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OVERSIGHT OF THE NATIONAL TELECOMMUNICATIONS AND
INFORMATION ADMINISTRATION

TUESDAY, DECEMBER 5, 2023

House of Representatives,

Subcommittee on Communications and Technology,

Committee on Energy and Commerce,

Washington, D.C.

The subcommittee met, pursuant to notice, at 10:31 a.m., in Room 2322, Rayburn House Office Building, Hon. Bob Latta [chairman of the subcommittee] presiding.

Present: Representatives Latta, Carter, Bilirakis, Walberg, Joyce, Weber, Allen, Balderson, Fulcher, Pfluger, Harshbarger, Cammack, Obernolte, Rodgers (ex officio), Matsui, Clarke, Veasey, Soto, Eshoo, Cardenas, Craig, Dingell, Kuster, Kelly, and Pallone (ex officio).

Also Present: Representatives Johnson, Lesko, and Tonko.

Staff Present: Sydney Greene, Director of Operations; Slate Herman, Counsel, Communications and Technology; Noah Jackson, Clerk, Communications and Technology;

Sean Kelly, Press Secretary; Emily King, Member Services Director; Giulia Leganski, Professional Staff Member, Communications and Technology; Kate O'Connor, Chief Counsel, Communications and Technology; Carla Rafael, Senior Staff Assistant; Evan Viau, Professional Staff Member, Communications and Technology; Hannah Anton, Minority Policy Analyst; Jennifer Epperson, Minority Chief Counsel, Communications and Technology; Waverly Gordon, Minority Deputy Staff Director and General Counsel; Dan Miller, Minority Professional Staff Member; Michael Scurato, Minority FCC Detailee; and Johanna Thomas, Minority Counsel.

Mr. Latta. Well, good morning.

The subcommittee will come to order.

And the chair recognizes himself for an opening statement.

Good morning, and welcome back before the subcommittee, Assistant Secretary Davidson. The National Telecommunications and Information Administration has been very busy since the last time you appeared before us in May.

In June, NTIA allocated the money for the Broadband Equity, Access, and Deployment Program to the States. This amounts to \$42.45 billion. Since then, States have submitted their 5-year action plans and initial proposals.

The infrastructure law placed strict requirements on NTIA, such as ensuring that this funding achieves universal connectivity and prohibiting rate regulation. However, I am concerned that buried in some of these State plans are calls for more Federal funding, attempts to stray from the technology-neutral principles required by the law, and blatant efforts by States to engage in rate regulation of broadband service.

Thankfully, NTIA has so far rejected some of those attempts, including from my home State of Ohio, that would have overbuilt existing networks and prevented wireless options from being used to bring broadband to rural America.

But I remain concerned that NTIA may allow States to push the boundaries of what conditions they can impose on broadband providers who receive BEAD dollars. Attempts to regulate rates and impose net-neutrality requirements, union mandates, and other liberal wishlist items will automatically fail the American people by increasing costs and leaving them on the wrong end of digital divide. The requirements will undermine the effectiveness of the BEAD Program.

Mr. Davidson, it is your responsibility to administer this program to the letter of the law, follow the tenor of the law, and to reject State plans that stray from these goals.

NTIA has also adopted a conditional, problematic waiver of the letter of credit requirements that would have made it difficult for smaller, rural providers to participate in BEAD. The success of this program depends on a wide range of large and small providers serving the communities in which they operate.

I appreciate NTIA giving providers more flexibility without sacrificing accountability so that taxpayer dollars are not wasted. I look forward to working with you to ensure accountability in the BEAD Program.

With the billions of dollars available for broadband deployment being managed by a variety of Federal agencies, interagency coordination and removing barriers to deployment is going to be key to make sure that this money is not wasted.

One promising development is the NTIA's leadership on removing permitting barriers to broadband deployment on Federal lands. This subcommittee has led the charge on reforming the broadband permitting process across the United States, and I am pleased to see NTIA taking action on many items laid out by legislation advanced through our committee earlier this year. These reforms will lead to more efficient and timely deployments.

By working with Federal agencies to streamline their processes and prioritize broadband permitting applications, our providers will be able to focus on deployment instead of navigating a maze of red tape.

Finally, I want to acknowledge the National Spectrum Strategy and Presidential Memorandum released last month by the administration. Although this is a good first step, we must be aggressive in identifying a spectrum pipeline to maintain U.S. wireless leadership.

We share your goal of restoring the regular-order process for managing spectrum, including NTIA's role leading this effort for the executive branch. However, we expect

that you and other agencies will be responsive to our requests in a timely manner, which has not been the case recently on certain spectrum matters pending before this administration.

Again, Mr. Davidson, thank you very much for appearing before us today, and I look forward to the discussion that we will have.

And, at this time, I will now yield to the ranking member of the subcommittee, the gentlelady from the Seventh District of California, for 5 minutes for an opening statement.

[The prepared statement of Mr. Latta follows:]

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Ms. Matsui. Thank you very much, Mr. Chairman.

And welcome.

Since Administrator Davidson last appeared before this subcommittee, there have been several developments that elevate the already crucial role of the NTIA. From BEAD deployment and spectrum governance to AI and cybersecurity, NTIA has an opportunity to make a lasting downpayment on American innovation.

As we move forward, it is important to contextualize NTIA's role in these important policy discussions -- specifically, that NTIA is responsible, by law, for advising the President on telecommunications and information policy issues.

Acknowledging this role has never been more important. Today, technological developments can no longer be neatly sorted. They have crosscutting impacts that affect multiple industries simultaneously, and, by extension, they create equities for multiple Federal agencies. In this increasingly interconnected world, it is imperative that the Federal Government speak with one voice. NTIA is the right agency to deliver that message.

Thankfully, this subcommittee has been active in providing the agency with new tools while continuing our vital oversight role. Back in July, this subcommittee marked up the NTIA Reauthorization Act. Congress has not reauthorized the NTIA since 1992, and I believe the bill Chairman Latta and I have drafted is needed.

With the bipartisan NTIA Reauthorization Act, we provide new tools and authority to ensure the agency can fulfill its mission. That means elevating the NTIA Administrator from Assistant to Under Secretary and modernizing the agency's mission to reflect the challenges of today and the opportunities of tomorrow.

I am also glad that it includes my Spectrum Coexistence Act. This language would require NTIA to conduct a review of Federal receiver technology to support more

intensive use of spectrum. The FCC is exploring receiver performance for commercial equipment, and it is important that we do the same for Federal tech.

The bill also includes the SMART Act Congressman Guthrie and I introduced to develop an incumbent informing capability. This would allow Federal users to share spectrum with commercial users by telling them when and where they are operating in real-time.

But the bill also encourages the development of AI for spectrum management, increases NTIA's role in cybersecurity, and supports public safety communications. I will continue to work with Chairman Latta to see that it receives a vote on the floor as soon as possible.

I am also looking forward to discussing the National Spectrum Strategy and Presidential Memorandum on spectrum with you. The National Strategy represents months of interagency consultation and is a crucial step toward a robust spectrum pipeline. While the previous administration failed to develop a National Strategy, I am eager to work with NTIA to make up for lost time.

The processes outlined in the strategy and memorandum will accomplish two foundational goals: ensure Federal agencies have the tools they need for their missions, while providing the commercial spectrum we need to continue innovating. Taken together, these documents outline a clear roadmap for reasserting U.S. leadership in telecommunications.

NTIA is also in the process of implementing the funding I helped secure in the CHIPS and Science Act to support the development of the Open RAN market. NTIA has released funding to advance testing and evaluation of open and interoperable networks, which I think is fundamental to catalyzing additional private-sector investments.

And, of course, we need to take this opportunity to hear more about the status of

BEAD implementation. This bipartisan program represents the single most valuable tool we have to close the digital divide, and all our constituents would benefit from its success.

I want to thank Administrator Davidson again for appearing before us and yield back the balance of my time.

