 the maps that are used stink. I mean, somebody said fake news.  
1390 We have all known that. By the way, it happened in the last  
1391 administration, the one before it.

1392 I sat right on this side in the minority when the majority  
1393 crammed through the stimulus bill and put \$7 billion for broadband  
1394 knowing full well the money was going to get allocated before  
1395 we knew where the mapping was for served and unserved.

1396 And I had an amendment saying before the money goes out the  
1397 door, could we at least know the unserved and underserved areas  
1398 through mapping and that amendment was defeated by my friends  
1399 over here.

1400 So we both know on both sides the maps stink, the data stink.

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1401 We got to get this right and not overbuild, and I would just  
1402 like to say, finally, that we should not discount -- and I know  
1403 there are some that just want to trash corporate America or the  
1404 ISPs or whatever -- they are investing far more than this Congress  
1405 has ever invested.

1406 In the cable world they announced last night \$290 billion  
1407 over the next decade to build out connectivity -- broadband to  
1408 the home.

1409 And so I think we need to be in a partnership attitude here,  
1410 not an adversarial attitude. There's a lot more we can get done  
1411 on this committee when we are working together on these issues.  
1412 Broadband shouldn't be partisan.

1413 So thank you for being here. Thanks for the work you do.  
1414 I know it's controversial but we want to be your partners.

1415 With that, I yield back.

1416 Mr. Doyle. The gentleman yields back.

1417 The chair now recognizes the chairman of the full committee,  
1418 Mr. Pallone, for five minutes for questions.

1419 Chairman Pallone. Thank you, Mr. Chairman.

1420 I just -- I just wanted to express my concern that once again  
1421 on the eve of an oversight hearing a number of members finally  
1422 receive answers to letters sent to the Commission, and it should  
1423 not take scheduling a hearing to get a response from the FCC.

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1424 Even when we have gotten responses the answers have often  
1425 been incomplete or not followed the instructions that we gave  
1426 in the letters, and I hope that this isn't an attempt to delay  
1427 this committee's oversight.

1428 So I just wanted to ask each commissioner, yes or no, clear  
1429 commitment from each of you -- going down the line -- to avoid  
1430 this in the future.

1431 So yes or no, will you commit to responding in a timely manner  
1432 and following the instructions to members' oversight letters,  
1433 starting with the chairman.

1434 Yes or no?

1435 Mr. Pai. Yes.

1436 Chairman Pallone. Thank you.

1437 Mr. O'Rielly?

1438 Mr. O'Rielly. Yes.

1439 Chairman Pallone. Mr. Carr?

1440 Mr. Carr. Yes, happy to respond.

1441 Chairman Pallone. Thank you.

1442 Ms. Rosenworcel?

1443 Ms. Rosenworcel. Yes.

1444 Chairman Pallone. I always mispronounce your name.

1445 And Mr. Starks?

1446 Mr. Starks. Yes.

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1447 Chairman Pallone. All right. I hope so. Thank you.

1448 Next.

1449 Chairman Pai, as you know, putting a stop to the overwhelming  
1450 number of robocalls Americans receive daily is a top priority  
1451 of mine and many members of the committee.

1452 This subcommittee in fact held a legislative hearing on my  
1453 bill and a number of other legislative efforts to curb robocalls  
1454 last month and I appreciate that in your opening you focused on  
1455 this issue.

1456 But as I noted in my opening statement, voluntary measures  
1457 spurred by the FCC don't have a good track record and I fear aren't  
1458 going to solve the robocall problem. So that is why in my bill  
1459 the Commission would be required to ensure all carriers implement  
1460 some sort of call authentication protocol.

1461 And I know you have been an advocate of similar technology  
1462 but, again, it seems to be adopted on a voluntary basis.

1463 So will you commit to issuing an order by year end that  
1464 requires, not, you know, hopes or volunteers but requires carriers  
1465 to implement call authentication technology?

1466 Yes or no.

1467 Mr. Pai. Mr. Chairman, I can't -- I share your commitment.

1468 I have said that if they don't implement it this year we will  
1469 take regulatory intervention under the Administrative Procedure

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1470 Act.

1471 I can't commit to finishing that proceeding but we will take  
1472 regulatory action if --

1473 Chairman Pallone. Right. But my concern is not only over  
1474 the time period but also over the fact that it's not enough to  
1475 demand it or pressure the carriers because I consider that  
1476 voluntary.

1477 I want a requirement. So let's forget -- let's put aside  
1478 the time. Will you require it?

1479 Mr. Pai. If they do not implement call authentication under  
1480 the SHAKEN/STIR framework, yes, we will.

1481 Chairman Pallone. Okay. And then what did you say about  
1482 year end? Will you try to meet that?

1483 Mr. Pai. Absolutely, Congressman.

1484 Chairman Pallone. All right.

1485 All right. Now, let me ask -- let me just go to a last series  
1486 of questions -- I know my time is running out -- about the  
1487 resiliency of our wireless and broadband networks.

1488 The FCC had a report recently following Hurricane Michael  
1489 that raised real questions about the effectiveness, again, of  
1490 a voluntary network resiliency framework.

1491 I have repeatedly asked the Commission to update the  
1492 framework but I haven't gotten a response to that. This recent

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1493 report indicates a need, in my opinion, for binding requirements  
1494 on carriers -- again, binding, not voluntary.

1495 So let me ask Chairman Pai. The FCC is currently  
1496 re-examining the voluntary wireless resiliency cooperative  
1497 framework. Will you commit to creating enforceable requirements  
1498 to protect consumers in the face of future disasters, yes or no?  
1499 Not just voluntary.

1500 Mr. Pai. Mr. Chairman, on this one I can't answer yes or  
1501 no. The career staff and the Public Safety Bureau is actively  
1502 working on that. I would be happy to keep you apprised of our  
1503 efforts and if --

1504 Chairman Pallone. But I am not -- I am asking basically  
1505 that you make a commitment definitively to create an enforceable  
1506 requirement -- some sort of enforceable requirement -- because  
1507 otherwise I don't think anything happens.

1508 You don't have to tell me how but I want an enforceable  
1509 requirement. Can you say yes to that?

1510 Mr. Pai. Mr. Chairman, I certainly share your concern about  
1511 this problem with respect to that framework. It is currently  
1512 -- carriers don't have to participate in it and so we want to  
1513 make sure that we ensure that they are adopting the best practices.

1514 But we would be happy to look at the mandates that you are  
1515 suggesting.

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1516 Chairman Pallone. Well, can I ask that you try to make it  
1517 enforceable?

1518 Mr. Pai. I would be happy to consider that, Mr. Chairman.  
1519 We share that consideration.

1520 Chairman Pallone. I think that is not -- that is not much  
1521 of a commitment, Mr. Chairman.

1522 After Hurricane Michael, the FCC issued very stern messages  
1523 to the carriers asking them to waive charges and fees for customers  
1524 affected by outages.

1525 Did you -- let me ask the chairman -- did you make even these  
1526 types of bare minimum public statements to carriers serving Puerto  
1527 Rico after Hurricane Maria, yes or no?

1528 Talking about you waiving the charges and fees. You did  
1529 that for Michael. Was it done for Maria?

1530 Mr. Pai. Mr. Chairman, I personally went to Puerto Rico  
1531 twice in the wake of Hurricane Maria and Irma, and you can ask  
1532 the governor of Puerto Rico. You can ask the congresswoman from  
1533 Puerto Rico.

1534 Chairman Pallone. Yes, but what about waiving the charges  
1535 and fees for customers affected?

1536 Mr. Pai. In addition to delivering \$1 billion to the people  
1537 in Puerto Rico through the Uniendo a Puerto Rico Fund, we took  
1538 many other steps to make sure consumers were --

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1539 Chairman Pallone. Well, you didn't -- again, you're not  
1540 saying whether you actually did that with regard to waiving the  
1541 charges and fees. I don't want to get into it, Mr. Chairman.

1542

1543 But I am just very concerned about, you know, the FCC's  
1544 response to Hurricane Maria has not been adequate. But we will  
1545 have to deal with that another day.

1546 Thank you, Mr. Chairman.

1547 Mr. Doyle. The gentleman yields back.

1548 The chair now recognizes Mr. Olson for five minutes.

1549 Mr. Olson. I thank the chair, and welcome to the entire  
1550 FCC. A special welcome to Chairman Starks. This is your first  
1551 hearing that I've been here. Congratulations. Glad to have you  
1552 here.

1553 And a special recognition to Chairman Pai. You are a man  
1554 of your word. You may recall the last time you came before this  
1555 committee we found out that Mr. Carr climbed up a tall cell tower.

1556 I challenge you as a chairman of the committee to act and lead  
1557 and, my friend, you did it.

1558 Apparently, on August 27th of last year, you climbed up a  
1559 131-foot tower in Colorado. So thank you for keeping your word,  
1560 and it was pointed out earlier Mr. Carr climbed up a 1,000-foot  
1561 tower. So you have 900 feet to go to catch up with Mr. Carr.

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1562 [Laughter.]

1563 Mr. Pai. My wife still hasn't forgiven you or him for  
1564 goading me on.

1565 Mr. Olson. My hometown of Sugar Land, Texas, had a mini  
1566 Harvey Hurricane last week. Had nine inches of rain in less than  
1567 two hours. Our streets were flooded all across the city and  
1568 across Fort Bend County. The Brazos River rose very high.

1569 As you know, viable communications are critically important  
1570 during disasters like floods and hurricanes. You guys have done  
1571 a great job on all these alerts that go out -- emergency alerts.

1572

1573 During Harvey just got spammed with alerts. Tornadoes that  
1574 are 30 miles away and opening -- coming -- sent to me, all we  
1575 got this time was what was relevant to Sugar Land, Texas. So  
1576 that is well done.

1577 As you know, communication are important during a storm for  
1578 first responders and families trying to get information -- should  
1579 they evacuate, is that road flooded, are the hospitals open.  
1580 They made great progress, but as you know, in 16 days the Atlantic  
1581 hurricane season starts. How is the Commission preparing for  
1582 the upcoming storm season?

1583 Mr. Pai. I appreciate the question, Congressman.

1584 In a variety of ways, and I've had a chance to see some of

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1585 the great work in your district. I saw Sugar Land after Hurricane  
1586 Harvey, visited Harris County 911, visited the local NBC station  
1587 that stayed on during the storm to keep people apprised.

1588 So we've taken a number of steps. One is by putting out  
1589 a number of best practices, recommendations for everybody to use  
1590 in advance of a hurricane. We have also been working  
1591 cooperatively with the entire industry, not just communications  
1592 providers but power companies and others, do encourage them to  
1593 work together.

1594 We have been working on updating our wireless emergency alert  
1595 system to be more targeted so that people in this particular  
1596 neighborhood get the information they need.

1597 Mr. Olson. And I saw it first-hand last week. You guys  
1598 did that magnificently. Thank you so much.

1599 Mr. Pai. The credit goes to our fantastic career staff at  
1600 the FCC and the Public Safety Bureau and the Wireless Bureau for  
1601 helping make that happen.

1602 But we are looking forward to making sure that we equip public  
1603 safety officials, first responders, and communications companies  
1604 and others with all the tools they need. We don't want to see  
1605 an active hurricane season. But if history is any guide, it,  
1606 unfortunately, might be.

1607 Mr. Olson. It is coming.

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1608           The next question is for you, Commissioner Pai. In your  
1609 testimony you mentioned that there has been a problem in Texas  
1610 with a overbuilding of what is called the E-rate program.

1611           This is a program that is supposed to provide affordable  
1612 access to advanced telecom services for schools in mostly poor  
1613 parts of the state, mostly rural parts of the state.

1614           You sent a letter to a group called Universal Service  
1615 Administrative Company -- the USAC. These are the people who  
1616 approve E-rate funds for Texas schools -- for approving funds  
1617 for schools that already have access to fiber networks. So, in  
1618 effect, they're double dipping, taking money from the program  
1619 that is supposed to create these networks but they already have  
1620 them.

1621           Can you share with us your actions you have taken and the  
1622 response you have gotten through your questions about the E-rate  
1623 program in Texas?

1624           Mr. Pai. I appreciate the question, Congressman.

1625           My understanding is that Commissioner O'Rielly sent the  
1626 letter. So I might defer to him in the first instance to --

1627           Mr. Olson. I am sorry.

1628           Mr. O'Rielly, I understand the question was for you. My  
1629 apologies.

1630           Mr. O'Rielly. That is okay. Thank you, Congressman.

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1631           So you are right, I did write to USAC on this specific issue  
1632 to try to get to the -- whether E-rate dollars are being --  
1633 overbuilding our high cost fund as I met with a number of Texas  
1634 representatives and it turns out the USAC came forward and said  
1635 yes, it is happening.

1636           We can't tell you how much but we can tell you that it is  
1637 happening because they came forward with the lowest bid and it  
1638 was a competitive process. And my answer is, well, they haven't  
1639 taken everything into account and they have also manipulated the  
1640 process to make it the lowest bid.

1641           So I am in the process of trying to figure out how to best  
1642 address that and I have to have conversations with the chairman  
1643 on whether we need to change the rules so USAC reflects what's  
1644 happening in the marketplace today.

1645           Mr. Olson. Thank you. If I can help in any way, let me  
1646 know.

1647           Last question, very quickly, for you, Commissioner Pai.  
1648 Other members of the committee right here don't think the FCC  
1649 is doing enough to stop robocalls. You guys have this upcoming  
1650 summit on robocalls.

1651           What do you expect that summit to do to show you guys have  
1652 been, are, and working hard to stop robocalls?

1653           Mr. Pai. I appreciate the question, Congressman.

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1654           It is going to do two basic things. Number one, recognize  
1655 the progress that has been made by other carriers who have been  
1656 developing and implementing the SHAKEN/STIR framework, and number  
1657 two, calling out those who have not done the requisite work, who  
1658 are not on track to meet the Commission's expectation that they  
1659 implement call authentication this year. We want to know who's  
1660 making progress and who is not.

1661           Mr. Olson. A final challenge to the whole Commission.  
1662 There's a 2,000-foot tower in Missouri City, Texas -- Texas 22.  
1663 If you want to come climb it, I am all in.

1664           I yield back.

1665           Mr. Doyle. The gentleman yields back.

1666           Now I would like to recognize the vice chair of the full  
1667 committee, Ms. Clarke, for five minutes.

1668           Ms. Clarke. Thank you very much, Mr. Chairman, and I thank  
1669 our ranking member for convening this subcommittee hearing today  
1670 on the accountability and oversight of the Federal Communications  
1671 Commission.

1672           It's nice to have full bench before us today. All five  
1673 of our FCC commissioners are here and I would like to give a hearty  
1674 welcome to our newest commissioner, Geoffrey Starks.

1675           Chairman Pai, I've written you a letter dated May 9th  
1676 regarding my concerns about a proposed rulemaking in the matter

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1677 of the implementation of Section 621(a)(1) of the Cable  
1678 Communications Policy Act of 1984 as amended by the Cable  
1679 Television Consumer Protection and Competition Act of 1992.

1680 In particular, the proposed reinterpretation of franchise  
1681 fee to include cable-related in-kind contributions in the  
1682 definition.

1683 You know, Congress set up the 1984 Cable Communications Act  
1684 to compensate communities for the use of their property and public  
1685 rights of way and to provide local PEG stations the ability to  
1686 meet the information needs of Americans.

