

**Opening Statement of Chair Cathy McMorris Rodgers  
Subcommittee on Communications and Technology  
Connecting Every American: The Future of Rural Broadband  
Funding  
September 21, 2023**

*(As Prepared for Delivery)*

**INTRO**

Good morning, and thank you, Mr. Chairman.

Broadband connectivity has become essential for Americans.

People need it to pay their bills...continue their education...open a new business, and so much more.

Yet there are still many communities, particularly in rural areas, who lack a reliable connection.

That includes many in my district in Eastern Washington.

**E&C IS LEADING TO CONNECT ALL AMERICANS**

Energy and Commerce is committed to supporting policies that lead to better and faster internet access.

Today, there are more than 130 federal broadband programs...

...and Congress has dedicated an unprecedented amount of taxpayer dollars towards funding these programs in recent years.

That includes the \$65 billion for broadband deployment, affordability, and adoption in IIJA...

...as well as existing programs like the Universal Service Fund, or USF.

As resources are made available and new funding programs are considered, we must ensure taxpayer dollars aren't being wasted or duplicated.

## **ENHANCING EFFECTIVENESS OF BROADBAND PROGRAMS**

The USF, for instance, has helped internet service providers connect rural homes and health centers, schools, libraries, and low-income Americans across the country for more than 25 years.

Now, with so many other programs working to achieve the same or similar goals, it is important that we evaluate the necessity of the USF and consider what it should support to ensure federal resources are achieving their intended purpose...

...and that efforts aren't being duplicated.

Once we address those questions, we can turn to how we fund the USF.

Today, the USF is funded by contributions from providers based on a revenue source that is declining, causing the contribution factor to increase.

In fact, next quarter, the contribution factor will hit a new record.

This cost ultimately increases the cost of services.

This means that Americans will soon see the highest ever USF fee on their phone bills.

This is not sustainable.

As we consider the future of the USF, it is important that we develop a stable funding mechanism that meets the needs of the program without raising costs for hardworking Americans.

## **Affordable Connectivity Program**

The Affordable Connectivity Program, or ACP, is also important in the context of today's discussion.

This COVID-era program was supposed to be a temporary band-aid to help families economically impacted by the pandemic stay connected to broadband . . .

. . . but Congress made it permanent and has given it over \$17 billion dollars.

That money will soon run out and we must consider the program's future.

This program is in addition to the Lifeline program, a federal subsidy program under USF designed to ensure that low-income Americans can afford broadband and telephone service.

Congress has a responsibility to ensure that these programs are run effectively, and I do have questions about which program is most effective...

...how efforts can be consolidated or streamlined...

...and what a federal subsidy program for low-income Americans should look like going forward.

Ultimately, minimizing duplicative spending, waste, and fraud will ensure resources are being used efficiently and serving as many people as possible.

Otherwise, without careful evaluation, rural Americans will continue to watch from a distance as technologies advance...

Kids will continue to grow up without access to online educational resources...

...and businesses in rural America will continue to be left behind as the digital economy booms in urban centers and across the globe.

## **CONCLUSION**

Today's hearing is an important step as we look to the future of rural broadband funding.

All of us here today share the same goal—ensuring connectivity for every American.

This will improve lives, strengthen the economy, and ensure that America wins the future.

I look forward to our discussion, and I thank our witnesses for being here.

I yield back.