[The prepared statement of Ms. Matsui follows:]

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Mr. Latta. Well, thank you very much.

The gentlelady yields back the balance of her time.

The chair now recognizes the chair of the full committee, the gentlelady from Washington, for 5 minutes.

The Chair. Thank you, Chairman Latta.

Good morning to my colleagues.

Good morning to Mr. Davidson. Appreciate you being here. We have much to discuss.

The National Telecommunications and Information Administration, NTIA, is responsible for managing Federal spectrum use and awarding funds to deploy broadband. In addition, the agency recently has been engaged in policy developments around artificial intelligence and advancing the Open Radio Access Network marketplace.

As our technology advances, NTIA's role needs to evolve to keep up. NTIA was last authorized in 1993, and reauthorizing the agency is overdue. That is why this committee passed the bipartisan NTIA Reauthorization Act, which we hope will become law soon. In the meantime, we continue our oversight efforts to ensure that NTIA is fulfilling its mission.

Another shared priority is making spectrum available for commercial use, which is essential to maintain American leadership in next-generation wireless technology.

Last month, NTIA released its National Spectrum Strategy. The strategy identified spectrum bands to be studied to determine what would be made available for commercial use. It also highlighted workforce-shortage issues in spectrum engineering and, most importantly, reaffirmed NTIA's role as the manager of Federal Government spectrum.

One of the spectrum bands highlighted for study in the strategy stands out from

the others -- the lower-3-gigahertz band. This will be the second time in 2 years that the Federal Government will study this band. This time, however, the study will be led by NTIA, the expert agency on spectrum for the executive branch.

Unfortunately and despite numerous requests, we have yet to receive the first feasibility study and a briefing on the results of that study from the administration. I will again echo that the administration needs to provide us with that information immediately. And I expect a full briefing once NTIA completes its new study on the results as well.

For America to continue its wireless leadership, we must make sure that spectrum resources are used as efficiently as possible and that we continue to make spectrum available for commercial use in a way that best serves the American people.

Additionally, NTIA is responsible for administering the Public Wireless Supply Chain Innovation Fund, which seeks to advance the development and adoption of open and interoperable radio access networks, known as O-RAN. The purpose of this program was to inject funding into an industry working to diversify the telecom network supply chain and provide secure and affordable alternatives to equipment produced by Huawei and ZTE.

Unfortunately, since the program was launched in April, the NTIA has only awarded \$18 million out of the \$1.5 billion appropriated to the program for projects that I am concerned will not achieve the goals set by Congress.

Our committee has been leading robust oversight this Congress to ensure that NTIA is taking seriously its congressional mandate to make sure that the Broadband Equity, Access, and Deployment Program closes the digital divide.

Republicans on this committee sent you a letter requesting that you reject State plans that would overbuild existing networks and ignore Congress's mandate to be

technology-neutral rather than use the BEAD money to serve all Americans.

I am encouraged that you recently rejected State plans that would have ignored these mandates. I also hope to get an update on the Broadband Infrastructure Program and how you have distributed those funds thus far.

An unprecedented amount of taxpayer dollars has been allocated in recent years to getting every American connected and closing the digital divide. We will continue to carry out the committee's oversight duties to ensure resources are going towards achieving this goal and aren't subject to waste, fraud, and abuse.

Today's hearing will also be an opportunity to discuss the work that NTIA has been doing on artificial intelligence. From AI accountability to open-source AI models, NTIA is taking steps to embrace the challenges and opportunities of AI and ensure America is leading. This committee awaits your reports on these issues, which I hope will inform our own efforts on AI.

U.S. technological and communications leadership is essential for America to win the future. I look forward to today's hearing and discussing how we can leverage NTIA to make sure the U.S. is dominating in everything from spectrum and broadband to artificial intelligence.

Thank you, Assistant Secretary Davidson, for being here.

I yield back.

[The prepared statement of the chair follows:]

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Mr. Latta. Thank you.

The gentlelady yields back.

And the chair now recognizes the ranking member of the full committee, the gentleman from New Jersey, for 5 minutes for an opening statement.

Mr. Pallone. Thank you, Chairman Latta.

The committee is conducting important oversight of the National Telecommunications and Information Administration, and while NTIA may not be a household name, the agency has done an immense amount of work in the last 2 years to help connect all Americans to high-speed, reliable, and affordable broadband.

And thanks to the historic broadband investments we included in the Bipartisan Infrastructure Law, NTIA will continue to play a crucial role, along with the States, in achieving universal broadband coverage throughout our Nation.

Now, I wanted to say that, in the coming months, the agency will also help advance secure and cutting-edge wireless technologies. It is also going to work to ensure social media and artificial intelligence are operating in the best interests of all consumers, including our children.

And NTIA's role in our Nation's future is crucial, because broadband is no longer a luxury; it is a necessity. Indeed, without broadband, millions of Americans can't do their jobs, run their small businesses, study for school, meet with their health provider, or connect with family and friends. And, right now, about 24 million Americans still have no access to home broadband.

Fortunately, President Biden and congressional Democrats delivered for the American people last Congress with the Bipartisan Infrastructure Law, a law that helps us close the digital divide by making a historic \$42 billion investment in broadband deployment. And this investment is going to help drive reliable high-speed broadband

across the United States.

But we know that infrastructure by itself will not close the digital divide, and that is why we included the Digital Equity Program in the Bipartisan Infrastructure Law. It will make sure everyone has the resources, skills, and knowledge to connect to the internet and participate in our digital economy. And this is especially important given the barriers to broadband adoption faced by some communities, like seniors and veterans, who do not always have the capability to take full advantage of the opportunities that come with being online.

The broadband provisions in the Bipartisan Infrastructure Law are a major step in growing our economy for the future and also expanding the middle class. And yet I will remind us that not one Republican sitting on this committee today supported this landmark investment in broadband deployment.

So I look forward to getting an update from NTIA today on all of these important broadband programs.

NTIA also oversees Federal spectrum users, coordinating with the Federal Communications Commission to ensure that our airwaves are effectively managed and advising the President on advanced technologies such as artificial intelligence.

And I am extremely disappointed that Congress has still not reauthorized the FCC spectrum auction authority after its expiration in March. As Chair Rodgers and I have said for months, it is critical that this happens as soon as possible, and I am concerned that this lapse will hinder us on the international stage, especially with the World Radiocommunication Conference that is also taking place right now in Dubai.

Additionally, Congress designated NTIA as the manager of Federal spectrum, and it must continue to move forward in exploring opportunities to make additional Federal spectrum available for commercial wireless use.

Unfortunately, the previous Trump administration failed in its approach to spectrum management, which led to unnecessary and harmful spectrum disputes. And it also left the current administration without any spectrum studies on the horizon. And those studies, if they are done responsibly, take time, but they do minimize disputes among the parties involved.

And that is why I am pleased that President Biden recently issued a memorandum on modernizing our Nation's spectrum policy. The President reaffirmed the role of NTIA and the FCC in managing the Nation's spectrum resources and directed NTIA to develop a National Spectrum Strategy by the end of the year. NTIA has already released the strategy and is now seeking comments on how to implement it. And these actions are important steps forward in enhancing how we manage this critical natural resource and will help strengthen America's technological leadership.

Finally, NTIA plays an important role in public safety communications. From managing Next-Generation 911 grants to its oversight of FirstNet and its important first-responder work at the Institute for Telecommunication Sciences, the NTIA remains at the forefront of ensuring that the public and the law enforcement agencies have a modern and reliable communications network.

So I know you do a lot. I think people are not aware of how much, actually, you do. And so we have a lot to discuss today. And I welcome Administrator Davidson back to the committee and look forward to his testimony.

And I yield back, Chairman Latta. Thank you.

[The prepared statement of Mr. Pallone follows:]

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Mr. Latta. Well, thank you very much.

The gentleman yields back the balance of his time.

And this does conclude member opening statements. The chair reminds members that, pursuant to the committee rules, all members' opening statements will be made part of the record.