1687 I, along with a number of my colleagues, have urged you not  
1688 to harm local communities in this rulemaking and as vice chair  
1689 of the committee I joined them in expressing my concern that these  
1690 proposed rules will harm communities in my district and I will  
1691 be closely monitoring the process to ensure that PEGs are held  
1692 harmless.

1693 Chairman Pai, last week Senator Van Hollen I wrote to you  
1694 about the FCC's Form 395-B, a wonky name for what is a critical  
1695 issue for people of color.

1696 Your agency has a statutory mandate to collect information  
1697 about broadcasters' racial, ethnic, gender diversity in the  
1698 workplace. But it has been 15 -- let me say it again -- 15 years  
1699 since the FCC has required broadcasters to submit a Form 395-B

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1700 disclosing their workforce diversity.

1701 How can we work to solve the disparities in the workforce  
1702 without a complete picture of the data? Now, I understand that  
1703 the FCC has been working to address some issues about the form.

1704 But I would like to find out how to resolve those issues and  
1705 how we can move forward.

1706 And I understand that a draft NPRM on these issues is  
1707 currently in circulation. Does it include an action to refresh  
1708 the record on the stalled 395-B issues?

1709 Mr. Pai. I appreciate the question, Congressman, and your  
1710 leadership on these issues, a goal that I share of getting more  
1711 diversity of ownership into the broadcast sector.

1712 As you pointed out, that proceeding has been pending for  
1713 some 15 years due in part to some constitutional and statutory  
1714 obstacles that our general counsel's office for many years has  
1715 flagged and that chairs of various parties over the past 15 years  
1716 have recognized.

1717 Nonetheless, as you pointed out, we have a pending notice  
1718 of proposed rulemaking to target overall issues with the Equal  
1719 Employment Opportunity in broadcast framework and I look forward  
1720 to working with my colleagues to finalize that notice of proposed  
1721 rulemaking and release it so that we can work together.

1722 Ms. Clarke. Mr. Starks, can I get your take on this?

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1723 Mr. Starks. Yes. Thank you so much for your leadership  
1724 on this issues, Congresswoman, and from behind the camera to in  
1725 front of the news we need to make sure that we have diversity  
1726 that looks like America -- the cross-section of America.

1727 It is deeply important. That is why I asked the chairman  
1728 to make sure that we did refresh the record on this 15-year-old  
1729 rulemaking.

1730 And the thing that I would say is in making that offering  
1731 I am happy to hear from commenters that there are constitutional  
1732 issues. I would like those to be raised -- would love to hear  
1733 the merits there.

1734 What I am asking the chairman to do and what I have asked  
1735 him and will repeatedly ask him to do is make sure that that issue  
1736 gets the attention it deserves and then we can have a full record  
1737 built and then we can close this out. That's just good  
1738 government.

1739 Ms. Clarke. Well, let's make this a priority. It's  
1740 becoming more and more increasingly clear to the American people  
1741 that, particularly in front of the cameras, that diversity is  
1742 really lacking.

1743 Chairman Pai, the FCC sent out a consumer alert last week  
1744 about so-called one-ring scams. Beyond alerting the public to  
1745 the scam, which I am glad you did, is there another action the

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1746 FCC can take to ensure consumers don't fall victim to these scams?

1747 Mr. Pai. I appreciate the question, Congressman --

1748 Congresswoman, rather. That advisory has proven very useful.

1749 We've gotten a lot of consumer feedback -- positive feedback  
1750 on it.

1751 Ms. Clarke. And what else can we do?

1752 Mr. Pai. But we are not stopping there and that's why the  
1753 proposal I announced this morning to allow carriers to block calls  
1754 by default -- robocalls -- I think would be a significant step.

1755 Right now, because of legal uncertainty over whether it's  
1756 consistent with the FCC's rules and regulations, some carriers  
1757 have only allowed those call-blocking tools if the consumer  
1758 affirmatively opts in. Very few consumers do. And so as a  
1759 result, companies have not developed the technology fully,  
1760 certainly have not deployed it fully.

1761 Ms. Clarke. Commissioner Rosenworcel, your take on that?

1762 Ms. Rosenworcel. Look, I used to think it was Rachel from  
1763 card member services I hated most and then I thought it was that  
1764 IRS individual with the imminent threat of lawsuit.

1765 But none of us should have to choose. It is crazy the number  
1766 of scams that are coming in over our phone. Whatever we've done  
1767 to date with robocalls it is not enough.

1768 We need call authentication technology. Every carrier

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1769 should make free tools available to consumers and the FCC should  
1770 set up a robocall division because consumers are angry and that's  
1771 where we get the bulk of our consumer complaints.

1772 Ms. Clarke. I yield back. Thank you, Mr. Chairman.

1773 Mr. Doyle. The gentlelady yields back.

1774 The chair now recognizes Mr. Bilirakis for five minutes.

1775 Mr. Bilirakis. Thank you, Mr. Chairman. I appreciate it.

1776 I want to follow up on Mr. Olson's question with regard to  
1777 the hurricanes. As you know, just last week, the FCC released  
1778 its report, Mr. Chairman, on Hurricane Michael recovery and I  
1779 appreciate that you actually went down to see the devastation  
1780 over there.

1781 So one of the key findings of this states that many of the  
1782 communications systems were repaired reasonably quickly and I  
1783 appreciate that, only to be, unfortunately, subsequently and  
1784 accidentally taken down by debris clean-up crews, unfortunately.

1785 Again, Chairman Pai, I also understand, again, you toured  
1786 the area and the damage, which is great. What issues did you  
1787 see on the ground and what are the best practices to help ensure  
1788 that the delays with recovery from Hurricane Michael do not happen  
1789 again?

1790 Mr. Pai. I very much appreciate the question, Congressman.

1791 There were a number of lessons that we learned. Number one,

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1792 there needs to be better prearranged roaming agreements among  
1793 the carriers to ensure that if one network goes down consumers  
1794 are able to get connectivity.

1795 Another one was making sure that companies that are in the  
1796 communication space communicate with those in the power space  
1797 and vice versa.

1798 One of the biggest issues I heard when I was in Mexico Beach  
1799 was the fact that some of the fiber crews out there that were  
1800 going around making sure the fiber lines were back up and running  
1801 they would do their work and then there might be a fiber cut a  
1802 hour or two after because the power crew would come through with  
1803 an augur perhaps and snipped that fiber.

1804 So I want to make sure that those folks are on the same page.  
1805 Ultimately, we all have the same goal getting energy and getting  
1806 comms back up and running quickly. Making sure they're on the  
1807 same page is a critical part of that.

1808 Mr. Bilirakis. So you think in this respect we are ready?  
1809 Because, I mean, hurricane season is upon us.

1810 Mr. Pai. I think we are in a much better position than we  
1811 were. For example, recently I visited Georgia Power down in  
1812 Atlanta and one of the things they observed is that they do have  
1813 a much more integrated relationship with all the communications  
1814 providers in their service area.

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1815           And so I think we are much more aware of the situation and  
1816 I think both the carriers and the energy companies have taken  
1817 that to heart.

1818           Mr. Bilirakis. That's good to know. Thank you.

1819           Again, Chairman Pai, many of our veterans, retirees, and  
1820 other Americans with hearing loss -- I am one of them -- rely  
1821 on the IPCTS service that they -- that you administer. Currently,  
1822 you're considering allowing fully automated speech recognition  
1823 to replace humans in ensuring accuracy of the service.

1824           I am concerned that such action could result in inferior  
1825 service as the testing already done does not replicate real-world  
1826 conditions. Again, Mr. Chairman, would you commit to additional  
1827 study and testing before you certify any ASR on the provider or  
1828 service?

1829           Mr. Pai. I appreciate your concern, Congressman, and that's  
1830 why in our proposal we make clear that before we grant any  
1831 certification to an IPCTS provider that provider has to ensure  
1832 that any ASR technology they use meets the mandatory minimum  
1833 standards for service, that those with disabilities who rely on  
1834 that service would require.

1835           So yes, that is built in to make sure that the service is  
1836 top notch.

1837           Mr. Bilirakis. That's so very important and, again, if it's

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1838 not right and it's just not going to work -- it's not suitable  
1839 -- and we'd have to have somebody with hearing loss actually test  
1840 it to make sure that it's actually performing well.

1841 So I appreciate you doing that, and if you could follow up  
1842 with us to make sure that happens I would appreciate it.

1843 Thank you very much, and I yield back, Mr. Chairman.

1844 Mr. Doyle. The gentleman yields.

1845 The chair now recognizes Mr. Loeb sack for five minutes.

1846 Mr. Loeb sack. Thank you, Mr. Chairman. I want to thank  
1847 Ranking Member Latta also for having this hearing today. A lot  
1848 of great issues that we are discussing here -- very significant  
1849 issues.

1850 I continue to have significant concerns about the accuracy  
1851 of broadband maps and I think many of my colleagues share that  
1852 concern as well.

1853 Chairman Pai, I know we've talked about this in the past.  
1854 You have spent some time up in northwest Iowa. I remember  
1855 talking to you about dropped calls and all the rest from -- between  
1856 Sioux City, my hometown, and I think it was Worthington, Minnesota  
1857 -- up that way.

1858 Commissioner Rosenworcel, you spent some time in my  
1859 district. I am glad you mentioned Baxter first. That's the  
1860 smaller of the two towns, Baxter and Newton. Thank you. We

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1861 talked about the homework gap, any number of things, when you  
1862 were there.

1863 And everybody here knows the business case for deployment  
1864 is really hard to make in a lot of these areas and that's a big  
1865 part of why we have these problems in the first place.

1866 It's one of the many reasons I am proud to, again, be an  
1867 original co-sponsor of Chairman Pallone's LIFT America Act  
1868 because this works toward that goal, making sure that we get  
1869 broadband out, we get sufficient cell service for all these folks  
1870 as well.

1871 And we have to make sure that we know where there's good  
1872 service and where there isn't in the first instance, why --  
1873 Congressman Costello is no longer with us -- and I worked on our  
1874 bill to make sure that we have good maps.

1875 And in the interest of getting more accurate maps, what do  
1876 you think of a challenge or validation process to help improve  
1877 the accuracy of broadband maps? I know there are several private  
1878 companies like Ookla and Microsoft that have compelling about  
1879 who isn't served out there and I think there are nonprofits working  
1880 on this as well.

1881 But even further, I think there's an opportunity for  
1882 individual citizens to challenge these maps that misrepresent  
1883 the service they receive.

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1884 And I want to start first with you, Commissioner Rosenworcel.

1885 I would like to start with you. What do you think about third  
1886 party challenger verification process when it comes to mapping?

1887 Ms. Rosenworcel. Thank you for the question. I agree with  
1888 you. Our maps are a mess and we are not going to fix them sitting  
1889 here alone by ourselves in Washington.

1890 We have to go out and get the lived experience of the American  
1891 people who know where they get service and where they don't get  
1892 service, and we have to find a way that that kind of crowd sourcing  
1893 and challenge can come into our process, because the best map  
1894 is not going to be built by the people at this table. It's going  
1895 to be built by the American public.

1896 Mr. Loeb sack. And Commissioner Starks, thank you for  
1897 joining the Commission. Did you want to respond to that as well?

1898 Mr. Starks. Yes, I agree, and making sure that we have  
1899 accurate data -- validated data -- is going to be critically  
1900 important. I know there are parties out there that are very  
1901 interested.

1902 Obviously, it was a public interest group that, looking  
1903 through the FCC's data, is the one that bird dogged the fact that  
1904 there was a huge issue with barrier free in their submission.

1905 I think also all the tools are going to be helpful here.  
1906 I think the newly Open Government Data Act is also something

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1907 that requires the FCC to make sure that data is published in a  
1908 machine readable format is going to be an important way also to  
1909 make sure that folks are able to validate and test this data.

1910 Mr. Loeb sack. Thank you. I would like to move on now.

1911 Chairman Pai and other commissioners here, I have a question  
1912 about E-rate. In particular, there's been recent reporting about  
1913 an NPRM before the FCC.

1914 Likely it will be published this week perhaps, which proposes  
1915 the Universal Service Fund cap, and this has me rather concerned,  
1916 as you might imagine, because we are talking about a cap on the  
1917 whole Universal Service Fund. Under that we have a lot of  
1918 different programs that compete for the moneys, obviously,  
1919 potentially.

1920 In particular, one of my concerns is the contention that  
1921 E-rate and rural health care -- RHC programs -- be combined under  
1922 a single cap.

1923 Commissioner Pai, do you think a cap will help consumers  
1924 meet their broadband needs and shrink the digital divide and what  
1925 would this proposal -- would this proposal close the broadband  
1926 homework gap facing rural students or not?

1927 Mr. Pai. Congressman, your question presupposes a  
1928 conclusion. We are now in the process of thinking about the  
1929 notice of proposed rulemaking that would tee up a lot of different

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1930 ideas.

1931 Mr. Loeb sack. All the more reason why I ask it now, so that  
1932 you get the input from us.

1933 Mr. Pai. Yes, and we are not moving forward with a report  
1934 and order at this stage. What is on the table is a notice of  
1935 proposed rulemaking that tees up the question that if all of the  
1936 four subsidiary programs under USF themselves have a cap or a  
1937 budget should the overall program have a cap that it institutes  
1938 fiscal responsibility and the like.

1939 And so that's one of the things we'd be happy to work with  
1940 you on, going forward.

1941 Mr. Loeb sack. Thank you.

1942 Commissioner Rosenworcel?

1943 Ms. Rosenworcel. I agree with you, Congressman. I think  
1944 this is a problem. I don't think it's a good idea to have kids  
1945 in rural classrooms fighting with telemedicine providers to get  
1946 dollars for broadband. That's like the Universal Service Hunger  
1947 Games. I don't think we need it.

1948 Mr. Loeb sack. Thank you.

1949 I am running out of time. I did want to talk about ACAM,  
1950 an Alternative Connect America cost model, and in particular,  
1951 talk about the eligibility of home-based businesses between this  
1952 original order and the subsequent guidance.

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1953           We have a lot of companies in Iowa. We need, you know,  
1954 clarification about this. I've got a petition here from a couple  
1955 of companies in Iowa having to do with small businesses who are  
1956 at home, how we -- how we count them in all of this as well, how  
1957 we account for them, and I would like to submit that petition  
1958 for the record if I could, Mr. Chair, and I yield.

1959           Mr. Doyle. Without objection, so ordered.

1960           [The information follows:]

1961

1962           \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

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1963 Mr. Loeb sack. Thank you.

1964 Mr. Doyle. The gentleman's time has expired.

1965 The chair now recognizes Mr. Kinzinger for five minutes.

1966 Mr. Kinzinger. Well, thank you, Mr. Chairman, for yielding.

1967 I would like to thank all of you for being here and your service,  
1968 and I am sure it's always a blast. So thank you for doing it.

1969 I would also like to thank the FCC for its work to get multiple  
1970 high bands of spectrum to auction, which helps our global rates  
1971 to 5G.

1972 I understand that NOAA recently expressed some anxiety about  
1973 the FCC's auction of the 24 gigahertz band -- a band that's  
1974 critical to building out 5G services.

1975 These concerns revolve around possible interference with  
1976 weather sensors that operate in a nearby spectrum band. But,  
1977 apparently NOAA only raised these issues right before the 24  
1978 gigahertz auction started.

1979 So my top priority when I come to work every day is U.S.  
1980 national security and the safety of the constituents I represent  
1981 and I tend to view policy through that lens, first and foremost.

1982 So, Chairman Pai, with that in mind, will you take a moment  
1983 to make the FCC's case on this matter and can you assuage these  
1984 concerns?

1985 Mr. Pai. I would be happy to, Congressman, and appreciate

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1986 your concern.

1987 Back in 2017, the FCC teed up the 24 gigahertz band, in  
1988 particular, the appropriate protection limits in terms of the  
1989 power emissions and the like for devices that would be using these  
1990 bands for purposes of 5G.

1991 And what we said to all federal agencies was if you have  
1992 technical studies that can be validated that suggest that a  
1993 protection limit that is different from the one that the FCC has  
1994 applied for two decades is appropriate, let us know, and we'd  
1995 be happy to take that into account.

1996 We never got a validated study over the subsequent two years.  
1997 Shortly before the 24 gigahertz auction commenced and after the  
1998 official position of the United States government was formed for  
1999 the purposes of an international conference that would be  
2000 considering the appropriate protection limits for the 24  
2001 gigahertz band, among others, we heard this concern.

2002 We still have not received a validated study. We have not  
2003 gotten access to the data underlying that study. But nonetheless  
2004 we have been working cooperatively with all federal partners to  
2005 see if there's a way to accommodate or at least to understand  
2006 what their concerns are.

2007 In the middle of the 24 gigahertz auction, however, that  
2008 is not the time to produce invalidated studies and do the other

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2009 sorts of public relations campaigns that I don't think advance  
2010 the ball in terms of leadership on 5G or reinforce the importance  
2011 of these passive weather sensors or other important federal  
2012 functions that are in bands that are nearby.

2013 Mr. Kinzinger. Do you think that the Commission needs to  
2014 tighten the limits for out of bound interference or is that more  
2015 what you're trying to figure out?

2016 Mr. Pai. Congressman, to be frank, this is an engineering  
2017 problem. This is not a policy or political problem. That is  
2018 always the lens that I have used to scrutinize this.

2019 And so one of the things we have established for our  
2020 satisfaction at least and for the purposes of the official U.S.  
2021 government position is that a protection limit of -20 dB is the  
2022 appropriate one.

2023 If we get technical studies suggesting that a different dB  
2024 level is appropriate for a protection limit, we'd be happy to  
2025 hear that.

2026 But what we don't want to see is the -- sort of the hyperbolic  
2027 commentary that is not based on technical studies but is more  
2028 of a political shot at the agency -- at the entire U.S. government  
2029 at this point, which is designed not to advance the ball in terms  
2030 of 5G or protecting those weather sensors, but is simply trying  
2031 to score points up here on the Hill.

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2032 Mr. Kinzinger. And, of course, I assume you will commit  
2033 to work with other agencies and Congress to assess any reported  
2034 cases --

2035 Mr. Pai. We have consistently had an open door, and I can  
2036 tell you I've consistently instructed my staff from the  
2037 international bureau, wireless bureau, every bureau and office  
2038 at the agency if you get a request for information or a request  
2039 for coordination, have an open door. Talk to them. And our teams  
2040 have always been willing to do that.

2041 Mr. Kinzinger. Thank you.

2042 And last week you guys voted unanimously to prohibit China  
2043 Mobile from doing business in the U.S. on national security  
2044 grounds.

2045 You're also in the midst of proceedings to consider a  
2046 prohibition on USF resources being used to purchase equipment  
2047 from companies that pose similar threats.

2048 Just yesterday, the White House indicated the president is  
2049 preparing to sign the executive order to ban telecom equipment  
2050 from certain providers. We are talking Huawei, ZTE, and others.

2051 I applaud the Commission's proposal to protect our telecom  
2052 networks and, by extension, the privacy and security of the  
2053 American people and the government.

2054 Some organizations have filed comments opposing these

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2055 proposed actions on supply chain security and network integrity  
2056 while others believe they don't go far enough.

2057 I, personally, find myself in that latter camp. In the  
2058 digital age our communications networks simultaneously serve as  
2059 the hammer of Thor but also our Achilles' heel.

2060 Networks allow our military services to coordinate  
2061 operations from opposite ends of the Earth. But if a foreign  
2062 adversary were able to disrupt or degrade our networks, we'd face  
2063 severe consequences and if they were able to actually direct our  
2064 networks that would be catastrophic.

2065 That being said, if there's a way to secure ourselves while  
2066 bolstering commerce and protecting smaller companies who have  
2067 made substantial investment in rural networks. I think it's a  
2068 preferable option.

2069 Would you just briefly explain in 20 seconds why the FCC  
2070 is only considering applying these to the USF fund and why the  
2071 rule would only be prospective?

2072 Mr. Pai. Congressman, the short answer is that we have  
2073 jurisdiction over the Universal Service Funding that we  
2074 distribute and so we can condition that funding on making sure  
2075 that it is not used on equipment or services that have been  
2076 determined by the intelligence community, the national security  
2077 community and others to present a national security threat to

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2078 the United States.

2079 We don't have, necessarily, jurisdiction over all of other  
2080 activities in the communications space. That said, if Congress  
2081 augments our authority, I can tell you that we would be happy  
2082 to administer that authority.

2083 This is a major issue for American national security. When  
2084 it comes to this issue, we cannot take a risk and simply hope  
2085 for the best. When you're talking about a 5G network, for  
2086 example, that is managed using software from abroad, that -- those  
2087 small cells are near a military installation, the last thing we  
2088 want is for somebody that presents a national security threat  
2089 to be able to gain access to that or otherwise exploit it.

2090 Mr. Kinzinger. Well, I thank you all for your leadership  
2091 on that issue, and I yield back, Mr. Chairman.

2092 Mr. Doyle. The gentleman yields back.

2093 The chair now recognizes Mr. Veasey for five minutes.

2094 Mr. Veasey. Thank you, Mr. Chairman, and good morning to  
2095 the commissioners for being here today to speak with us.

2096 I represent the Dallas/Fort Worth area and many of you  
2097 probably have read that we are one of the fastest growing areas  
2098 in the entire country. I think we've got over a million people  
2099 -- new residents in the Dallas/Fort Worth area according to early  
2100 preliminary census numbers since 2010 and that's really great.

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2101 But in spite of that, I have one of the lowest income  
2102 districts in the entire country, based on per capita household  
2103 income, and out of the constituents that I represent over 800  
2104 are veterans and over 5,000 senior citizens that are taking  
2105 advantage of the -- of some of the programs that you guys offer.

2106 And I wanted to ask you specifically -- and as a matter of  
2107 fact, the district that I represent has -- is the seventh highest  
2108 congressional district in Texas with Lifeline subscribers.

2109 And I wanted to specifically ask you is -- because it's come  
2110 to my attention that the FCC has introduced an item on circulation  
2111 that would put in place overall caps on four programs that serve  
2112 many low-income and elderly Texans.

2113 And, Commissioner O'Rielly, I specifically wanted to ask  
2114 you, you discussed the need for fiscal responsibility using the  
2115 taxpayers -- using funds that taxpayers contribute to the  
2116 Universal Service Fund fees and the need to prevent fraud and  
2117 waste and abuse in the Universal Services Fund program.

2118 Do you think the lack of transparency the FCC has exhibited  
2119 in providing the number of enrolled subscribers to these programs  
2120 is helpful in determining whether an overall cap should be  
2121 implemented with the purpose of deterring waste, fraud, and abuse?

2122 Mr. O'Rielly. So I appreciate your question. Congressman  
2123 Loeb sack before you talked about what the overall cap would do.

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2124 This belief -- and I've been called a corporate shill and now,  
2125 you know, Hunger Games in terms of this effort.

2126 I brought a map with me. I am happy to submit it for the  
2127 record -- or not map, a graph to highlight what the cap and where  
2128 the delta is between the two -- the two lines in terms of where  
2129 the spending is today, where it's expected to go, and where the  
2130 proposed cap is. It's a \$2 billion delta.

2131 So the idea that there's going to be any cuts to the four  
2132 programs, which, by the way, all have caps today, the Lifeline  
2133 cap is a soft cap but it does require action by the Commission.

2134 And I am -- people said, oh, this is a back door way to do  
2135 a Lifeline cap. I will do a front door approach on a Lifeline  
2136 cap because I think we need to have responsibility.

2137 To your question do I think that there is adequate  
2138 information regarding the data in Lifeline, I think more can be  
2139 available. I think there are some questions regarding the  
2140 verifier program and its application.

2141 I have been meeting with a number of providers who have been  
2142 worried about the re-enrollments rate and the adoption rates in  
2143 different states that we've adopted that, and I've been preparing  
2144 to talk to USAC about that because there's discrepancy between  
2145 where we think the numbers are going and where the providers are  
2146 going in terms of that behavior.

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2147 Mr. Veasey. What is the FCC doing to ensure that people  
2148 who are eligible for these programs understand what benefits are  
2149 available to them and what is being done to give providers  
2150 incentives to continue to participate in the programs?

2151 Mr. O'Rielly. I think the chairman is better in terms of  
2152 answering some of those parts of the equation.

2153 Mr. Pai. I appreciate that, Commissioner, and I appreciate  
2154 your question, Congressman.

2155 We are doing a number of things. Most notably, in the  
2156 context of the national verifier we are working very hard to link  
2157 up with other databases to enable them to be eligible.

2158 For example, currently there are three states that I believe  
2159 by early June are going to be up and running. I think Texas might  
2160 be one of them but let me double check and get back to you on  
2161 that.

2162 But the FCC's national verifier database would essentially  
2163 link up with the SNAP and there is another database that we connect  
2164 with.

2165 Additionally, I personally requested to Seema Verma, who  
2166 is the head of the Center for Medicare and Medicaid Services,  
2167 to work with us on the IT integration that is necessary to make  
2168 sure that our databases mesh.

2169 And assuming we can solve those IT problems I would hope

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2170 that later this year we'll be able to make sure that that is fully  
2171 integrated, which would be another way of ensuring that we ping  
2172 those low-income consumers on a variety of different axis. So  
2173 whether it's health care, I would like to make sure they get those  
2174 benefits.

2175 Mr. Veasey. Real quick, Commissioner Rosenworcel, would  
2176 you please follow up on that?

2177 Ms. Rosenworcel. Thank you, Congressman.

2178 Your concerns are totally valid. We have before us a  
2179 proposal to cut Lifeline by 70 percent. That would cut off the  
2180 veterans in your district, the elderly people who rely on it and  
2181 some of the least connected people in this country.

2182 I think it's cruel. I think we need to end this proceeding  
2183 right now.

2184 Mr. Veasey. Thank you. Thank you very much.

2185 Mr. Chairman, I yield back.

2186 Mr. Doyle. I thank the gentleman.

2187 The chair now recognizes Mr. Scalise for five minutes.

2188 Mr. Scalise. Thank you, Mr. Chairman. I appreciate the  
2189 time and I want to thank the commissioners for your service, for  
2190 coming here and, you know, just having this conversation with  
2191 us as the marketplace keeps expanding.

2192 It's exciting as we talk about 5G, as we talk about also

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2193 confronting some of the challenges within the industry and the  
2194 growth in the industry. We want to make sure that the industry  
2195 can keep growing as it is and America leading the world in  
2196 technology and really you all are at the forefront of it.

2197 The policy is real important to make sure that we are not  
2198 having policy that gets in the way. I want to talk about a couple  
2199 of things first on something that we had worked on together for  
2200 years and that is the consolidated reporting -- to actually have  
2201 all of the different various reports that the FCC had to do that  
2202 were ridiculous, outdated.

2203 You all had to do a report -- required by law to do a report  
2204 on competition within the telegraph industry. I know a lot of  
2205 people out there in the telegraph industry probably eagerly  
2206 anticipated that report. But Samuel Morse would probably agree  
2207 that that time has come and passed.

2208 And, finally, we were able to get rid of that report among  
2209 a number of others, and then with some of them you had to do annual  
2210 reports that really didn't make sense and they were all done in  
2211 siloes.

2212 And now that we do have this first report that came out --  
2213 the consolidated report -- it put a lot of work on you all's plate  
2214 to come up with the first report that came out in December.

2215 And I want to first ask how did that process work, is it

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2216 working the way we anticipated in terms of how the law gave you  
2217 that ability to stop having to do things that didn't make sense  
2218 and to come up with something that can actually help people, guide  
2219 people, about where the industry should go.

2220 If you, Chairman Pai, would fill us in.

2221 Mr. Pai. I appreciate your question, Congressman, and the  
2222 leadership this entire committee showed in passing that  
2223 legislation sorely needed. It was something that I believed in  
2224 strongly.

2225 When I was a commissioner I used to complain about the  
2226 sixteenth, seventeenth iteration of the ORBIT Act report which  
2227 reported to Congress yes, the satellite was indeed privatized  
2228 in 2001 and nothing has changed since then.

2229 I can now tell you that I know as the chairman, having  
2230 stewarded the first such report under the Consolidated Reporting  
2231 Act, it is a tremendous benefit to be able to free up those staff  
2232 resources that otherwise would be spent compiling these reports  
2233 that nobody would read or that were otherwise outdated.

2234 On things that really deliver value for the public interest,  
2235 it's been a huge help. And so we'd be happy to work with you  
2236 if there are additional consolidations in the works, so to speak,  
2237 and I can tell you though that it's -- from an administrative  
2238 perspective alone it has been worth its weight in gold.

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2239 Mr. Scalise. Well, I appreciate that. It's good to hear.  
2240 I do want to know because we've talked a lot about this too and  
2241 that is that many of the laws that govern the video marketplace  
2242 today are governed by the 1992 Cable Act.

2243 Now, back in 1992 I am sure it was a good bill. You had  
2244 cable companies. You had, literally, monopolies and monopolies.  
2245 Cable companies would negotiate with, at the time, the three  
2246 broadcast networks and that was most of what you had.

2247 And then as you had some of the different cable companies  
2248 starting to develop and emerge, in time we came up with satellite  
2249 and broadband, fiber, and so many other things.

2250 Now you have over the top. People are cutting their cord  
2251 because they can do so many things whether it's Sling or Roku  
2252 or you have got streaming services, and all of that is kind of  
2253 the wild, wild West because the 1992 law is outdated.

2254 And so as we talk about how to get a more updated version  
2255 of this, and I know I've worked on some things. You have worked  
2256 on some things. Some other members of the committee have been  
2257 working on ways to update these laws.

2258 If you can give us any of your input, both Chairmen Pai and  
2259 O'Rielly. I know we've talked about these, too -- about things  
2260 that we need to do or should be thinking about to update what  
2261 maybe was modern at the time in 1992 but now is very outdated

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2262 and not up to date with all of the changes that have happened  
2263 in the video market place.

2264 Mr. Pai. Congressman, that issue you have targeted, which  
2265 is the transformation of the marketplace, matched by stasis in  
2266 our rules, is one of the most fundamental challenges we have with  
2267 respect to our media regulations.

2268 I would defer to you, of course. You have done a lot of  
2269 great bipartisan work on this issue in terms of the particular  
2270 legislative vehicle.

2271 What I will say is something that I proposed six years ago  
2272 as a commissioner. Congress cannot always act, certainly, not  
2273 quickly, with respect to some of these issues.