[The prepared statements follow:]

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Mr. Latta. We would also like to thank our witness once again, Assistant Secretary Davidson, for being with us today to testify before the subcommittee.

Our witness will have 5 minutes to provide an opening statement, which will be followed by a round of questions from the members.

Again, our sole witness today is the Honorable Alan Davidson, Assistant Secretary of Commerce for Communications and Information and Administrator of the National Telecommunications and Information Administration.

I would also like to note for our witness that the timer light on the table will turn yellow when you have 1 minute remaining and will turn red when your time has expired.

I also will mention that we have agreed to take a quick break on each hour. I ask that members stay seated during this quick, brief recess so we may convene promptly afterward.

And, Mr. Davidson, you are now recognized for 5 minutes for an opening statement. And I also mentioned beforehand that we have another subcommittee going on, so we are going to have members coming in and out. So we appreciate you being here today, and you are recognized for 5 minutes.

**STATEMENT OF THE HONORABLE ALAN DAVIDSON, ASSISTANT SECRETARY OF
COMMERCE FOR COMMUNICATIONS AND INFORMATION AND ADMINISTRATOR OF
THE NATIONAL TELECOMMUNICATIONS AND INFORMATION ADMINISTRATION**

Mr. Davidson. Well, thank you, and good morning, Chair Latta, Chair Rodgers, who was here earlier, Ranking Member Matsui, Ranking Member Pallone, and members of the subcommittee. I really appreciate the opportunity to speak with you this morning and also really appreciate this subcommittee's leadership on so many of the issues that we are going to be discussing today.

Since my last appearance here in May, NTIA has made, in fact, considerable progress on many of the bipartisan initiatives that Congress has given to us. Today, I will focus on three of them: first, our efforts to connect everyone in America to affordable, reliable, high-speed internet service; second, maintaining American leadership in spectrum and wireless innovation; and, third, ensuring that new technologies, like AI, are trustworthy and improve people's lives.

Let me begin with our Internet for All initiative.

I continue to be struck by the powerful stories of people all across America struggling to get online. And I know you have heard many of these stories too. In the last year, I have met a grandmother in Louisiana deeply frustrated by her difficulties getting her grandchildren online. I met a family farmer in North Carolina who simply can't run his business because he does not have internet access. I met a high school student outside Phoenix who would literally drag two of his friends to his community center there to get free laptops because they were tired of trying to do their homework on their cell phones. These stories and many like them are the reason why this work is so important.

And I am glad to say we are making progress. In June, we reached a historic turning point in this program. We announced funding allocations for our \$42 billion State grant program, the BEAD Program, as we call it.

Now the work turns to States and territories. They have until December 27th to submit initial proposals to us for how they will connect everybody. And so far, I am pleased to say, all 56 States and territories have invited public comment, have posted for public comment their proposals, which is, in itself, a major milestone. So we are on track, but we are watching carefully that deadline.

Our progress extends beyond the BEAD State grant program too. NTIA has now awarded nearly \$3.7 billion in grants for Middle Mile, Tribal, Digital Equity, and other broadband programs.

A key underpinning of all of these initiatives is affordability. The FCC's Affordable Connectivity Program is a linchpin of that effort and today is helping more than 22 million households pay for internet service. Congress needs to act now to put ACP on firm financial footing going forward.

Let me turn now to spectrum. From the cell phones in our pockets to the satellites that help predict the weather, spectrum is among our Nation's most vital and scarce resources. The growing importance of connectivity and data make it clear that spectrum demand is only increasing.

To meet this demand, we are very pleased that the White House announced a National Spectrum Strategy last month. The strategy identifies over 2,700 megahertz of spectrum to study for potential new uses. It calls for a new long-term planning framework to meet America's future needs. It encourages research into new technologies for better spectrum usage. And it calls for a spectrum workforce plan to grow the ranks of spectrum experts that we are going to need.

By mid-March, NTIA will issue an implementation plan to execute on the activities of the strategy. And Congress can support U.S. leadership in this space by reestablishing the FCC's all-important auction authority.

Finally, I would just say NTIA is hard at work in an area that has captured the public's imagination, the power of artificial intelligence systems. Responsible AI innovation can and will bring enormous public benefits, but we will only realize the promise of AI if we also address the serious risks that it raises.

At NTIA, we are doing our part. We are hard at work on a project on auditing and accountability of AI systems. We are deeply involved in the Commerce Department's AI policy efforts. And, at the direction of the new AI executive order, we are digging into the risks and benefits of open-source models, which can bring new risks of misuse but, with care, may also be a powerful force to improve competition and innovation in AI for small businesses, researchers, and communities around the country.

To close, given the importance of all these efforts, NTIA's work is about far more than technology policy. It is about building a more fair and equitable society here at home. It is about competing better on the global stage. It is about creating new jobs and economic opportunity for all Americans.

I appreciate this subcommittee's continued leadership on all of these issues, and I look forward to working with you to help America meet this historic moment.

Thank you.

[The prepared statement of Mr. Davidson follows:]

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Mr. Latta. Well, thank you very much for your opening statement.

And the chair now recognizes himself for 5 minutes for questions.

Mr. Davidson, I was happy to see that you rejected the Ohio broadband office's initial proposal for the BEAD Program, which proposed awarding funds to overbuild existing, licensed, fixed wireless networks.

Why did you reject that proposal? And what should other States learn from this as they develop their own initial and final proposals?

Mr. Davidson. Well, first of all, thank you for the question. And, of course, this is an incredibly important set of programs now to make sure that we are connecting everybody.

We know that we are only going to succeed in this effort if we are very good stewards of the money that we have been given, and we need to make sure that every penny counts. Congress has been quite clear with us about how to approach that and has been very clear that States, as they go and implement these programs, need to ensure that they are first serving the unserved and underserved, and then there are other purposes for which they can use the money.

So we are laser-focused on that. We are making sure that States understand that. And that is going to be our focus going forward.

Mr. Latta. Well, thank you.

Some State broadband offices are saying that the aggressive 1-year timeline for submitting final proposals puts the effectiveness of the BEAD Program in jeopardy.

Funding from several preexisting programs, including the Department of the Treasury's Capital Projects Fund State broadband programs and even the Federal Communications Commission's Rural Digital Opportunity Fund have not been spent. Without time to see where these programs are deploying broadband, States risk

overbuilding and wasting Federal funds.

The 1-year timeline is not a statutory requirement, and you have the authority to waive this deadline as necessary. Will you commit to being flexible with States in order to guarantee this money is spent as efficiently and effectively as possible and not overbuilding other programs that are still distributing money?

Mr. Davidson. So it is a really important question, because we are, as we go to implement these programs, working hard to make sure that we are also moving as quickly as we can, because we know that every week or month that we wait is another week or month that American communities are not getting the broadband that they need. So we are trying to find the right balance here by making sure that we are acting prudently but also moving quickly, which we have heard from a lot of these people that they are looking for.

In this particular case, I would say, we have put a 1-year shot clock on States because we want them to move quickly. And we do think that they have the ability to meet that 1-year deadline.

We will be watching to see how they do, but, to your point, I think we are also confident that they can meet that deadline and also do it without overbuilding, without duplicating existing projects, because we now have much better data, including the broadband build-out map that the FCC maintains, that shows States where funding already exists.

So we are confident we can move out. We think they can meet that 1-year deadline. We will be watching to make sure they can. But we want them to move out quickly.

Mr. Latta. Well, thank you.

The FCC released the version 3 of the broadband data maps on November the

17th. The new maps reduce the number of unserved locations from 8.3 million down to 7.1 million.

What are the recent changes that affected your State allocations?

Mr. Davidson. We haven't gone back and looked. You know, it was a moment in time where we were required to make those allocations, and we did so.

It is not surprising; it should not surprise anybody. We are hoping that number will keep going down. As RDOF funding comes onboard, as some of the other projects, some of our own projects are starting to be built out, that number is going to tick down. Of course, the whole idea is to get it to zero.