2274 But what would be extremely helpful is if we had something  
2275 similar to what we have on the telecom side. Under Section 10  
2276 of the Telecom Act of 1996, for example, Congress extended to  
2277 the FCC forbearance authority if the Commission determines that  
2278 it's no longer in the interest of the competition or the public  
2279 interest to retain a particular regulation or statutory mandate.

2280 We have the power to refrain from enforcing it. To have  
2281 similar authority for non-telecom services would enable the FCC  
2282 to work with much greater dispatch, it would allow us to align  
2283 our rules with the realities of the current marketplace, and would  
2284 now allow you to see the benefits of the innovation and investment

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2285 that could take place if we didn't have rules on the books that  
2286 were holding it back.

2287 Mr. Scalise. Thanks. I know I am running out of time but  
2288 I appreciate all of you being here, and as we continue to work  
2289 to make sure ultimately it's the consumers that we want to see  
2290 get the best benefit because competition benefits the consumer  
2291 and we want to make sure that the laws that we pass and that we  
2292 have on the books are up to date and recognize where we are today  
2293 so the consumers can continue to benefit from that competition  
2294 and lower prices and more options for them.

2295 So with that, I appreciate the work you do and I yield back,  
2296 Mr. Chairman.

2297 Mr. Doyle. The gentleman yields back.

2298 The chair now recognizes Mr. McEachin for five minutes.

2299 Mr. McEachin. Thank you, Mr. Chairman, and let me start  
2300 by thanking you and Chairman Pallone for holding this important  
2301 hearing.

2302 Despite funding and bipartisan support, rural broadband  
2303 deployment in this country has lagged behind where it should be  
2304 for far too long.

2305 In the past few years, we have spent billions of dollars  
2306 on efforts to expand broadband internet services in rural America,  
2307 and yet, while some progress has been made, we are still in need

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2308 of greater expansion.

2309 We all know the detrimental effects lack of internet access  
2310 can have on communities including creating disincentives for  
2311 businesses to locate in such areas.

2312 I know this first-hand. Before coming to Congress I was  
2313 a small business owner and when attempting to expand my business  
2314 we had to make decisions in terms of not just which populations  
2315 we wanted to serve but also which communities had sufficient  
2316 connectivity.

2317 In one instance, we were forced to abandon a promising  
2318 location because of inadequate broadband access. This  
2319 experience reinforced why it is so important that we do better  
2320 and an important first step for us to expand broadband is to  
2321 understand where it exists or, in other words, ensure that we  
2322 have accurate data in mapping.

2323 Chairman Pai, first of all, thank you for appearing before  
2324 the subcommittee today. Is it safe to assume that you believe  
2325 it is important to have accurate, more granular data in maps  
2326 regarding where broadband currently exists? Yes or no.

2327 Mr. Pai. Yes, sir.

2328 Mr. McEachin. I also gather from your August 2017 press  
2329 release on the FCC's 2017 FMPRM regarding the improvements to  
2330 Form 477 you believe it does not currently reflect the best

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2331 possible way to collect this data, especially the form's language  
2332 that allows ISPs to claim coverage of an entire census block if  
2333 one household or establishment is connected within said block.

2334 Is that correct? Yes or no.

2335 Mr. Pai. Yes.

2336 Mr. McEachin. Excuse me. Are there current steps in place  
2337 to verify ISPs' self-reported 477 data is accurate? Briefly,  
2338 what are those steps?

2339 Mr. Pai. Congressman, we are currently in the process of  
2340 revamping that Form 477 process, working with stakeholders from  
2341 different sectors of the industry to figure out how to improve  
2342 it.

2343 And the problem you identified about the census block being  
2344 deemed covered if a single household in the block is getting  
2345 service but nowhere else is, that's one of the things we are trying  
2346 to get at is how do we get more granular information.

2347 So we are evaluating different proposals for how to move  
2348 forward on it. But we share that goal. We want to make sure  
2349 working with stakeholders including some of the rural broadband  
2350 advocates you described that we get a better sense of where  
2351 broadband is and, more importantly, where it is not.

2352 Mr. McEachin. Thank you.

2353 In March of this year, BarrierFree made claims on its 477

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2354 data asserting it went from serving zero census blocks as of June  
2355 30th, 2017, to serving nearly 1.5 million blocks containing nearly  
2356 20 percent of the U.S. population in just six months.

2357 This level of deployment would have made BarrierFree the  
2358 fourth largest U.S. provider in population coverage. One of the  
2359 states allegedly -- they allegedly had complete coverage was  
2360 Virginia.

2361 In a press release earlier this month, you stated that --  
2362 you stated you have since corrected the data in that report, which  
2363 I do appreciate. But I am curious as to how BarrierFree's 477  
2364 Form was not realized through the verification process before  
2365 your office put out a press release.

2366 Are there other providers whose data is also inaccurate  
2367 within the report? If not, how confident are you that that is  
2368 the case and what steps have you taken to verify said data?

2369 Mr. Pai. I appreciate the question, Congressman.  
2370 Immediately after learning about that issue I directed staff to  
2371 look into it and we made the appropriate corrections and we've  
2372 also asked them to scrub all of the data to make sure that  
2373 everything in the report is accurate.

2374 And so we issued to the fellow commissioners the revamped  
2375 report where those numbers would still show the digital divide  
2376 closing, albeit not as much as was originally projected.

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2377 Mr. McEachin. Mr. Starks, while I know that you have only  
2378 been there a hundred days, would you share your perspective with  
2379 us?

2380 Mr. Starks. Yes. Thank you so much for the question. This  
2381 gets to sound data practices -- that there is not what I think  
2382 I heard the chairman just say is that after the fact now he's  
2383 asked for a scrub of the data.

2384 The fact that there was not an outlier detection for a new  
2385 entrant -- in my mind a new entrant probably should have been  
2386 scrubbed even more on the front end because they haven't  
2387 previously submitted 477 information.

2388 The fact that a red flag didn't pop up when somebody goes  
2389 from zero to nearly 62 million households is something that I  
2390 think the data process needs to be corrected.

2391 And, obviously, when we are talking about 477s we need to  
2392 make sure that we have a better understanding of not at the census  
2393 block level but at the address level I think is going to be  
2394 important.

2395 Mr. McEachin. Thank you.

2396 Mr. Chairman, I yield back.

2397 Mr. Doyle. The gentleman yields back.

2398 The chair now recognizes Mr. Johnson for five minutes.

2399 Mr. Johnson. Thank you, Mr. Chairman, and I want to thank

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2400 the Commission for being with us this morning.

2401 Chairman Pai, thank you especially for making yourself  
2402 available last week to sit down and chat. During our session  
2403 we talked about how we are just now learning about the educational  
2404 broadband services capability and the 2 gigahertz band and how  
2405 that might be a tactical solution to roll out some broadband access  
2406 to rural parts of the country, my district being one of those,  
2407 and you know they're very, very hard to serve.

2408 I understand there are a number of rural operators that would  
2409 love to partner with educational groups to deploy broadband  
2410 quickly and in some cases have already done so in some of the  
2411 most remote areas of the country.

2412 I even heard about a Native American tribe in Arizona getting  
2413 a special license waiver and deploying a network in one day for  
2414 under \$20,000.

2415 Now, I think if we can use EBS technology to deploy broadband  
2416 to the bottom of the Grand Canyon, we can just as easily get it  
2417 out to rural parts of my district.

2418 So how does a qualified entity from my district apply for  
2419 an EBS license?

2420 Mr. Pai. So, Congressman, that proceeding is pending right  
2421 now. We have made a notice of proposed rulemaking a while ago  
2422 to figure out how best to use that 2.5 gigahertz resource for

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2423 the benefit of consumers in rural areas, and that is one of the  
2424 concerns that was expressed in the record was the fact that  
2425 historically it has not been used to the maximum extent it could  
2426 be.

2427 And so that is one of the things we are exploring is how  
2428 to work with various stakeholders including --

2429 Mr. Johnson. I am just curious. Do you have any idea when  
2430 that's going to be finalized?

2431 Mr. Pai. I don't have any announcements to make today.  
2432 But what I can tell you is that we do recognize the interest in  
2433 this particular band and look forward to working with Congress  
2434 and other stakeholders to make sure it's wisely utilized.

2435 Mr. Johnson. Okay. Well, good. Well, I look forward to  
2436 hearing more about that because it is -- from the little bit that  
2437 I know it seems like it might have big promise in rural parts  
2438 of the country.

2439 You know, one of the -- the solution we most frequently hear  
2440 about in terms of broadband expansion is some sort of government  
2441 subsidization or assistance to bring broadband to underserved  
2442 areas.

2443 That is great. But it feels like this is only part of a  
2444 solution that will have many different components. For instance,  
2445 the private sector already invests billions in private capital

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2446 each year in broadband.

2447 Are there federal regulations on the books that you believe  
2448 disincentivize private investment in broadband deployment of  
2449 wireless and wireline networks in rural areas?

2450 Mr. Pai. I do believe there are a great many federal rules  
2451 and regulations, Congressman, that stand in the way.

2452 Mr. Johnson. Well, could you -- could you supply us with  
2453 a comprehensive list so that we can go to work on those? Because  
2454 as I mentioned to you last week, we need to start showing some  
2455 real progress on rural broadband expansion.

2456 Mr. Pai. I would be happy to -- oh sorry.

2457 Mr. Johnson. And also as I mentioned in our meeting last  
2458 week I have heard many concerns from my constituents and other  
2459 members and even some of the commissioners about the FCC's current  
2460 approach to mapping.

2461 Chairman Pai, what is being done to improve the mapping  
2462 process?

2463 Mr. Pai. In addition to some of the work we have been doing,  
2464 as I mentioned in response to a previous question, we have an  
2465 ongoing proceeding on the Form 477 process to make sure that we  
2466 get more granular detail on where broadband is.

2467 It is not enough to say that a census block is covered if  
2468 only a household within that block is covered. So we are working

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2469 with various stakeholders to figure out how to make that data  
2470 more granular.

2471 On the mobile side, when I first came to office we started  
2472 a new data collection for wireless broadband because we did not  
2473 think that the data that we were getting was sufficient.

2474 And so in the context of the Mobility Fund Phase II, we  
2475 started to bespoke a data collection effort. Unfortunately, we  
2476 have not started an enforcement investigation to a provider or  
2477 providers who we believe may have submitted inaccurate data.

2478 But what I can tell you is we are looking to make sure that  
2479 we have a more accurate sense of mobile broadband coverage as  
2480 well.

2481 Mr. Johnson. Well, I can tell you, you know, I, for one,  
2482 and I am sure members on both sides of the aisle would agree,  
2483 I stand ready to help and if there's anything that we can do,  
2484 get us that list of regulations that we need to tackle to begin  
2485 breaking down the barriers so that we can show some real results  
2486 in broadband expansion to rural America.

2487 Mr. Pai. I would be happy to do that, sir.

2488 Mr. Johnson. Thank you, Mr. Chairman, and I yield back.

2489 Mr. Doyle. The gentleman yields back.

2490 The chair now recognizes Mr. Soto for five minutes.

2491 Mr. Soto. Thank you, Mr. Chairman. I have the honor of

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2492 representing central Florida, a very diverse area from tourism  
2493 and technology in the north and suburbs to rural areas in the  
2494 south, and I think about how whether it is cell phones, the  
2495 internet, you name it, in technology how it is so integral to  
2496 our lives.

2497 One of the areas that we have is the busiest space port in  
2498 the nation and in the world at Cape Canaveral and we are concerned  
2499 about finishing up rulemaking for the area of the spectrum that  
2500 is utilized for American rockets.

2501 More specifically, the FCC regulates spectrum used almost  
2502 every day by American rockets launched to space including our  
2503 missions to the Space Station.

2504 But we haven't finished with the rulemaking that started  
2505 in 2013, and even as the number of launches have dramatically  
2506 increased.

2507 Chairman Pai, you were supportive of that rulemaking when  
2508 it first came out. Will you commit that the FCC will finish that  
2509 rulemaking so that as we get into a busier rocket season over  
2510 the next couple of years that we'll be ready to go?

2511 Mr. Pai. Congressman, I appreciate the question. I have  
2512 been to a launch in the last year. So I have seen how impressive  
2513 it is and how important it is.

2514 We certainly want America to lead the way in space. Now,

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2515 the frequencies that are used to support commercial space launches  
2516 are allocated exclusively to the federal government.

2517 And so, traditionally, we've had to go through the special  
2518 temporary authority route to do that. Now, the proceeding that  
2519 you're talking about deals with frequency allocations as opposed  
2520 to the licensing processes for launches.

2521 So one of the things we will have to explore is how to proceed  
2522 to accommodate the concern which I share -- American leadership  
2523 in space -- but also on the basis of a record that has been fully  
2524 fleshed out.

2525 So I would be happy to work with you on that and keep you  
2526 updated.

2527 Mr. Soto. Well, please submit any proposed legislation and  
2528 ideas that we could help to make sure that we can get this done  
2529 because we are launching rockets with greater frequency and we'll  
2530 have human space flight again probably this year at the Cape.

2531 So we want to be ready for that. Thank you.

2532 My next question is regarding Hurricane Maria. I am of  
2533 Puerto Rican descent and we have many of us. The largest diaspora  
2534 in the nation is in Florida.

2535 You know, we saw the largest death toll in the modern history  
2536 with nearly 3,000 people dying and some of that was because the  
2537 electricity couldn't get back up. But some of it was by virtue

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2538 of communication.

2539 I know, Commissioner Rosenworcel, you had talked a little  
2540 bit about it with Chairman Pallone's question. But what could  
2541 we -- what have we learned and can do better with regard to  
2542 responding to hurricanes, particularly those in islands?

2543 We have states that are islands. We have parts of states  
2544 that are island. We have territories that are islands. What  
2545 could we do better?

2546 Ms. Rosenworcel. Thank you for the question. I spent time  
2547 in Puerto Rico after the hurricane. I also spent time there as  
2548 a child, as I had family that lived there, and it was devastating  
2549 beyond description what I saw.

2550 And it is now a year -- more than a year later and they're  
2551 still rebuilding. There are two things right now that the FCC  
2552 should do.

2553 First, we have got to stop the threat to their Lifeline  
2554 program. Half a million individuals in Puerto Rico rely on that  
2555 program to stay connected. They are trying to put their lives  
2556 back together. We have got to stop threatening to take their  
2557 service away.

2558 Second, the chairman started a proceeding to identify over  
2559 the long term how Puerto Rico and the Virgin Islands can rebuild  
2560 their networks as a result of Hurricane Maria. We need to bring

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2561 that to a conclusion.

2562 And then finally, in the aftermath of all of these storms  
2563 I think we have to stop acting like voluntary procedures next  
2564 time are going to work better.

2565 We need to put some requirements in our rules and learn from  
2566 these disasters to make sure these problems do not happen again.

2567 Mr. Soto. Thank you for that. One of the issues we are  
2568 looking at is whether to activate FM chips in cell phones during  
2569 disasters. It is something I encourage you all to look at and  
2570 if we do need some legal authority to empower you for that it's  
2571 something I am interested in working with you on.

2572 Overall survey question for all of you, very quickly. We  
2573 had the FTC in last week. So who -- which institution is best  
2574 positioned to enforce potentially new net neutrality rules, the  
2575 FCC or FTC?

2576 It would be great to go down the line, starting with you,  
2577 Chairman. Which institution is better positioned to enforce  
2578 those rules?

2579 Mr. Pai. Depending on which rules you were talking about,  
2580 I would say the Federal Trade Commission.

2581 Mr. Soto. Mr. O'Rielly?

2582 Mr. O'Rielly. I don't support the rules. But I would say

2583 --

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2584 Mr. Soto. That is not the question.

2585 Mr. O'Rielly. Sure.

2586 Mr. Soto. Which institution is better?

2587 Mr. O'Rielly. I think the FTC has the appropriate authority  
2588 in this space.

2589 Mr. Soto. Mr. Carr?

2590 Mr. Carr. Thank you. We are now in -- we are now in a  
2591 situation where we don't have to make that choice. Right now,  
2592 the FCC can work --

2593 Mr. Soto. Okay. But which -- that is not the question.  
2594 Is FCC or FTC better situated to enforce those rules?

2595 Mr. Carr. Right now we have the best of all worlds. We  
2596 have the FCC that can work with the Federal Trade Commission to  
2597 --

2598 Mr. Soto. Okay. Nonresponsive.

2599 Ms. Rosenworcel?

2600 Ms. Rosenworcel. The answer is the FCC. The Congress made  
2601 us --

2602 Mr. Soto. Mr. Starks? My time is limited. Sorry,  
2603 everyone.

2604 Mr. Starks. There is no doubt it's the FTC.

2605 Mr. Soto. Thank you, and I yield back.

2606 Mr. Doyle. The gentleman yields back.

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2607 The chair now recognizes Mr. Walberg for five minutes.

2608 Mr. Walberg. Thank you, Mr. Chairman, and thanks to the  
2609 panel for being here, and Mr. Pai -- Chairman, we appreciate your  
2610 work and willingness to take the hits at times.

2611 Chairman Pai, like you, one of my top priorities is expanding  
2612 broadband access to rural America and I know Commissioner Carr  
2613 understands that, having been in my district, heard my repeated  
2614 whining about broadband needs, and Commissioner O'Rielly as well.

2615 Thank you for listening to my whining also.

2616 But it's an important thing and yesterday I led a letter  
2617 with my colleagues from the Commission delegation to you outlining  
2618 the need to reform the Commission's broadband availability maps.

2619 And, Mr. Chairman, I would like to enter this letter into  
2620 the record.

2621 Mr. Doyle. Without objection, so ordered.

2622 [The information follows:]

2623

2624 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

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2625 Mr. Walberg. Thank you.

2626 As you know, the Commission's proceeding to modernize its  
2627 data collection has been open for almost a year. I also want  
2628 to thank our Republican Leader Walden for his focus on this issue,  
2629 going back a number of years.

2630 My question is when examining potential fixes to this  
2631 process, have you coordinated with other federal agencies that  
2632 track broadband availability or other federal support for the  
2633 deployment of broadband facilities to ensure your data collection  
2634 is standardized to the greatest extent possible?

2635 Mr. Pai. I appreciate the question, Congressman. The  
2636 answer is yes. For example, we have worked with the Department  
2637 of Commerce, the Department of Agriculture, as well as  
2638 non-industry stakeholders to figure out the appropriate way  
2639 forward.

2640 Mr. Walberg. This certainly seems like a building block  
2641 to better interagency coordination and --

2642 Mr. Pai. I would agree.

2643 Mr. Walberg. -- lacking wasting of resources.

2644 Chairman Pai, yesterday the Commission announced it  
2645 authorized the release of another \$111 million in CAF II funding  
2646 to expand broadband to unserved areas, while none of it went to  
2647 Michigan, including where I live and where I am unserved myself.

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2648 I am hopeful subsequent authorizations recognize the  
2649 unserved communities in my district and throughout the state.  
2650 The Commission recently announced that it is contemplating a  
2651 \$20 billion rural digital opportunities fund to offer high cost  
2652 universal service support.

2653 How do you plan to coordinate with federal agencies like  
2654 the rural utility service at the Department of Agriculture to  
2655 ensure those funds aren't used to support projects that are  
2656 competing against other federally subsidized projects?

2657 Mr. Pai. A great question, Congressman.

2658 First, though, I want to make sure that I make clear that  
2659 the initial disbursement of funds that you referenced yesterday  
2660 there are other winners for the Connect America Fund who are in  
2661 Michigan. It wasn't just in this tranche, however. So we will  
2662 keep you posted.

2663 We certainly want your constituents and you to get the  
2664 benefits of broadband.

2665 Mr. Walberg. Well, we look forward to that.

2666 Mr. Pai. Absolutely.

2667 With respect to your question, there are a few different  
2668 things that we would like to see in the rural digital opportunities  
2669 and I would like to see, depending, of course, on the Commission's  
2670 assent.

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2671           One is to use that basic mechanism of the reverse auction  
2672 to encourage all kinds of companies to compete. For example,  
2673 electric utilities, cable companies, and others might have a  
2674 deeper footprint in your district than a traditional recipient  
2675 of those funds. We want to encourage all of them to compete.

2676           Additionally, we have service thresholds that we believe  
2677 will encourage the highest quality service. It's not enough to  
2678 say, as the previous Connect America Fund did, well, 10.1  
2679 megahertz per second service that is good enough. 25.3, we think,  
2680 should be the standard and our hope is we will be able to encourage  
2681 that.

2682           Additionally, accountability -- we want to make sure those  
2683 funds are used for the purpose that they were intended for. And  
2684 so there will be accountability mechanisms to make sure that if  
2685 somebody says we are going to serve that district in Michigan  
2686 they do in fact serve it within the time frame and at the service  
2687 threshold they promise us they will.

2688           Mr. Walberg. Good. We don't just want talking points and  
2689 --

2690           Mr. Pai. Absolutely.

2691           Mr. Walberg. -- we feel we deserve that service as well.  
2692 So thank you.

2693           Commissioner O'Rielly, is there anything you would like to

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2694 add?

2695 Mr. O'Rielly. Well, I would just add that as nice as --  
2696 and I agree with my colleague's point -- other agencies will have  
2697 the coordination, will have the conversation. But absent  
2698 congressional statutory language, they have a tendency to go their  
2699 own route, as we have seen in conversations with outside parties,  
2700 what's happening at the Department of Agriculture, and we've seen  
2701 that in the past as it relates to the Department of Commerce.

2702 So absent Congress saying that this is what we expect, it  
2703 is not just coordination but actually duplication that no  
2704 overbuilding happen. Then the areas that we are going to spend  
2705 time on are not going to be the unserved areas such as in your  
2706 particular case.

2707 Mr. Walberg. One final point, and I know I am running out  
2708 of time. Workforce -- what is the Commission doing to ramp up  
2709 the workforce?

2710 Mr. Pai. Great question, and Commissioner Carr has done  
2711 a lot of work on the infrastructure side. I will say, just very  
2712 briefly since time is short, we set up a working group as part  
2713 of our broadband deployment advisory committee to look at the  
2714 jobs training and other necessary steps to build that workforce  
2715 of the future.

2716 These are high-quality good-paying jobs. But they won't

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2717 be filled if we don't make an effort to encourage that pipeline  
2718 of workers. So be happy to work with you on that and this is  
2719 something that I think would have application around the country.

2720 This infrastructure is needed everywhere.

2721 Mr. Walberg. Thank you. Thank you.

2722 I yield back.

2723 Mr. Doyle. The gentleman yields back.

2724 The chair now recognizes Mr. O'Halleran for five minutes.

2725 Mr. O'Halleran. Thank you, Mr. Chairman, and thank you,  
2726 Commissioners, for appearing before us today to discuss your role  
2727 in overseeing today's rapidly evolving telecommunications  
2728 landscape.

2729 Since joining the Energy and Commerce Committee, I have made  
2730 addressing rural broadband my number-one priority. According  
2731 to Congressional Research Services, only 39 percent of Arizonans  
2732 in rural areas have access to broadband at 25.3 speeds.

2733 Even the FCC's latest tribal broadband reports states that  
2734 36 percent of tribal households lack any access to broadband at  
2735 25.3 speeds.

2736 I believe, based on what I have heard so far, that that number  
2737 is probably much lower. This is simply unacceptable in America  
2738 today. Access to reliable broadband means access to cutting-edge  
2739 capabilities of modern technology, including telemedicine,

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2740 online education, and global connectivity.

2741 Closing the digital divide is not only important for rural  
2742 America but also for Indian country. For instance, I represent  
2743 the Havasupai Tribe at the bottom of the Grand Canyon, making  
2744 them the most remote tribe in the lower 48 states.

2745 This tribe was previously unserved by any commercial  
2746 solution, yet was recently able to leverage an educational  
2747 broadband service spectrum license to provide a broadband network  
2748 to their community in just one day.

2749 Mr. Chairman, I ask for submission of a Seattle Times article  
2750 for the record.

2751 I urge the FCC --

2752 Mr. Doyle. Without objection.

2753 [The information follows:]

2754

2755 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

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2756 Mr. O'Halleran. Thank you, Mr. Chairman.

2757 I urge the FCC to pursue license spectrum strategies to  
2758 target the truly underserved areas.

2759 Chairman Pai, per Section 508 of the RAY BAUM'S Act, what  
2760 steps will your commission take to issue a robust proceeding to  
2761 address tribal connectivity following the FCC's recent report  
2762 on broadband deployment in Indian Country?

2763 Mr. Pai. I appreciate the question, Congressman, and I have  
2764 personally been to a Navajo nation on and around and so I've seen  
2765 the connectivity challenges on tribal lands in your district.

2766 We have taken a number of steps -- for example, tribal OpEx  
2767 support, increasing the amount of support that tribal carriers  
2768 get for operational expenses, not just the CapEx to build a  
2769 network.

2770 Additionally, we have been exploring a tribal broadband  
2771 factor to give tribal carriers an extra bump if they are serving  
2772 tribal lands.

2773 In addition to that, one of the things we proposed in the  
2774 context of the educational broadband spectrum -- EBS -- was to  
2775 create a window for tribal entities or entities serving tribal  
2776 lands to participate to get access to that spectrum.

2777 And additionally, I want to make sure I point out that the  
2778 announcement I made earlier about the Connect America Fund auction

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2779 recipients, folks in your district got funding from that just  
2780 this week. And so we are going to see -- or they will get the  
2781 funding by the end of the month. The announcement was made they  
2782 will be getting funding this week.

2783 So we hope that as the dollars start to flow that broadband  
2784 connectivity will start to increase as well.

2785 Mr. O'Halleran. I hope so too, and I will be asking you  
2786 for a list of time lines and how this is going to be accomplished  
2787 in a way that indicates -- identifies clearly the critical needs  
2788 in these areas.

2789 The GAO has clearly stated that using Form 477 may vastly  
2790 overstate true broadband availability since it is based on a broad  
2791 census block model.

2792 Commissioner Rose -- I have problems just like Chairman --  
2793 Ms. Rosenworcel. It is all right.

2794 Mr. O'Halleran. Rosencel -- I am not even close.

2795 [Laughter.]

2796 Mr. O'Halleran. Would you say the findings in the latest  
2797 tribal broadband report could depict inaccurate coverage levels  
2798 throughout Indian Country?

2799 Ms. Rosenworcel. Thank you for the question. Listen --

2800 Mr. O'Halleran. We just met the other day.

2801 [Laughter.]

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2802 Ms. Rosenworcel. I know. I know.

2803 Native Americans shouldn't be the last Americans to see the  
2804 digital age and all the information around us suggests that is  
2805 true. The GAO has criticized the very data that the FCC just  
2806 used in its late report that we just filed pursuant to the RAY  
2807 BAUM'S Act.

2808 We have 18 more months to complete a proceeding to fix this  
2809 situation and I encourage this committee to keep pressure on us  
2810 because we have so much work to do.

2811 Mr. O'Halleran. Well, I guarantee we will, Commissioner.

2812 Chairman Pai, could you elaborate on where the Commission  
2813 stands in its open proceeding to update broadband availability  
2814 mapping using Form 477 and will the FCC remain committed to finding  
2815 a granular approach that balances timeliness, cost, and personal  
2816 privacy.

2817 I, personally, as a business person can't understand how  
2818 you make decisions at all with this current mapping process.  
2819 So please.

2820 Mr. Pai. I appreciate the question. The answer to your  
2821 second question is yes, we do understand the balance that you  
2822 just described and are seeking to find that balance in our  
2823 proceeding.

2824 With respect to the first question, we are working with

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2825 stakeholders and I am going to be briefed by our staff soon on  
2826 where things stand and how to move forward. A number of different  
2827 stakeholder groups have advanced different proposals in terms  
2828 of shape files or other mapping initiatives.

2829 We want to evaluate all those in addition to thinking about  
2830 crowd sourcing and other third party data that we could use to  
2831 make sure that we get a better understanding of where broadband  
2832 is, including in the first district.

2833 Mr. O'Halleran. Thank you, Mr. Chairman.

2834 I yield.

2835 Mr. Doyle. The gentleman yields back.

2836 The chair recognizes Mr. Gianforte for five minutes.

2837 Mr. Gianforte. Thank you, Mr. Chairman.

2838 And Chairman Pai and commissioners, thank you for being here  
2839 today.

2840 Montanans have told me that one of the worst things they  
2841 face day to day are illegal robocalls. They are getting called  
2842 with bogus insurance offers, threats of legal action and promises  
2843 of government grants.

2844 Robocall scams put Montanans at risk of being robbed or  
2845 having their identity stolen. I have told the story before about  
2846 a young Montanan who received a robocall from her younger  
2847 brother's number except her younger brother had died of a heroin

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2848 overdose a couple of months before.

2849 These kinds of robocalls are malicious and deceptive.

2850 Chairman Pai, could you just outline what you are doing to prevent  
2851 robocalls?

2852 Mr. Pai. I appreciate the question, Congressman.

2853 I am sorry to hear that distressing situation that that woman  
2854 had to face. We have been taking aggressive action.

2855 We have empowered, for example, companies to block calls  
2856 from obviously spoofed numbers. We have set up a reassigned  
2857 numbers database so that legitimate callers don't have to worry  
2858 about bombarding consumers who didn't want those calls.

2859 We have also taken aggressive enforcement action against  
2860 some of the robocallers including the largest fines ever imposed  
2861 in the FCC's history.

2862 I have personally demanded that the phone industry adopt  
2863 call authentication by the end of the this year. Also, the FCC  
2864 will take regulatory intervention.

2865 And just today, as I mentioned in my opening statement, I  
2866 am proposing -- and I hope my colleagues will agree -- to allow  
2867 robocall blocking by default so that consumers don't have to  
2868 affirmatively opt in to those services.

2869 Phone carriers will block them by default so, in many cases,  
2870 a consumer wouldn't even know that a robocall had been placed

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2871 because it would be blocked at the outset.

2872 Mr. Gianforte. Okay. Thank you for those actions. If  
2873 there's things that -- actions we need to take if you could inform  
2874 us. I think we have bipartisan support for action in this area.

2875 Mr. Pai. Absolutely.

2876 Mr. Gianforte. Many members have raised their concerns with  
2877 the accuracy of our broadband maps. The lack of clarity in  
2878 Montana leads to maps showing coverage areas where there is no  
2879 coverage.

2880 This restricts USF dollars from getting to communities that  
2881 need it the most. Chairman Pai, you answered Mr. Johnson earlier  
2882 so I appreciate your response to this question.