So we are not at all surprised that the number has gone down. And, you know, we have made the allocations to States; they have got their number. And I am not sure it would have changed much, you know, across the States anyway.

Mr. Latta. Okay. Thank you.

Well, in my last minute, what is NTIA doing to ensure that States have access to the skilled labor and necessary equipment, such as bucket trucks, to facilitate the BEAD build-out?

And I know, as I have gone across Ohio, our 2-year colleges, they are helping to train. But just to hear from folks out there that one of the problems they are going to be facing is they can't get a truck with a bucket made for 18 to 24 months.

And so have you all looked at those issues, especially on the labor side and also on the equipment side?

Mr. Davidson. I know this is an important issue for you, and we have actually started to look at some of those things.

We know that, again, if States -- we want States to be able to move out quickly. We want them to be able to think about where the challenges are going to come. We

have asked them to focus on a number of areas, including the workforce challenges that you just mentioned, the opportunity we have to make sure that community colleges and others are training up a workforce to help build these networks, and also making sure that they are going to have -- well, permitting is another issue, but also that the equipment is going to be out there.

On bucket trucks, I don't have a specific answer for you, but it is actually something that we will now take under advisement and try and work on. Thank you.

Mr. Latta. Well, thank you.

My time has expired.

And, at this time, the chair recognizes the ranking member of the subcommittee, the gentlelady from California, for 5 minutes for questions.

Ms. Matsui. Thank you very much, Mr. Chairman.

NTIA played a foundational role in the development of the National Spectrum Strategy. While the previous administration failed to develop a national strategy, it is imperative we make up lost ground by adhering to the timelines laid out in this document.

Mr. Davidson, what role will NTIA play in executing these studies? And how can we hit the timelines laid out in the strategy?

Mr. Davidson. Well, Ranking Member, thank you for the question. And, also, I just want to say thank you for your long-term leadership in this space, in particular your co-chairing the Congressional Spectrum Caucus. We know you have been thinking about these issues for a long time.

You are exactly right, of course, that time is of the essence in trying to make sure that we are doing these studies and doing them well.

I think one of the great things about the National Spectrum Strategy is that it does

now give us a, sort of, midterm pipeline, a set of targets to be looking at and making sure we are doing the evidence-based work that we need.

We have a shot clock that is put on us, 2 years max. And we hope that some of these studies are going to come in that won't take 2 years. And NTIA is in the driver's seat; we are going to be pushing them forward.

Ms. Matsui. Okay. Thank you.

In addition to the National Spectrum Strategy, the President also released a memorandum on spectrum policy. I have been a consistent advocate for a unified voice on spectrum governance, and I am confident that implementation of this document will help the U.S. stay ahead of its global peers.

Mr. Davidson, what steps does this memorandum take to ensure NTIA is able to fulfill its statutory role as manager of the Federal Government's use of spectrum?

Mr. Davidson. Thank you for the question.

You know, the Presidential Memorandum is actually really the blueprint, the starting point that actually kicks off our ability to create a National Spectrum Strategy, to do the implementation plan that it works on, and sets forth a set of processes for us that are so important to make sure that we are well-organized as a Federal Government.

And I will say, it does -- I am gratified that it puts NTIA clearly in the central role that we, by statute, should be playing, which is to be not just the Federal spectrum manager but the principal advisor to the President on these issues, the leader of the studies that we are going to do in close collaboration with our colleagues in the Federal Government.

But I think the Presidential Memorandum creates that blueprint that we need for how to move forward on our Nation's spectrum --

Ms. Matsui. Certainly.

The National Spectrum Strategy notes that the Departments of Commerce and Defense will conduct additional studies on the lower-3-gigahertz band to evaluate private-sector access in the band.

Mr. Davidson, without presupposing the outcome of these studies, what steps will NTIA take to ensure we have evaluated all opportunities for commercial use in this band?

Mr. Davidson. Yes. Well, I think the lower-3-gigahertz band, in particular, is one that is of great interest to both the -- for Federal missions and for the private sector. It is because of the special characteristics of that band and that range of bands in the mid-band area.

I will say that it is a very congested band, you know. There are no easy answers here, but we didn't want to give up on that band. And that is why you are seeing the follow-on studies in the National Spectrum Strategy and you are seeing us really redouble our efforts to make sure that we do two different things: look at spectrum sharing in the band --

Ms. Matsui. Right.

Mr. Davidson. -- and how we could do that, and also look at whether there is the possibility of relocating some systems.

Ms. Matsui. Good. Thank you.

I was an original cosponsor of the USA Telecommunications Act and worked to include it in the CHIPS and Science Act last year.

NTIA is currently implementing this fund in a way that will catalyze the Open RAN market. I am glad to see NTIA focus on testing and evaluation early in the program's implementation.

Mr. Davidson, what role will testing and evaluation have in facilitating broader private-sector Open RAN investments?

Mr. Davidson. That is a great question. Testing and evaluation is key. We have been focused on this, on the power of openness.

And one thing that we know is that we need to be a catalyst here. The private sector is going to move this forward. We have been asking, where can government help? And one of the key places we realized we could help is by funding test beds -- places where people could see, does this open equipment work?

So that is what our first set of grants are. We have a few that have been out the door. We are going to have the rest of them coming out -- you will see more grants coming out, larger grants, in the next month.

Ms. Matsui. Okay.

And Open RAN presents an opportunity for American companies to compete in the RAN market. How will the Wireless Innovation Fund support smaller companies and startups?

Mr. Davidson. Yes. Well, I think that is the key thing here, is that the whole idea and the premise of this program is to catalyze a much broader market by opening this up so it is not just two or three large providers. You will create the opportunity, as we have seen in other places like the internet, for smaller providers to come in and do the radio units, do the control units, crack open the market.

And that is the whole idea behind the program. That is why we are so grateful that Congress created it.

Ms. Matsui. All right. Thank you very much.

I yield back.

Mr. Latta. The gentlelady yields back.

And the chair now recognizes the gentlelady from Washington, the chair of the full committee, for 5 minutes for questions.

The Chair. DOD submitted the Emerging Mid-Band Radar Spectrum Sharing Feasibility Assessment to the Department of Commerce at the end of September, 2 months ago. And despite repeated requests from myself, Chairman Latta, my colleagues on the Armed Services Committee, I am disappointed that we have not yet received a copy of the study nor a briefing on the findings.

Would you commit to providing me a copy of the report by the end of this week?

Mr. Davidson. I would just say, first of all, we are eager to get this information to you. We have worked quite hard to try to schedule a briefing. We have briefed your teams about this. Your staff has received a briefing.

I am not in control of the actual classified versions of the report, which need to be conveyed in the right, proper way. I would just say, we are committed to trying to get this to you as soon as possible and had hoped to have gotten it to you by today's hearing.

The Chair. Okay. Well, I do want to have the classified briefing, and we are going to work to get that scheduled. I understand the unclassified version has been distributed in the Senate, so if you can get that to us, that would be great.

Mr. Davidson. We are eager to do it.

The Chair. Okay.

Mr. Davidson. I am quite eager to do it.

The Chair. Thank you.

The National Spectrum Strategy highlights the role of NTIA in validating the current real-world usage of Federal spectrum as a cornerstone of making data-driven decisions.

Why is it important that NTIA validate Federal spectrum usage across agencies? And what steps is NTIA taking to implement this?

Mr. Davidson. Well, I think that we are constantly asking this question. What

you see in the National Spectrum Strategy is the product of a big interagency conversation that is about validating what uses we are making the spectrum for and where the possibilities are for repurposing spectrum.

It is quite difficult. The truth is that the low-hanging fruit in this space is gone, as you know, right? There are no easy, unencumbered bands that nobody is using. All of these bands come with multiple, often quite important Federal uses.