2883 I had a question for Commissioner O'Rielly, if I could.  
2884 Do you think a challenge or a validation process could help us  
2885 improve the accuracy of the broadband maps?

2886 Mr. O'Rielly. Absolutely, and we do have a challenge  
2887 process and that's somewhat how we found some of the problems  
2888 with our current maps. So I pushed for that in the past and the  
2889 chairman has been accommodating, and so I think both are important  
2890 components to that.

2891 Mr. Gianforte. It is critically important we get accurate  
2892 maps so we know where the USF dollars have to flow.

2893 Chairman Pai, 5G is going to come to rural America if and

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2894 only if lower bands of frequencies are put to good use, and my  
2895 understanding is that the mid-band spectrum is particularly  
2896 important.

2897 These bands of frequencies provide the right mix of capacity  
2898 and coverage that will enable network operators to deploy in rural  
2899 America. I am interested in learning more about your efforts  
2900 around the reallocation of C-band.

2901 As you consider the best way to provide mid-band spectrum  
2902 in a timely manner, how will you ensure that this frequency is  
2903 built out in rural America?

2904 Mr. Pai. A great question, Congressman, and the 3.7 to 4.2  
2905 band in particular sits at one of the sweet spots in terms of  
2906 spectrum. It is low enough to get good coverage and high enough  
2907 to offer good capacity.

2908 One of the things that we have been working through as some  
2909 of the complicated issues -- legal, technical, economic, and  
2910 others -- in terms of how much spectrum to reallocate from that  
2911 band, whether it's 200 or more megahertz, and also what the  
2912 mechanism is for getting that spectrum freed up.

2913 One of the things that we've been working through along with  
2914 members of Congress is the right way forward. Our goal here is  
2915 pretty simple -- to allocate as much of the spectrum as possible  
2916 as quickly as possible and as fairly as possible for the benefit

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2917 of the consumers.

2918 You know better than most Montana is a pretty rural state.

2919 I have seen it in the Absaroka Wilderness, in the Beartooths  
2920 and elsewhere. There are some pretty remote parts of that state.

2921 But we want to make sure that wireless coverage extends to  
2922 as many areas as possible. The C-band could be a good use of  
2923 that.

2924 Mr. Gianforte. And are there build out requirements or  
2925 guarantees that the FCC could put in place if the bandwidth  
2926 transfers in a private sale? Do you have oversight there?

2927 Mr. Pai. We do. We would have oversight if we went to the  
2928 private sale mechanism. I would have to look at it carefully  
2929 at what the legal ramifications are in terms of imposing build  
2930 out requirements. I can't recall off the top of my head if there's  
2931 --

2932 Mr. Gianforte. Keep us informed. One last question, if  
2933 I could, Chairman Pai.

2934 Mr. Pai. Sure.

2935 Mr. Gianforte. The U.S. Small Business Administration  
2936 submitted a letter to the FCC recently indicating concerns with  
2937 your UNE forbearance and its impact on small business.

2938 What is the Commission doing to address those concerns?

2939 Mr. Pai. I have personally met several times with

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2940 then-Administrator McMahon including about these issues. We  
2941 received the letter. We incorporated it into our proceeding and  
2942 that is one of the things we are working through as we go forward  
2943 is how to accommodate the concern that she expressed in that  
2944 letter.

2945 Mr. Gianforte. Okay. Montana is a small business state  
2946 so I appreciate your attention there.

2947 And with that, Mr. Chairman, I yield back.

2948 Mr. Doyle. The gentleman yields back.

2949 The chair now recognizes Ms. Matsui for five minutes.

2950 Ms. Matsui. Thank you very much, Mr. Chairman. I want to  
2951 thank the Commission for appearing here today.

2952 Last month, Congressman Guthrie and I, along with Senators  
2953 Wicker and Schatz, introduced the Spectrum Now Act. Current law  
2954 limits how much of the existing spectrum relocation fund resources  
2955 can be used by the agencies to perform the research and related  
2956 activities necessary to potentially reallocate or share their  
2957 spectrum.

2958 Specifically, the framework in the Spectrum Now Act could  
2959 provide a pathway for NTIA and DOD to make an additional 100  
2960 megahertz of spectrum available in a 3.4 gigahertz band.

2961 Commissioner O'Rielly and Rosenworcel, what potential does  
2962 a 3.4 gigahertz band have in our effort to allocate additional

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2963 mid-band spectrum for wireless use?

2964 Mr. O'Rielly. Well, I will go first.

2965 To your point, if you can combine the 100 megahertz at 3.45  
2966 to 3.55, if we are able to convert it to commercial uses, you  
2967 can combine it with the CBRS band at 3.55 up and then 3.7 to 3.4.

2968 You are talking about building 100 megahertz blocks, which most  
2969 industry participants will say is the minimum necessary to be  
2970 able to offer real 5G in mid-band.

2971 So having big blocks and as much as you can possibly make  
2972 available. Here's the sweet spot. We believe -- I believe in  
2973 multiple conversations that DOD was ready to convert and then  
2974 changed its mind.

2975 Ms. Matsui. I see.

2976 Mr. O'Rielly. I think we could be aggressive --

2977 Ms. Matsui. Do you agree?

2978 Ms. Rosenworcel. I agree with my colleague. We need more  
2979 mid-band spectrum. We need it fast. If want 5G service to get  
2980 everywhere this is the band that we have been looking at and we  
2981 understand DOD is also looking at. We've got to keep putting  
2982 on some pressure to make it happen.

2983 Ms. Matsui. Okay. As you are all likely aware, the effort  
2984 to ensure our radio spectrum resources are used efficiently and  
2985 effectively has been a long and ongoing focus of the 5.9 gigahertz

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2986 band.

2987 While this band is particularly well situated for next  
2988 generation services, it has not seen widespread deployment. To  
2989 that end, I am interested in a path forward that adequately  
2990 balances the interests of all stakeholders and provides that  
2991 regulatory certainty necessary to facilitate the deployment of  
2992 services in this band.

2993 One such proposal internationally suggests a sharing  
2994 solution allocating a portion of the 5.9 band for intelligent  
2995 transportation solutions including potentially cellular-based  
2996 standards and a portion necessary for next-generation Wi-Fi.

2997 Chairman Pai, Commissioner O'Rielly, and Commissioner  
2998 Rosenworcel, mindful of the competing interests and the need for  
2999 more licensed and unlicensed spectrum to facilitate the 5G  
3000 transition, how can the Commission best move forward with a  
3001 rulemaking to address these demands?

3002 Mr. Pai. Grateful for your longstanding leadership on this  
3003 particular band, Congresswoman.

3004 I said yesterday publicly my belief that we need to have  
3005 a full-fledged conversation about the future of the 5.9 gigahertz  
3006 band. Key up all of the options including the status quo DSRC  
3007 but also looking at some of the next-generation technology of  
3008 CV to X and particularly unlicensed to figure out what the right

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3009 way forward is.

3010 But it is time to have that conversation because over the  
3011 past two decades, as you know better than anybody we have not  
3012 seen optimal use of this public resource.

3013 Ms. Matsui. Exactly.

3014 Commissioner O'Rielly? Yes.

3015 Mr. O'Rielly. I would say that a portion of this, in my  
3016 opinion, a portion of the 5.9 band will need to be and should  
3017 be made available for unlicensed services. It can be shared  
3018 amongst participants and still accommodate the different CAR  
3019 safety functionality.

3020 Ms. Matsui. Okay.

3021 Ms. Rosenworcel. I agree with my colleagues. We need more  
3022 Wi-Fi. The sooner the better, and the place to look is the 5.9  
3023 gigahertz band and 6 gigahertz band.

3024 Ms. Matsui. That is -- I am going to follow up with the  
3025 6 gigahertz.

3026 Ms. Rosenworcel. Oh, I knew it.

3027 Ms. Matsui. Okay. Last year, my Spectrum Caucus co-chair,  
3028 Congressman Guthrie, and I sent a letter to the Commission in  
3029 support of additional spectrum allocations.

3030 Inadequate supply of spectrum in the low, middle, and high  
3031 bands will be necessary, as you know, to deployment of

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3032 next-generation spectrum-based services.

3033           These networks will also require sufficient spectrum  
3034 allocated to both licensed and unlicensed use. Congressman  
3035 Guthrie and I also penned a joint op-ed with both Commissioners  
3036 O'Rielly and Rosenworcel on the importance of moving forward with  
3037 NPRM focus on additional uses on the 6 gigahertz.

3038           Now, Commissioner O'Rielly and Commissioner Rosenworcel,  
3039 can you discuss the need to expand wireless services in the 6  
3040 gigahertz band while, of course, ensuring the various important  
3041 incumbent users are protected?

3042           Do you want to start or you want to --

3043           Ms. Rosenworcel. Sure. We have got 9 billion devices  
3044 connected to Wi-Fi and the airwaves we use for it today are  
3045 crowded. We need more unlicensed spectrum and the place to look  
3046 is the 5.9 gigahertz band and 6 gigahertz band.

3047           And plus, this committee told us in the appropriations  
3048 legislation last year we have to find 100 megahertz of spectrum  
3049 below 8 gigahertz by 2022. This is the place to go and make it  
3050 happen.

3051           Ms. Matsui. Do you agree, Commissioner O'Rielly?

3052           Mr. O'Rielly. Absolutely I agree with my colleague on this.

3053           Ms. Matsui. Okay. Great. Well, I will yield back.

3054           Mr. Doyle. The gentlelady yields back.

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3055 The chair now recognizes Mr. Welch for five minutes.

3056 Mr. Welch. Thank you.

3057 Mr. Chairman, I have observed that the commissioners have  
3058 all gone to charm school. No matter how stupid our question,  
3059 it's always a great question and you really appreciate it. So  
3060 we --

3061 [Laughter.]

3062 Mr. Welch. -- we appreciate that. So I am going to ask  
3063 some very intelligent questions.

3064 [Laughter.]

3065 Mr. Welch. And you don't have to thank me for doing it.  
3066 I will waive the compliment, okay.

3067 Chairman Pai, I want to talk to you a little bit. You know,  
3068 this is a real situation about rural broadband and I know you  
3069 and the president had a roll out, and that -- about the \$20.4  
3070 billion rural digital opportunity fund and it proposes to spend  
3071 \$20 billion to connect 4 million homes and small businesses over  
3072 the next 10 years.

3073 That opportunity fund appears to me to essentially be a  
3074 rebranding of the current Universal Service Fund's Connect  
3075 America fund, which has awarded \$9 billion for rural deployment  
3076 in the past five years. That is what it looks like to me.

3077 So, first, you and the president are saying this program

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3078 has the goal of getting broadband to 4 million homes by 2030.

3079 But we know that 25 million Americans currently lack access to  
3080 broadband.

3081 So it's not that big a deal, number one, and what are we  
3082 going to do about those other 21 million Americans?

3083 Mr. Pai. Congressman, thank you for that greatest ever  
3084 question at a congressional hearing.

3085 [Laughter.]

3086 Mr. Pai. And I say that objectively. So this is more than  
3087 just a rebranding. I can tell you that what we are looking at  
3088 is a fundamental rethink of the Connect America fund.

3089 Mr. Welch. If it's not rebranding -- I am sorry to interrupt  
3090 -- but is there new money?

3091 Mr. Pai. No, it's a rethink about how that money is  
3092 allocated and distributed.

3093 Mr. Welch. So the answer is no?

3094 Mr. Pai. No. It's a fundamental rethink of the program.

3095 Mr. Welch. Right. But there is no new money.

3096 Mr. Pai. We don't have the authority to -- we can't spend  
3097 money that --

3098 Mr. Welch. But my point is this was -- this was presented  
3099 to the public as a big deal, all right. Rethinking, I am always  
3100 for that and if we can do better with what we have I am all for

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3101 that.

3102 But it's not new money. We had a program that was intended  
3103 to get these -- this out to help Connect America, right?

3104 Mr. Pai. No, Congressman. If we restructure it as I  
3105 envision it, it will be a fundamentally different program. Using  
3106 the reverse auction, having the speed tiers that get 25.3 service  
3107 if not gigabit service in rural America, making sure there is  
3108 accountability --

3109 Mr. Welch. All right. So that -- I am for figuring out  
3110 the best way to do it. But you, I think, have answered my question  
3111 that it is not new money. It is a newly designed program using  
3112 old money.

3113 Mr. Pai. It would be a rethinking of the -- yes, the Connect  
3114 American fund term, which would end in 2020 with a one-year  
3115 extension under current law.

3116 Mr. Welch. And if it's successful we will still have 21  
3117 million Americans without broadband?

3118 Mr. Pai. Well, the figure would go -- I can't recall the  
3119 exact figure. But, again, we are trying to allocate that funding  
3120 to close the digital divide as much as we can.

3121 Mr. Welch. Well, it is not enough. Okay. It really isn't,  
3122 and, you know, the mapping issue too that we have been talking  
3123 about those are just -- are you prepared to say that those are

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3124 bogus?

3125 Mr. Pai. We recognize the shortcomings in the maps. That  
3126 is why we are --

3127 Mr. Welch. No. I mean, they are not shortcomings. They  
3128 are fiction. They really are. I mean, we had a person from the  
3129 Vermont Public Utility Commission drive around and do the mapping  
3130 in real time to get real signals and compare it to the supposed  
3131 service that the carriers were bragging about. No connection.

3132 It was like fiction, and that has got to be, like, completely  
3133 unacceptable to every single one of us here. We just want to  
3134 get the information that Mr. Latta and I are concerned about for  
3135 rural America.

3136 So I am hopeful that you don't give credence to what we now  
3137 know are bogus maps.

3138 Mr. Pai. I hear your concern, Congressman, 100 percent.

3139 Mr. Welch. Well, I hope you do more than that.

3140 Ms. Rosenworcel, by the way, I was in the Delta -- my wife  
3141 and I went to the Mississippi side of the Delta, the cotton, and  
3142 it is an amazing place with really good people in a very poor  
3143 location, and I really appreciated your advocacy for them getting  
3144 broadband.

3145 What are the three things we should be doing right now to  
3146 accelerate the build out of broadband? And thank you for your

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3147 homework gap work.

3148 Ms. Rosenworcel. Okay. First, we have got to get our maps  
3149 accurate. We are never going to be able to manage a problem that  
3150 we do not measure.

3151 Second, we have to recognize this is not just a challenge  
3152 of deployment. It also involves adoption. We have got to figure  
3153 out how kids who don't have internet service to do their homework  
3154 can get the service they need.

3155 We are going to need programs to help make sure that there  
3156 are wireless hot spots available for loan in every school library.

3157 We have got to solve this homework gap. It affects urban America  
3158 and rural America alike.

3159 And third and finally, we have got to auction mid-band  
3160 spectrum faster. Those are the airwaves that will reach rural  
3161 America. Right now, all of our 5G efforts are concentrated on  
3162 high-band spectrum. We will never see 5G in rural America if  
3163 we stick to that program.

3164 Mr. Welch. Thank you very much.

3165 I yield back, but I want to thank all the commissioners.  
3166 I wish I had more time and welcome to our new commissioner, Mr.  
3167 Starks. Thank you.

3168 Mr. Starks. Thank you, Congressman.

3169 Mr. Doyle. The gentleman yields back.

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3170 The chair recognizes Ms. DeGette for five minutes.

3171 Ms. DeGette. Thank you so much, Mr. Chairman.

3172 You know, Chairman Pai, I know you will agree that having  
3173 laws and rules in place is really important but so is enforcing  
3174 those laws and rules. And so I just wanted to ask you a couple  
3175 of questions about the FCC enforcement.

3176 We have been talking a lot today about all kinds of issues.  
3177 But one of them that is -- weighs most strongly on us is the  
3178 robocalls. As you hear and as we found bipartisan unity in our  
3179 recent hearing, the FCC has fined robocallers \$208 million but  
3180 collected only \$6,790 as of March 28th of this year. Is that  
3181 correct?

3182 Mr. Pai. That is my understanding, Congresswoman.

3183 Ms. DeGette. And it has been over a year -- I think some  
3184 of my other colleagues pointed out it has been over a year since  
3185 the reports first surfaced detailing the widespread disclosure  
3186 of America's real-time location data by wireless carriers.

3187 But the FCC hasn't yet voted on any item to stop the sharing  
3188 of location data by wireless carriers. Isn't that correct?

3189 Mr. Pai. That law enforcement proceeding is still pending,  
3190 yes.

3191 Ms. DeGette. Yes. But the FCC has not taken any -- has  
3192 not voted on any item to do that, right?

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3193 Mr. Pai. That is correct.

3194 Ms. DeGette. And 18 months after a \$13 million proposed  
3195 fine against Sinclair for not disclosing when it had been paid  
3196 to air content, the FCC still hasn't voted on a forfeiture order.  
3197 Is that correct?

3198 Mr. Pai. Yes.

3199 Ms. DeGette. Now, Commissioner Starks, welcome, and you  
3200 have been a prosecutor at both DOJ and an assistant chief in the  
3201 FCC's enforcement bureau. Are you concerned about this pattern  
3202 and how it's impacting the FCC's enforcement authority?

3203 Mr. Starks. Yes. Thank you so much for the question,  
3204 Congresswoman.

3205 Ms. DeGette. And why is that?

3206 Mr. Starks. Well, the enforcement bureau is the largest  
3207 bureau at the FCC and so I think it is incumbent upon them to  
3208 deploy their resources and prioritize cases that are of mass  
3209 public safety.

3210 The geolocation tracking, privacy tracking, is a mass public  
3211 safety issue. That case has to be prioritized. It has to be  
3212 brought to resolution more quickly.

3213 When you are talking about other issues of robocalling and  
3214 Sinclair, those go to the core mission of the FCC and the  
3215 enforcement bureau has to make sure that we are bringing those

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3216 cases significantly.

3217 Ms. DeGette. And what can -- what can -- I know you're brand  
3218 new but sometimes it does take a new set of eyes, especially  
3219 someone with an enforcement background. What can the Commission  
3220 do specifically to improve its track record on enforcement?

3221 Mr. Starks. Yes. Thank you for the follow-up question.

3222 I think the first thing is a speed of disposal on cases is  
3223 going to be important. I know it's part of some of the process  
3224 reforms that the enforcement bureau has otherwise taken.

3225 It is really important to make sure that we are getting  
3226 through the pipeline of cases for the enforcement bureau so that  
3227 evidence in cases don't get stale.

3228 The other thing that I would really raise is it's critically  
3229 important for there to be a consistent application of policies  
3230 that you don't have an asymmetry of enforcement where large actors  
3231 and small actors get different treatment, big corporations and  
3232 individuals get different treatment.

3233 Ms. DeGette. Thank you.

3234 Commissioner Pai, what is your view on those suggestions?

3235 Mr. Pai. Appreciate the question, Congresswoman. I mean,  
3236 certainly, we do prioritize those cases. I have instructed our  
3237 enforcement bureau to make that particular location accuracy --  
3238 location data investigation a priority.

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3239 Ms. DeGette. Well, do you think these are good suggestions  
3240 that Commissioner Starks is making and would you consider those?

3241 Mr. Pai. Oh, absolutely. Would be happy to, and I have  
3242 met personally with Commissioner Starks on these issues and I  
3243 think -- yes.

3244 Ms. DeGette. Okay. Good. Good. Thank you.

3245 I would hope to see more robust enforcement because that  
3246 really is what is important.

3247 In 2017, the National Digital Inclusion Alliance released  
3248 research into low-income and minority neighborhoods in Cleveland  
3249 and talked about it had been digitally red-lined, bypassed by  
3250 the fiber deployments of the incumbent telecom provider that  
3251 reached the wealthy suburbs and business districts of Cleveland.

3252  
3253 The same was found in Detroit, and anecdotally, I hear  
3254 similar claims about my -- the core of my congressional district  
3255 -- Denver, Colorado.

3256 So I wanted to ask you, Commissioner Rosenworcel, what tools  
3257 and authority does the FCC need to prevent digital red-lining?

3258 Ms. Rosenworcel. Thank you. We have got a problem. It  
3259 is not just in rural areas that don't have service. We have  
3260 pockets in urban that don't, too. I think right now the FCC should  
3261 include in its regular broadband report a collection of data

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3262 regarding those areas because we are never going to be able to  
3263 fix this problem if we first don't understand where it exists.

3264 I think it is something that the FCC has to actively search to  
3265 try to understand.

3266 Ms. DeGette. Does the FCC have the power to do that?

3267 Ms. Rosenworcel. I believe in our Section 706 process,  
3268 which involves a regular broadband deployment this should be a  
3269 feature of it.

3270 Ms. DeGette. Thank you. Thank you very much, Mr. Chairman.  
3271 I yield back.

3272 Mr. Doyle. The gentlelady yields back.

3273 The chair now recognizes Mr. Lujan for five minutes.

3274 Mr. Lujan. Thank you very much, Mr. Chairman.

3275 I want to thank all the commissioners for making themselves  
3276 available today and for their work. Welcome to the Commission  
3277 as well, Mr. Starks. It is good to see you here with us today.

3278 There has been a lot of conversation today about mapping.  
3279 I think my colleague here with me on the dais referred to it  
3280 as fiction.

3281 I think I want to join him in that chorus and from this  
3282 perspective, and I would be interested in hearing perspectives  
3283 as well from the commissioners on this.

3284 What can be done to make sure that we have updated accurate

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3285 maps? We are talking right now about an infrastructure package  
3286 which will include, I hope, broadband investments in underserved  
3287 communities. We all know where phone calls drop, especially  
3288 those of us that spend time on the roads in larger districts across  
3289 America.

3290 I often shared with Chairman Wheeler and, Chairman Pai, I  
3291 think I have shared this with you as well -- it makes no sense  
3292 to me that I can get on an airplane in a big city in America,  
3293 get to 30,000 feet, connect to the internet and have faster speeds  
3294 than the communities that I am flying over just below us.

3295 How can we fix this? This is a life safety issue. I shared  
3296 this story with President Trump and with his team at the  
3297 infrastructure meeting of Ashlyne Mike, an 11-year-old Navajo  
3298 girl who was kidnapped, raped, and murdered in 2016.

3299 The Amber Alert systems weren't working. No broadband  
3300 connectivity. Many missing and murdered indigenous women, some  
3301 who we know had smart phones. Even if they had a chance to make  
3302 a phone call or send a text message or when they went missing  
3303 law enforcement could not find them because there is no  
3304 connectivity.

3305 We need these maps to be accurate for many reasons. Chairman  
3306 Pai, what are your thoughts on making sure that we are able to  
3307 get something in place and a full support by the FCC to get this

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3308 done so that way the infrastructure package that we have also  
3309 reflects the needs? That way the American people don't just get  
3310 to see a bar on their phone and say, oh, well, I am supposed to  
3311 have coverage but I can't make a call -- I can't make an emergency  
3312 call -- I can't use it.

3313 Chairman Pai?

3314 Mr. Pai. Thank you for the question, Congressman.

3315 I think, first and foremost, on the fix side we need to  
3316 resolve the 477 proceeding to get a better understanding -- more  
3317 granular understanding -- where broadband coverage is and we are  
3318 in the process of working with stakeholders to do that.

3319 On the mobile side, we need to make sure that we get accurate  
3320 data on mobile coverage for GLTE in particular to understand where  
3321 the gaps are.

3322 But I couldn't agree with you more in terms of an  
3323 infrastructure plan. In my first major speech as a chairman,  
3324 I said Congress has many important things on its plate. Nothing  
3325 is more important to millions of Americans, especially in rural  
3326 and tribal lands, then getting that next-generation broadband  
3327 infrastructure.

3328 I have seen the promise of it in places like the Jemez and  
3329 Zia Pueblos. We need to make sure that everybody in rural America  
3330 --

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3331 Mr. Lujan. Chairman Pai, are you willing to hold those phone  
3332 companies accountable that give me a map that says I have  
3333 connectivity when I know that I don't and can we set up a system  
3334 within the FCC so that we can report that to you?

3335 We can have -- I can geolocate where I am and where I don't  
3336 have a call. I can't get connectivity but I can stand there and  
3337 take a picture or do something. Can we work on something like  
3338 that together?

3339 Mr. Pai. I would be happy to work with you on that,  
3340 Congressman.

3341 Mr. Lujan. Commissioner Rosenworcel, I note, you know,  
3342 Senator Manchin has an idea, you know, with maybe using postal  
3343 carriers who know every rural road in America.

3344 Ms. Rosenworcel. Yes. We need every creative idea we can  
3345 right now. The FCC should be using its field offices to go test  
3346 where service is and is not. We have a mobile app for speed test  
3347 that has been downloaded 200,000 times all across this country.

3348

3349 We could use data from that to help inform our maps. I mean,  
3350 people want to help. We got to figure out how to take their lived  
3351 experience and incorporate it into our maps and our rules.

3352 Mr. Lujan. And, Mr. Chairman, this may be an area for us  
3353 to work on in a bipartisan basis, get this thing updated, clear

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3354 out those frustrations. That way we can get some answers and  
3355 make sure this works.

3356 So I would be happy to work with the commissioners, Chairman  
3357 Pai, Commissioner Rosenworcel, and we will reach out to the other  
3358 commissioners, see how we can work together on this issue as well.

3359 Homework gap -- Commissioner Rosenworcel, I appreciate the  
3360 work you have been doing as well. Where I come from, like many  
3361 rural districts, 47,000 square miles, eight and a half hours to  
3362 drive across it.

3363 Students get on buses for over an hour sometimes in one  
3364 direction. You were out in New Mexico. We had a chance to go  
3365 visit some students with one of the test projects with getting  
3366 internet on those buses. Can you talk about the importance of  
3367 accurate on mapping but making sure that we have a canopy across  
3368 America where people can stay connected and what that means to  
3369 students?

3370 Ms. Rosenworcel. Yes. Seven in 10 teachers assign  
3371 homework that requires internet access. But one in three  
3372 households doesn't have it, and where those numbers overlap is  
3373 a homework gap and it is the cruelest part of our digital divide.

3374

3375 It hits rural America really hard. What are we going to  
3376 do for those students? Putting Wi-Fi on buses could be a game

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3377 changer. Those students spend over an hour to get to school most  
3378 days and an hour to return.

3379 You and I went on a bus together. It was quiet. Every one  
3380 of them was downloading homework and doing their school work.

3381 It will change their education and change their lives. We should  
3382 figure out how we can use the E-rate program to make that available  
3383 everywhere.

3384 Mr. Lujan. Thank you, Chairman. As I yield back, just also  
3385 making sure that we work with tribal schools to ensure that they  
3386 are not left out with the complexities associated with the E-rate  
3387 program. It should work for every school, every student, every  
3388 teacher in America.

3389 So I look forward to working with you, Mr. Chairman. Thank  
3390 you, Commissioners, again for your work.

3391 Mr. Doyle. Gentleman yields back.

3392 The chair recognizes Ms. Eshoo for five minutes.

3393 Ms. Eshoo. Mr. Chairman, thank you for holding this hearing  
3394 today. Welcome to the entire Commission and the warmest of  
3395 welcomes, Commissioner Sparks. I wish you every success. Use  
3396 your power. Know thy power. Use thy power.

3397 I think that there is an advantage to being just about the  
3398 last one, because I have listened to just about everyone on both  
3399 sides, and there is a reoccurring theme on both sides in terms

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3400 of the questions, even though my colleague, Mr. Welch, seems to  
3401 think that stupid questions were asked. But I think they were  
3402 great questions.

3403 I want to say to you, Mr. Chairman, I don't have a good feeling  
3404 today. I just -- I wish I was going to leave the hearing room  
3405 with a much better feeling. The same issue of maps keeps coming  
3406 up.

3407 Ten years ago, Google advanced Google Maps. It doesn't go  
3408 blank when you look it up. It doesn't say, we can't find it --  
3409 we don't know where it is. We are working on it. We've got some  
3410 task force on it.

3411 You really have to put the pedal to the metal. If this is  
3412 a top priority, you can get it done. You can contract with someone  
3413 that knows how to do this, produce it so that we have it so we  
3414 know what the hell we are doing, in plain English.

3415 This has gone on for too long. On robocalls, you know what?  
3416 With all due respect, a summit doesn't cut it. You come to a  
3417 town hall with me or any of my colleagues and you say to the people  
3418 in that town hall meeting, we are having a summit, they will lunge  
3419 at you because it's not an answer.

3420 You should put together a division at this powerful agency  
3421 and say put the pedal to the metal so that we resolve this. It  
3422 keeps climbing. Forty-eight billion calls. I mean, it is hard

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3423 to get our minds around that. And these are scams. People are  
3424 being ripped off.

3425 They are not only being harassed, but there is criminal  
3426 behavior in this. You should form a division and say to the  
3427 American people within X number of months this is what we are  
3428 going to accomplish and grade us on it -- I am willing to be graded.

3429 On Lifeline, I don't know how anyone with a conscience --  
3430 Ronald Reagan established that program. There is a nexus between  
3431 people that are very poor that were it not for the food stamps  
3432 they get they wouldn't be eating, and the FCC is not going to  
3433 allow them that Lifeline to their wireless handset? To get a  
3434 job, to call for health care, to make a call to 911? This is  
3435 -- this has to be part of your conscience in terms of what you  
3436 are doing and I am saying that collectively.

3437 In January, Motherboard reported that carriers were selling  
3438 customers' geolocation data to bounty hunters. Just that term  
3439 scares me -- a bounty hunter, bail bondsmen and stalkers. As  
3440 a female, that is pretty menacing to me.

3441 This is -- it is egregious. Carriers promised to stop the  
3442 practice but they made the same promises a year ago. You have  
3443 the power to do something about this.

3444 Now, there are two commissioners who you haven't even shared  
3445 the information about the investigation with. Now, this is

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3446 taking so long that you are running the clock on this darn thing.

3447 I mean, pretty soon you are going to be up against the wall  
3448 where the statute of limitations expires on it. Are you going  
3449 to try to do something about that? You said today, I can't talk  
3450 about it -- I can't talk about it.

3451 You know what? Don't talk about it. Do an investigation  
3452 and do something about it. That is the point here.

3453 So do you promise today -- can you tell us today that you  
3454 are going to share information with two full-fledged members of  
3455 the Commission? This is not a Democrat or Republican issue.  
3456 It is a serious issue where people have -- are frightened by what  
3457 has happened and I don't what you are doing with it. You can't  
3458 tell us. You are saying you can't tell us. But will you tell  
3459 them?