What I think you can see in the National Spectrum Strategy is our target list now, looking out a few years, where do we think and where does this interagency process now think we can actually make some progress. And I am excited. It took a ton of work, I will say, to get everybody to agree to this set of bands. We have got it now, and we are going to move out on it.

The Chair. Thank you.

The National Spectrum Strategy tees up a lot of studies on bands that have been under discussion for years. However, the strategy is unclear who is responsible for completing the studies.

Will NTIA be the agency carrying out the studies?

Mr. Davidson. Yeah, I think we are. I am sorry, I shouldn't --

The Chair. That is okay.

Mr. Davidson. -- I shouldn't say --

The Chair. That is okay. That is good.

Mr. Davidson. No. The whole idea is that we are taking responsibility for making sure that these studies get done. We will work with our agency partners in doing so, will co-lead some these studies. But that is the idea.

And we are glad to have that assignment, that homework assignment. And you will see in the next 3 months an implementation plan that lays out exactly how we are

going to do it for each of those bands.

The Chair. Do you think that will include standardized terms and methodologies?

Mr. Davidson. Yes. That is a huge part of what we hope to do, what we expect to do, and it is a pillar of the strategy itself, is making sure that we have clear understanding of how we do these studies with other agencies.

The Chair. Thank you.

And, separately, in 2020, Congress passed the Consolidated Appropriations Act, which created three grant programs at NTIA, including \$300 million in the Broadband Infrastructure Program, \$1 billion for the Tribal Broadband Connectivity Program, and \$285 million for the Connecting Minority Communities Pilot Program.

How are you measuring the effectiveness of each of these programs?

Mr. Davidson. Well, that is a terrific question, actually, and they are very important programs that are adjuncts to -- our State grant program gets a lot of love and attention, but these other programs are incredibly important and are actually ones that we are already implementing now, so even as we work towards that longer-term State grant program.

Each of them have different -- all of the money for each of those programs has now been given out, has been granted. We are in the process of working with grantees to actually implement them and then actually measure -- as you say, all importantly, measure how well they do.

I will just note quickly, they have different goals. So, like, something like the Broadband Infrastructure Program, the BIP program, we are doing groundbreaking right now; there are actual networks being built. That will be about access. That will be about how many communities, homes that we actually get served. Something like the

Connecting Minority Communities Program or the Tribal Broadband Program have broader goals, too, about digital equity, about making sure that we have got good adoption. So it is not just about making sure there are wires going past people's houses; it is also about making sure that communities know how to get online and thrive online.

So different goals for different programs, but we have got evaluation and data collection for all of it.

The Chair. Would you speak to me about how you measure digital equity?

Mr. Davidson. Right. Well, I think there it is really about adoption. So we are looking at not just, again, is there a connection going past somebody's house, but are people actually online and using the internet.

So that is a real difference -- it is subtle, but it is actually quite a big difference in terms of the data that we collect and the way we measure success. So, in a digital equity program, we are really looking at adoption, not just access.

The Chair. Okay.

Thank you for being here.

Mr. Davidson. Okay. Thank you.

The Chair. I yield back.

Mr. Latta. Thank you very much.

The gentlelady's time has expired and yields back.

And the chair now recognizes the gentlelady from New York's Ninth District for 5 minutes for questions.

Ms. Clarke. Thank you very much, Mr. Chairman, and I thank our Ranking Member Matsui for convening this hearing, and to Administrator Davidson for joining us today to discuss the important work of the NTIA.

As the manager of the Federal spectrum, NTIA's recently released National

Spectrum Strategy is a crucial part of promoting U.S. innovation and leadership in wireless technology -- leadership that was sorely lacking during the Trump administration.

As one of the agencies charged with administering this historic \$65 billion broadband investment that this committee secured as part of the Bipartisan Infrastructure Law, the NTIA has an important role to play in bridging the digital divide and bringing affordable, reliable broadband to millions of Americans.

And while the Bipartisan Infrastructure Law tasked NTIA with the administration specifically of the BEAD and Digital Equity Programs, those are just two components of the administration's Internet for All initiative, a whole-of-Nation approach to high-speed internet. And, today, I am interested in discussing the interplay between the various broadband programs.

The Affordable Connectivity Program, or ACP, in particular, is an essential tool in our fight to combat the digital divide and a godsend for those struggling to afford reliable high-speed broadband. Unfortunately, this program is set to run out of funding sometime in early 2024.

Administrator Davidson, how might a lapse in funding for the Affordable Connectivity Program impact all of the broadband funding programs NTIA is administering and the effort to close the digital divide more broadly?

Mr. Davidson. Congresswoman, that is a terrific question. Thank you so much for asking it.

And the Affordable Connectivity Program -- of course, affordability is critical, and we know it is the number-one hurdle -- for people who have an internet connection, the number-one reason they are not using it. So we know that that is an incredibly important part of our success in these programs, addressing affordability.

But, as you indicate, this actually goes beyond affordability, and it goes to the

question of whether we are going to be successful in building these networks, right? We know that it is going to be much harder to build networks and do the big build-out to connect everybody if there isn't a customer on the other end of the line.

So making sure that there is an affordable connection is part of making sure that there is a good business that exists for these providers who are going to be building all these networks for us to connect the unconnected.

So the two are deeply connected. We need affordability for affordability's sake, but we also need it to make sure that we have a good -- you know, it is going to be a good business out there, that we have customers who are going to come and support these networks when they are built.

Ms. Clarke. The BEAD and Digital Equity Programs prioritize directing funding for programs focused on broadband deployment to meet the needs of unserved communities. While this is an admirable goal, some urban communities may not lack for access to broadband, but struggle with adoption due to high consumer costs.

Administrator Davidson, the Bipartisan Infrastructure Law reflects the reality that the digital divide is not exclusively about deployment. That is why we included funding for affordability in adoption as well.

The historic deployment opportunities provided by BEAD funding get a lot of attention, but some States have the opportunity to fund programs that address issues beyond deployment.

Can you explain how you are thinking about BEAD beyond just deployment?

Mr. Davidson. Absolutely. So you are quite right that the statute, the Bipartisan Infrastructure Law, gives States quite a bit of flexibility. They have to start with the unserved and underserved, but once we meet that goal -- and many States, we think, are going to meet that goal -- there is a fair amount of flexibility for States to use

this money in different ways to meet the needs of their communities.

That includes connecting community anchor institutions, like community centers and churches. It could also include working on workforce issues, and affordability is a big piece of this.

So I think there will be States that will use -- we are going to encourage States to use the money the way the statute intended. And, as you indicate, affordability is a key piece of this. I will note, there are probably over 1.6 million households in New York State that use ACP today. That is why that set of programs is so important.

Ms. Clarke. Administrator Davidson, in your opinion, why is it important to ensure that there is accountability in how AI systems and algorithms are deployed and developed? And in what ways is NTIA working to foster accountability within the AI ecosystem?

Mr. Davidson. Yes. Thank you. And I know you have been a leader in thinking about this and have introduced legislation in this space.

I will just say, you know, as I said at the start, we are not going to be able to realize the benefits of AI unless we also make sure we are dealing with the risks of it. And accountability is a key piece of this. The question of, if a developer says, this algorithm is safe, this AI system respects privacy or isn't biased, how do we test that? How do we know that is true?

That is the project that we are working on, which is making sure that there are good standards for doing that and ways to assess and audit on the back end, did this system work the way it said?

And I think there is a -- just like we did with financial audits, there is a role for the Federal Government in helping set those standards going forward. And that is the work we are undertaking right now.

Ms. Clarke. I thank you very much.

I yield back, Mr. Chairman.

Mr. Carter. [Presiding.] The gentlelady's time has expired, and she has yielded back.

The chair now recognizes himself for 5 minutes.

Thank you, Mr. Davidson, for being here. As you know, one of the primary functions of Congress and one of the primary responsibilities is oversight, so we appreciate you being here for this.

Tell me about Build America, Buy America waivers. How have you been reviewing and deciding which ones to grant or to deny or issue?