3460 Mr. Pai. Congresswoman --

3461 Ms. Eshoo. Yes or no. Yes or no.

3462 Mr. Pai. This is not a yes or no question, Congresswoman.

3463 Ms. Eshoo. Yes, it is. Yes, it is. They are commissioners  
3464 -- full commissioners. They are not half. They are not quarter.  
3465 They are not one-third. Just because they are Democrats you  
3466 shouldn't withhold the information from them. So will you or  
3467 will you not?

3468 Mr. Pai. Congresswoman, not only have I not withheld

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3469 information, I affirmatively asked Commissioner Starks to lead  
3470 this investigation months ago because I recognized the importance  
3471 of this issue and respected his enforcement background.

3472 Ms. Eshoo. They have requested information about the --  
3473 you know what? You are a great talker. You are a great talker.

3474 But I am just going to consider that you have said -- that  
3475 you have said no and I don't think that that is appropriate.  
3476 So I am sorry that I don't find the scorecard to be a great one  
3477 today.

3478 There are other things that are going on. I appreciate  
3479 Commissioner O'Rielly's work on -- that we do something about  
3480 the diversion of fees and the states that are on the dishonorable  
3481 list and I will continue with the legislation on that.

3482 But I really think you have to up your game so that next  
3483 time you come here you have a checklist of what you have  
3484 accomplished, not what you keep talking about.

3485 Mr. Doyle. The gentlelady's time has expired.

3486 Mr. Starks. Mr. Chairman?

3487 The chair now recognizes Mr. Griffith.

3488 Mr. Starks. Mr. Chairman?

3489 Mr. Griffith. I thank -- I thank the chairman very much.

3490 Mr. Starks, you want to make a comment?

3491 Mr. Starks. Yes. Thank you.

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3492 Mr. Griffith. I yield my time.

3493 Mr. Starks. I appreciate it. The chairman did reference  
3494 that he asked me to -- he did in fact ask me to take on the  
3495 geolocation investigation. It was right after I was sworn in  
3496 and so I did appreciate his gesture on reaching out to me on that.

3497

3498 I asked for a briefing from the enforcement bureau. The  
3499 case had already been open for about eight months. What I heard  
3500 at that briefing did not give me confidence that that case was  
3501 moving along quickly enough and so I did inform the chairman that  
3502 I was not going to take on that matter.

3503 And so the matter still stands that on the geolocation  
3504 tracking it is of critical safety that that case be brought to  
3505 resolution immediately. People are out there and you can track  
3506 their phone immediately, and I cannot emphasize enough how  
3507 important that is.

3508 Mr. Griffith. And if I might ask, Mr. Starks, and I am just  
3509 trying to get information, but that enforcement proceeding --  
3510 the FCC may collect data but doesn't the FCC have to rely on the  
3511 Department of Justice to go after the bad actors?

3512 Mr. Starks. No, we have -- sir, we have Section 222  
3513 authority to go after --

3514 Mr. Griffith. So you can go after the bad actors?

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3515 Mr. Starks. -- to go after geolocation -- yes, I believe  
3516 you can go after --

3517 Mr. Griffith. On geolocation?

3518 Mr. Starks. The carriers. Yes, sir.

3519 Mr. Griffith. Okay. Chairman Pai, is there any  
3520 information that Mr. Starks would like to have that he is not  
3521 able to get? If he wanted it he could have it? Is that what  
3522 I heard you saying?

3523 Mr. Pai. I am not aware. I would be happy to talk with  
3524 him about that. But what I will say in response to your question,  
3525 I think you were going after the robocall enforcement and that  
3526 there is a gap under current law.

3527 To the extent that the FCC imposes a fine through a forfeiture  
3528 order and the robocaller refuses to pay --

3529 Mr. Griffith. On the robocalls.

3530 Mr. Pai. -- only the Department of Justice has independent  
3531 litigating authority to actually collect that fine and we have  
3532 sent these matters -- referred them to the Department of Justice  
3533 for collection. But we don't have the ability to litigate  
3534 affirmatively to collect those fines.

3535 Mr. Griffith. Okay. All right. And the reason I wanted  
3536 to clear this up is that, like my colleague on the other side  
3537 of the aisle, I don't see anybody being left in the dark who is

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3538 authorized to have the information who should have that  
3539 information.

3540 And so on the geolocation issue -- and I am not a regular  
3541 member of this committee so forgive me for stumbling through some  
3542 of the terms. I waived on because this is important to my  
3543 district. All of these issues are.

3544 Everybody can get the information who seeks it out and what  
3545 can we do to -- because people are concerned about that -- what  
3546 can we do if the information wasn't there that he wanted or he  
3547 didn't feel like he was going in the right direction? What can  
3548 we do to speed that along?

3549 Mr. Pai. Again, I can't comment on --

3550 Mr. Griffith. I understand. Was there some --

3551 Mr. Pai. -- enforcement as such. But I can say our  
3552 enforcement bureau staff regularly briefs commissioners on a  
3553 variety of issues including this one.

3554 Mr. Griffith. Just let them know that both sides of the  
3555 aisle are concerned about that issue and if there's something  
3556 we need to be doing on the congressional side to make this  
3557 available or make resources available so that you can move faster,  
3558 we would I am sure be happy to do that.

3559 All right. Along those same kinds of lines, let me say that  
3560 the mapping issues are huge in my area. I like the suggestion

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3561 earlier of having the postal service contracted because they have  
3562 got people going every nook and cranny of the country.

3563 But, I mean, I represent the southwestern portion of the  
3564 great Commonwealth of Virginia and I have Virginia Tech in my  
3565 district, and I have people all around Virginia Tech within a  
3566 few miles of Virginia Tech who don't have service.

3567 One lady that comes to mind is a friend of mine. Has a house  
3568 in between Virginia Tech and Interstate 81. Doesn't have  
3569 service. And I doubt that is on anybody's maps that they -- that  
3570 there are these big holes.

3571 But because it's a -- although they are not as big as my  
3572 friend from Montana's mountains, we have lots of mountains and  
3573 they block signals and all sorts of things.

3574 So my folks don't care whether it's mid-band or white space.  
3575 They just want to make sure we are getting service because we  
3576 do have that homework gap that one of the other commissioners  
3577 referenced and it's all over the place in my district and we are  
3578 doing everything we can.

3579 The Universal Service Fee helps in some areas. But we would  
3580 like to see that expanded.

3581 Now, that being said, I have always been interested in the  
3582 experiments that were being done on the white spaces, and while  
3583 not as technologically advanced and able to talk about it as some

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3584 of my colleagues, can you explain to the folks back home what  
3585 that is and where we stand on that experiment and how soon can  
3586 we expect that to get out?

3587 Because if I understand it even halfway correctly, every  
3588 part of my district has got some white space.

3589 Mr. Pai. A great question, Congressman, and thank you for  
3590 it.

3591 I have seen the promise of it in places like South Boston,  
3592 where I saw one of the white spaces experiments and --

3593 Mr. Griffith. Which is about an hour east of me.

3594 Mr. Pai. It's a little more urban than you --

3595 Mr. Griffith. You'd be surprised how big Virginia is.

3596 Mr. Pai. Exactly. So in a nutshell, white spaces involves  
3597 the prospect of using what used to be spectrum used by TV  
3598 broadcasters to deliver wireless broadband, and there have been  
3599 a lot of tricky technical policy issues that we have been working  
3600 through.

3601 Recently, the FCC adopted an order resolving some of the  
3602 outstanding petitions for reconsideration on how the database  
3603 would work, et cetera. We are now looking to a petition that  
3604 is going to be submitted, we understand, from Microsoft -- if  
3605 it hasn't been submitted already -- to figure out a way to resolve  
3606 some of the remaining issues, get through those technical hurdles.

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3607           And I want to commend both Microsoft and the National  
3608 Association of Broadcasters for working together on some of those  
3609 to reach a consensus. And to the extent there is a consensus  
3610 that allows us to move forward, we would like to be able to do  
3611 so.

3612           I can't give you a specific time line because these are  
3613 complicated technical issues. But what I will say is we  
3614 understand the promise of this technology and we were looking  
3615 forward to working with you and others in your district to bring  
3616 it to reality.

3617           Mr. Griffith. I can tell you that folks are frustrated.  
3618 It does make a difference on our educational opportunities and  
3619 in my district in particular, which is depopulating, we need to  
3620 be able to keep some of our young people at home and some of our  
3621 young minds at home.

3622           And if they can't start a business in their home town because  
3623 they don't have adequate service, then they're moving out of the  
3624 district completely. And when we are trying to revitalize the  
3625 coal fields section of my district economically, this is an  
3626 absolute imperative.

3627           So I appreciate it, and just do whatever you can to speed  
3628 it up. And if we need to do something, please let us know because  
3629 both sides of the aisle are willing to help on this.

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3630 I yield back.

3631 Mr. Doyle. The gentleman yields back.

3632 The chair now yields five minutes to Mr. Cardenas.

3633 Mr. Cardenas. I agree that Congress needs to speed it up.

3634 Maybe we ought to increase our band -- the broadband here.

3635 Mr. Chairman, thank you so much for holding this important  
3636 hearing, and there are so many issues to cover. Hopefully, we  
3637 can cover a few in my -- in the limited time that they give us.

3638 I first want to visit the media ownership rules. I have  
3639 been vocal about ownership rules since I was first elected to  
3640 Congress because I care about diverse voices in the media.

3641 I care about local stories and news being accessible to all  
3642 Americans. The way consumers watch video may be changing but  
3643 for most folks over the air is still how they receive local news,  
3644 local weather, emergency alerts, and local entertainment.

3645 Like, for example, in Los Angeles our L.A. Dodgers is limited  
3646 to only a certain number of households.

3647 Chairman Pai, for over a year you have had an open proceeding  
3648 on raising the media ownership cap, which is currently at 39  
3649 percent. That means one company can reach up to 39 percent of  
3650 households.

3651 The cap of 39 percent, Chairman Pai, is set by statute. Is  
3652 that correct?

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3653 Mr. Pai. I do not necessarily agree with that position,  
3654 Congressman.

3655 Mr. Cardenas. Okay. Thank you for your answer.

3656 I believe it is set by statute, which means that only Congress  
3657 has the authority to change how many households a single  
3658 broadcaster can reach.

3659 Commissioner Rosenworcel, do you agree?

3660 Ms. Rosenworcel. I agree with you, Congressman. The best  
3661 reading of the 2004 Appropriations Act is that it is up to Congress  
3662 to make that change and I would add that the Wall Street Journal's  
3663 editorial board seems to agree.

3664 Mr. Cardenas. Thank you.

3665 Commissioner Pai, you propose further changes to the media  
3666 ownership rules in the Quadrennial Review NPRM. This is after  
3667 you have already slashed media ownership rules to all the biggest  
3668 media conglomerates to just get bigger.

3669 So yes or no. Have you done an analysis of what effect those  
3670 rule changes along with the media ownership changes you already  
3671 made will have on diversity of content that is broadcast in  
3672 America?

3673 Mr. Pai. Congressman, that analysis is ongoing as part of  
3674 our Quadrennial Media Ownership Review.

3675 Mr. Cardenas. Okay. Well, hopefully, we will see that

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3676 soon.

3677 Yes or no, have you done an analysis on whether those changes  
3678 have had or will have any effect on whether communities are  
3679 receiving localized content?

3680 Mr. Pai. Sorry, Congressman. Which changes are you  
3681 referring to?

3682 Mr. Cardenas. I am referring to changes where a larger  
3683 conglomerate actually has control of local stations and whether  
3684 or not that local news type or information type is actually being  
3685 broadcast from locally or is it being pushed down from the bigger  
3686 corporation, in some cases thousands of miles away?

3687 Mr. Pai. Well, Congressman, with respect to the current  
3688 media ownership proceeding, we have not proposed any course of  
3689 action. We teed up all the different options pursuant to  
3690 Congress's instruction for the FCC to review those rules.

3691 With respect to the incubator program, however, what I will  
3692 say is we have encouraged some of the more established  
3693 broadcasters to give opportunities to minority women and other  
3694 disadvantaged populations to get a foothold in the business and  
3695 that symbiosis might be one way of correcting the concern that  
3696 you have identified.

3697 Mr. Cardenas. Well, I look forward to getting the hard data  
3698 on how this is affecting minority businesses, smaller business,

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3699 et cetera, in the ecosystem of media.

3700 I would like to turn to ATSC 3.0, or next-generation TV,  
3701 which is a standard upgrade that promises over-the-air viewers  
3702 higher quality video, audio, as well as more localized news,  
3703 weather updates, and, more importantly, emergency alerts.

3704 I understand that the FCC imposed only one technical  
3705 requirement in this new standard, which is that next-gen TV must  
3706 use the bootstrap signal.

3707 The bootstrap signal's patent is owned by, quote, "ONE Media"  
3708 -- O-N-E Media -- which is a subsidiary of Sinclair, a company  
3709 which the FCC has had -- has said lacked candor, essentially,  
3710 that has misled the FCC in its filings. That is Sinclair I am  
3711 talking about.

3712 When the FCC has approved technologies like this in the past,  
3713 they customarily require the use of reasonable and  
3714 nondiscriminatory licensing for patent holders, taking out any  
3715 incentive to abuse the licensing process -- abuse that could lead  
3716 to increased costs for consumers.

3717 Chairman Pai, the reasonable and nondiscriminatory  
3718 licensing requirements were not applied in this case. Is that  
3719 correct?

3720 Mr. Pai. I believe that is correct.

3721 Mr. Cardenas. Okay.

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3722 Commissioner Rosenworcel, do you think the FCC should have  
3723 applied RAND licensing requirements here and how do you think  
3724 this might affect consumers?

3725 Ms. Rosenworcel. Yes. When the government chooses a new  
3726 standard, it gives special rights to patent holders and as a  
3727 condition of those special rights it is typically required  
3728 reasonable and nondiscriminatory pricing.

3729 As you said, that is just what the FCC did with the ATSC  
3730 1.0 standard. We should be doing it with the 3.0 standard too,  
3731 otherwise consumers are going to pay more.

3732 Mr. Cardenas. Okay. And those consumers are American  
3733 consumers we are talking about, right?

3734 Ms. Rosenworcel. Absolutely. It is every American  
3735 household with a television set or any device connected to it.

3736 Mr. Cardenas. Thank you very much. I yield back.

3737 Mr. Doyle. The gentleman yields back.

3738 The chair now requests unanimous consent to enter the  
3739 following documents into the record: a letter from the National  
3740 Association of Federally Insured Credit Unions, a letter from  
3741 the Electric Privacy Information Center -- Electronic Privacy  
3742 Information Center, a letter from the Intelligent Transportation  
3743 Society of America, a statement from Edison Electric Institute,  
3744 the National Rural Electric Cooperative Association and the

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3745 Utilities Technology Council.

3746 Without objection, so ordered.

3747 [The information follows:]

3748

3749 \*\*\*\*\*COMMITTEE INSERT\*\*\*\*\*

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3750           Mr. Doyle. I want to thank all the witnesses for your  
3751 participation in today's hearing. I want to remind members that  
3752 pursuant to committee rules they have 10 business days to submit  
3753 additional questions for the record to be answered by the  
3754 witnesses who have appeared.

3755           I ask that each witness respond promptly to any such  
3756 questions that you may receive. Thank you again for your presence  
3757 today and at this time the subcommittee is adjourned.

3758           [Whereupon, at 1:04 p.m., the subcommittee was adjourned.]