Mr. Davidson. Thank you for the question. It is a very important part of our broadband programs. And the President has stated, if it can be built in America, it should be built in America. If we are spending all of this Federal money to build networks, let's make sure that the people who are building the network, the equipment that is being used is built here as much as possible.

So Congress instructed us in the law that that has to be true. It also gave us the ability to do waivers where they are needed. And what we have done is said, the bar has to be very high for a waiver in this program. It is not impossible. We know that, to build modern telecommunications networks, not every part is going to be available here in the U.S. But we have kept the waivers. We have said we are going to keep it narrow.

And we are already seeing results. Companies have stepped up to make sure that fiberoptic cable, a lot of the electronics in these networks are going to be built here. The vast majority of that equipment is going to come from the U.S. And we are seeing already --

Mr. Carter. Define "vast majority."

Mr. Davidson. I think we have said that up to, I think it is close to 90 percent of the equipment -- of the equipment deployed in the network is going to be built in America.

Mr. Carter. Good. Thank you for that. You know how important that is. I think we all learned some important lessons during the pandemic and why we need to have manufacturing over here.

Tell me about how you are going to close the digital divide while doing this, while bringing manufacturing back to American soil.

Mr. Davidson. I think, you know, the big thing has been to really incentivize companies to bring these jobs and manufacturing back into the U.S.

By creating very clear standards for what that looks like, we have already seen -- I have been part of probably a half a dozen announcements already, and there are many more companies that we know are doing this, announcing jobs and creating more manufacturing back here. And because of that, we know that there are thousands of jobs that have been created.

Mr. Carter. Well, let me ask you this. Is there anything we can help you with in that respect?

Mr. Davidson. Right. I think the biggest thing has -- well, first of all, Congress did the hard part by actually holding our feet to the fire and giving us the instruction that we actually had to try to make sure that we are --

Mr. Carter. Understood.

Mr. Davidson. Yeah. Yeah. And that is probably the biggest thing right now.

Mr. Carter. Okay.

The final Build America, Buy America waiver for the BEAD Program has still not

been released. When do you think it is going to be released?

Mr. Davidson. It is -- well, so it has gone out for public comment earlier this fall. We received a fair number of comments about it, which is, you know, as to be expected. We are working through those comments now. I would say it is weeks, not months.

Mr. Carter. Okay.

The FCC's rules on digital discrimination -- why did NTIA ask for BEAD to be excluded from the digital discrimination requirement?

Mr. Davidson. Well, I think our view has been that we have always started by wanting to make this program work as efficiently and smoothly as possible, try and create as few burdens for providers as possible when they come in.

We know that the digital discrimination proceeding at the FCC has moved forward. They have a final rule out there. But we also felt that there is fair amount of oversight that comes from providers who participate in the BEAD Program. We have rules for them. We have oversight of the States.

And our sense was that, for providers who are already getting that oversight in the context of the BEAD Program, they shouldn't also then need to have the oversight that would come under the digital discrimination --

Mr. Carter. So you agree that the Federal Government shouldn't have to play by a different set of rules then?

Mr. Davidson. No, I think it is the same set of rules, but the fact is, if they have already satisfied -- if they checked the box once for us on BEAD, they shouldn't have to go through the exercise of checking the box twice.

Mr. Carter. Okay.

All right. Let's talk real quickly about the National Spectrum Strategy. And it calls for a national test bed for dynamic spectrum sharing that is to be stood up in, I think,

what, 12, 18 months?

Mr. Davidson. Yes.

Mr. Carter. Will this be carried out by the Institute for Telecommunication Sciences?

Mr. Davidson. Our expectation for that one -- so, first of all, it is a very important part of this, is doing dynamic --

Mr. Carter. Sure it is.

Mr. Davidson. -- spectrum sharing. We see sharing as a new and increasingly important part of our spectrum ecosystem.

We have, as you said, put out a target of creating a dynamic spectrum sharing pilot here, like a real capability that exists in the world for this next generation of spectrum sharing. It won't just be done by NTIA. I am gratified to say other agency partners, including NSF, including DOD, are going to step up and help us build it.

Mr. Carter. Okay.

My time has expired. Thank you again for being here. We appreciate it very much.

The chair now recognizes Representative Soto from Florida for 5 minutes.

Mr. Soto. Thank you, Chairman.

And welcome, NTIA Administrator Davidson. We have a big job ahead of us over the next few years -- and I appreciate you being here today -- when we look at, whether it was funds from the American Rescue Plan or from the infrastructure law, \$65 billion for nationwide broadband investment, including the \$42 billion for the Broadband Equity, Access, and Deployment Program.

I am excited Florida has got \$1.7 million coming our way. And we have seen already areas in our district, like Bull Creek, Deer Park, Kenansville -- these are areas that

are predominantly ranch lands and citrus lands -- finally getting access to high-speed internet.

And I know there is a deadline coming up of December 27th. How do you think it has been going in Florida and some of our other States as far as putting together their proposals? I know there was a question about whether we need to extend the deadline or not. So how is it going, do you feel?

Mr. Davidson. So I think we are cautiously optimistic, in the sense that we have been really pleased to see the States stepping up. Every State, as I said, and territory has put out a plan for public comment.

That, I will be honest, was a concern. We have required States to put out their plans 30 days ahead of time so the public can see them. Every State is out now and with time to turn it around and meet that December 27th target.

So we fully expect that every State and territory is going to meet that deadline, and we are excited to see the plans as they come in.

Mr. Soto. Well, happy to hear it, and I am glad our State is also on time in doing that.

You know, in your testimony, you mentioned that, as we are expanding broadband, it is going to also help us expand jobs in manufacturing. We see, with the Inflation Reduction Act, the CHIPS Act, the construction of new factories has doubled in the United States.

So how does BEAD fit into all this to help really harness a manufacturing renaissance here in the United States?

Mr. Davidson. Well, thank you for that question. You know, we, from the beginning, viewed BEAD as not just a connectivity program but also a jobs and manufacturing program. We know that there are going to be tens of thousands, we

expect, well over 100,000 new jobs created in implementing the BEAD Program, building out those networks, spending that billions of dollars.

We also know that we are required, through the Buy America provisions in the law, to make sure that as much of this equipment is being manufactured here in the United States as possible. And so we have put together a pretty high bar on how we are approaching that.

And we are making sure that companies step up, and they are. And we have already seen thousands of jobs created that have been announced without a shovel hitting the ground, but just simply companies that are building up their manufacturing capabilities, investing in new assembly lines at manufacturing because of the demand that they know is coming from these networks.

Mr. Soto. So jobs for telecommunications equipment, to manufacture it --

Mr. Davidson. Right.

Mr. Soto. -- as well as the installation. That is a lot coming our way. And I am excited we are hitting that 90-percent-or-above threshold.

In central Florida, we saw our 67th rocket launch of the year. That is a record. And we may hit closer to 80 or 90 by the end of year.

I have a bill, the Launch Communications Act, which is set to require you all to work alongside the FCC to improve coordination on spectrum. So we appreciate the technical assistance that your agency has provided to us on that.

Those rockets are sending up Starlink satellites, as you may know. And even with the build-out, we have some isolated areas in our district where a rancher family may not have a nearer neighbor than a couple miles away.

So, as you are looking at evaluation criteria for NTIA in evaluating these new technologies, what are some of the things you are looking at, as well as the potential of

technologies other than fiber participating in the program, like satellite?

Mr. Davidson. Well, thanks for the question. We know that to connect everybody in America is very challenging. I know that, just even in your district, I know there are thousands of households that the maps show are unconnected. And we know that, to do that, we are going to make sure that we need to give States every tool in the toolkit that is possible.

We want everybody to have the best connection that they can, but we also need to make sure we are connecting everybody. And we fully expect that there will be a lot of fiber deployments but there will also be wireless deployments. And low Earth orbit satellite, as you rightly note, is going to be an incredibly important part of making sure we get to that very long tail of hard-to-reach places all across America and in Florida too. So that will be a big piece of it.

Mr. Soto. Thank you, Administrator. Obviously, broadband, that is the foundation of it, but as we are looking at other options, very important so we have --

Mr. Davidson. Right.

Mr. Soto. -- we are utilizing all technologies and advancing new technologies too.

So thanks for being here today.

And I yield back.

Mr. Davidson. Thank you.

Mr. Carter. The gentleman yields.

We are now going to take a short, very short, recess. I ask that members remain seated so we can reconvene very shortly.

Mr. Davidson. Thank you very much.

Mr. Carter. Thank you.

[Recess.]

RPTR GIORDANO

EDTR HOFSTAD

[11:31 a.m.]

Mr. Carter. Thank you, Mr. Davidson.

The chair now recognizes the gentleman from Florida, Mr. Bilirakis, for 5 minutes.

Mr. Bilirakis. Thank you, Mr. Chairman. I appreciate it very much.

As you know, States are in the process of submitting their draft initial proposals to your agency for review and approval before beginning to run their State BEAD programs. One requirement NTIA injected was a requirement for State plans to address middle-class affordability.

Given Secretary Raimondo's promise at a Senate hearing to not regulate rates in BEAD and the IJA's clear prohibition on rate regulation, will you commit to not approve plans that will, either directly or indirectly, regulate rates?

Mr. Davidson, that is a question for you. Thank you.

Mr. Davidson. Great. So, first of all, thank you for the question. We know affordability is in the statute, and the Bipartisan Infrastructure Law is very clear about the importance of affordability. And we also know that it is important because, you know, if we are going to spend billions of dollars of Federal money and people are going to take that money, it is not unreasonable to ask them to be careful about affordability when they are doing so.

At the same time, we have been very clear -- the statute is clear that there should be no rate regulation by NTIA, by the Federal Government, and we are not engaging in rate regulation.

Mr. Bilirakis. Thank you.

All right. Again for you -- you are the only one presenting.

Mr. Carter. Very astute.

Mr. Bilirakis. There is clearly a spectrum crunch. Everyone wants more spectrum, of course.

Mr. Davidson. Right.

Mr. Bilirakis. This means we need to ensure that Federal agencies are using their spectrum resources as efficiently as possible. And I know you agree with that too.

What tools should we consider to ensure Federal agencies are efficient users of spectrum, please, sir?

Mr. Davidson. Well, first of all, thank you for the question. But, as you indicated, spectrum is now an -- it is an incredibly valuable and an incredibly scarce resource. So making sure that we are all using it carefully is extremely important.

I think Congress can help in many ways by doing what it has been doing to push us to make sure we are using spectrum wisely, but also, importantly, to continue what this subcommittee has done and committee has done, which is to continue to push for comprehensive spectrum legislation that, you know, among other things, reauthorizes the ability of FCC to do its spectrum auctions, reauthorizing its spectrum auction authority.

The other things that the committee has looked at, including changes to the Spectrum Relocation Fund and some of the other tools that are in that toolkit, I think, will help make sure that we all have the right incentives to use spectrum wisely, to reallocate it properly where it needs to be, to pay for that in the right ways.

Mr. Bilirakis. Thank you.

All right. In your experience, do Federal users cooperate when asked to review their spectrum use when NTIA is tasked with the goal of freeing up additional spectrum for commercial use?

Mr. Davidson. Well, you know, as you can -- the same forces that are making spectrum so valuable for the private sector also make it quite valuable for the public sector. So it shouldn't surprise anybody that Federal spectrum users are quite -- feel that their use of the spectrum is quite important, and, in many cases, those missions are incredibly valuable.

So we have to work carefully together, and we have worked collegially with our brethren in other Federal agencies to make sure that we have ways forward of looking at that spectrum.

And the Presidential Memorandum that just came out and the National Spectrum Strategy are critical documents, because they show -- they put really -- make it clear how we are going to examine spectrum going forward, where we are going to look for those opportunities, and they give NTIA, I think, the place that we should have in this process to lead those studies and create that effort.

Mr. Bilirakis. Okay.

And you just mentioned the memorandum on spectrum. It requires NTIA, as you said, to solicit views on the spectrum matters of other Federal agencies to ensure their views are adequately represented to the FCC.

What steps are you personally taking to build trust among other Federal agencies to ensure they are bought in in these process reforms?

And, if you could expand on that, I guess we have a few seconds. Thank you.

Mr. Davidson. Sure. Yeah, it is an incredibly important question, because we need to work with these -- like I say, in many cases, these missions are important -- defense, aviation safety, you know, the weather, right? Like, we want to make sure the agencies can meet their missions. But we also know that we have to be more efficient about how we use spectrum.

And so we have worked quite closely -- in a lot of cases, it is shuttle diplomacy. You know, it is sitting down with the agency heads, understanding their needs, helping them understand that we are all on the same side here.

And it has worked well in many cases since I have been onboard, and we have developed a pretty collegial relationship with the spectrum heads in these other agencies. And I think that is a critical -- it is not sexy, it can be a little boring, but that coordination is important.

Mr. Bilirakis. Thank you. Appreciate that.

I yield back.

Mr. Carter. The gentleman's time has expired.

The chair now recognizes the gentlelady from New Hampshire, Representative Kuster.

Ms. Kuster. Thank you, Mr. Chairman.

Administrator Davidson, I want to --

Mr. Carter. Microphone?

Ms. Kuster. Administrator Davidson, I wanted to thank you for being with us.

It is clear NTIA has been busy since you were last before this committee a few months ago, and I want to commend you and your staff in the agency for all this work.

Starting with the announcement of State funding allocations for the BEAD Program, New Hampshire alone will receive nearly \$197 million to build out broadband infrastructure and make sure everyone can connect to the internet. This is a huge investment -- real money, where I come from. And we are going to need all hands on deck to build out these broadband networks.

That is why I joined my colleagues Representative Pfluger and Dingell in a letter requesting that NTIA provide alternatives to the BEAD program's letter-of-credit

requirement to allow for greater provider participation while still safeguarding taxpayer dollars.

I appreciate the agency's responsiveness and the announcement of alternatives to ensure that small, rural providers can participate in the BEAD Program and serve the communities they know best.

Just last week, NTIA issued a grant announcement for the Wireless Innovation Fund, made possible by the CHIPS and Science Act, which will support research and development to further secure our wireless networks. I was especially pleased to see nearly \$2 million awarded to a company in my district in Nashua, New Hampshire, working to advance 5G technologies.

Can you speak to the importance of the Wireless Innovation Fund and how this grant program will help to further our Nation's 5G and wireless communication goals?

Mr. Davidson. Yes. Thank you. And congratulations to the -- it is a very competitive grant program, so I was excited to be able to make that award.

I will say, just generally, though, this Wireless Innovation Fund is so important for our future competitiveness. Right now, there are very few providers of wireless mobile network equipment, and it is a very concentrated market. And, to be honest, some of the providers out there are not trusted network providers -- so the Chinese network providers, Huawei and ZTE. And when you take them off the table, there are really only two or three.

What we are trying to do is promote more openness and resilience in that supply chain by creating open networks, supporting open networks. And, again, the way to do this is, how can we act as a catalyst? This innovation fund allows the Federal Government to fund research, to fund test beds, to help companies create a more open ecosystem.

And what we are expecting is that it will make it possible for smaller companies, a variety of companies to play a different -- in different parts of this market, not just a few big companies. And we are excited about the progress we are making.

Ms. Kuster. Great. Thank you so much.

I am the co-chair of the 5G and Beyond Caucus, and I am excited about these innovations. However, we can't advance our Nation's wireless and communications goals until we find ways to better manage our spectrum resources.

NTIA has been tasked with the responsibility of establishing a National Spectrum Strategy, which will help develop the future spectrum pipeline. But the final report isn't due until 2025, and we can't continue to wait while other countries take the lead and determine the future of various spectrum bands.

Are there opportunities for NTIA to free up additional spectrum for future use while we wait for the National Spectrum Strategy to be completed?

Mr. Davidson. Well, let me start by saying we completely agree, we need to be making sure we are meeting the needs of the private sector to continue to have this leadership role that we have had in wireless innovation. So feeding that spectrum pipeline and all the different kinds of spectrum uses that are needed, unlicensed and licensed, is of paramount importance.

You know, we need to have both a, sort of, mid- to long-term strategy and also a short-term strategy. And what you are seeing in the National Spectrum Strategy is our look ahead, multiyears, where do we need to go.

In the meantime, though, I would just also note that the Chairwoman of the FCC was here last week. I think she noted that we actually do have some near-term targets. I think these are both incredibly important. So they are ready to proceed, for example, with the upper-12-gigahertz -- there is a band of spectrum there that they are looking at.

There is some low-band spectrum that Commission is looking at.

And that is also why it is so important to get spectrum auction authority going again. I know I am preaching to the choir here, but it really is so important so that we can start to move out on those near-term auctions even as we are doing the studies, which I hope won't even necessarily take 2 years, but as we are moving out on the mid-term and long-term targets.

Ms. Kuster. That is very helpful.

I wanted to shift gears quickly and touch on NTIA's work on the Task Force on Kids Online Health and Safety. Addressing online safety is a top priority of mine, and I know parents across my district are concerned about the potential harms their children may encounter online.

Administrator Davidson, how will this task force help protect children online? And when can we expect to see guidelines issued?

Mr. Davidson. We have a -- so, very quickly, I will just say: Hugely important issue, as I think members of this committee know. We are delighted to be co-chairing this task force.

We have a homework assignment to get that work done by next summer, and we are going to be looking at things that aren't just about putting the onus on parents. We need to go beyond -- it can't be just saying to family members, caregivers, "You are in charge of this." We need to do more to make companies accountable as well.

Ms. Kuster. Great.

My time is up, and I yield back.

Mr. Latta. [Presiding.] The gentlelady's time has expired.

And the chair now recognizes the gentleman from Michigan's Fifth District for 5 minutes for questions.

Mr. Walberg. Thank you, Mr. Chairman.

And thank you, Administrator Davidson, for being here today.

When the FCC appeared before the subcommittee last week, I asked if the Commission would be able to meet the Spectrum Pipeline Act of 2015's statutory requirement to identify 30 megahertz of spectrum below 3 gigahertz for auction by summer of 2024.

Chair Rosenworcel's response was quite troubling. She stated that she could not, as NTIA had not completed its statutory obligation of delivering a report by January of 2022.

NTIA's 2023 annual report says that NTIA and other agencies are still studying this band.

I understand these are complex and technical studies, Mr. Davidson, and that Federal users have important missions that depend on access to spectrum. But the administration began studying this spectrum in 2017. We are approaching 7 years of study. And NTIA has already blown past the January 2022 statutory deadline by 2 years next month.

So how many more years would you like to give this spectrum? And would another 7 years be enough?

Mr. Davidson. Well, Congressman, I appreciate the question. We take the assignment seriously. It has turned out to be a hard assignment, and that there has been --

Mr. Walberg. Hard and expensive experiment.

Mr. Davidson. Yeah. Big changes since the statute was passed in 2015.

Well before I started in this role, there was a study that had been ongoing for some time. You know, we are hoping to be able to release the conclusions of that work

very soon. It is in an interagency clearance process.

But I will just say, you know, I don't think it is going to be the answer that we all had hoped for. It is quite difficult to find a path forward in this band that has been studied, to be able to meet those requirements.

Mr. Walberg. Well, the millions of dollars that have gone into that and the time certainly should indicate that this is a difficult thing. But bottom line is, it is to be done. And we can expect that. And I am hoping that it will.

I raise all of this to illustrate why myself and others on this committee are skeptical of your National Spectrum Strategy. And I think you are going to have to do something to assure us that you are serious about what is getting done.

It fails to commit to freeing up every single megahertz of spectrum, because, even in this example, where Congress established clear statutory requirements on freeing up spectrum, the Biden administration dismisses them in favor of more studying.

Let's move on to BEAD. I am very concerned about draft volume 1 of Michigan's initial proposal. Michigan could take a broader view of underserved locations as it looks to distribute money from BEAD.

For example, the State proposes to treat as underserved all DSL locations and places considered served on the national map where speed tests show service, and I quote, "materially below 100 downstream and 20 upstream." It would also consider underserved those locations where fixed wireless is the only technology among the criteria.

I am very concerned about this proposal. It is not tech-neutral and will lead to overbuilding and ignores the broadband maps.

I understand that you rejected Ohio's proposal for having similar problems. I am not one who likes to lose to Ohio. And, in a strange way, after the past few years, I am

not used to it either.

Will you commit to also rejecting Michigan's proposal if it continues to include those plans?

Mr. Davidson. Congressman, I appreciate the question and certainly would like to help the State of Michigan as much as possible.

Mr. Walberg. To do the right thing.

Mr. Davidson. I can't really answer the question without seeing the totality of what they are proposing and what the State might be working on.

I will say, there are good reasons why the States have tried in some situations to work with -- the statute allows them and our NOFO allows them to make these changes that they come up with their own -- go through their own challenge process and figure out where they are going to spend the money that we have given them. And the question is really making sure that these maps are as accurate as possible and that we really are going to the truly unserved.

Mr. Walberg. And the truly unserved are served.

Mr. Davidson. Right.

Mr. Walberg. That is key.

Mr. Davidson. Right. Well --

Mr. Walberg. And that is my concern.

Mr. Davidson. Yes. And I would say -- I will just reiterate our commitment to trying to make sure that these programs are focused on the unserved and underserved, in that order, and that basically that we are faithful to the intent of the statute to focus on those unserved areas first, and we are working with the States to do that.

Mr. Walberg. Okay. We will keep watching. And, again I do not want to have a worse outcome for my State than Ohio.

I yield back.

Mr. Latta. The gentleman's time has expired.

And the chair now recognizes the gentleman from Texas's 33rd District for 5 minutes for questions.

Mr. Veasey. Thank you, Mr. Chairman.

Administrator Davidson, thank you for being here today.

And shortly after your testimony before the committee in May, the administration announced how nearly \$42.5 billion in Broadband Equity, Access, and Deployment funds are going to be allocated amongst States and territories.

I wanted to ask you: You probably already know that Texas received the highest allocation, at about \$3.3 billion, in BEAD funds, far outpacing any other State.

Given the vastness and diversity of Texas, can you elaborate on how these funds will help critical urban hubs like DFW, as well as the rural areas of Texas?

Mr. Davidson. Absolutely.

And, look, we are very excited about what is going on with the BEAD Program and the opportunity that it offers, and there is no bigger challenge than Texas, right? It is the largest set of allocations coming out of the State grant program, over \$3 billion. And it reflects the tremendous need that we know is out there -- thousands and thousands of unserved homes that need to be connected.

We are confident that, with the funding that Texas will have, both through our program, the other Federal programs, the State stepping up with its own programs, that we will be able to make sure that everybody in Texas has the opportunity to be connected with high-speed, reliable, affordable internet service.

There are other programs that we are implementing as well, our Digital Equity Program and others, that are going to also make sure that we have good adoption in

Texas as well as access.

But, taken together, these are programs that are going to make it possible to connect everyone in Texas. And, again, Texas will have a digital equity plan soon that is going to make sure that we are looking at how we promote adoption and not just access.

Mr. Veasey. Yeah, absolutely.

And let me touch on that just a little bit. I know during last week's oversight hearing of the FCC, I asked the role of FCC-led programs like Your Home and Your Internet Pilot Program and the ACP Navigator Pilot Program in helping enroll a lot of these households in the ACP.

However, as you mentioned in a previous conversation, an online connection doesn't necessarily guarantee that families are going to thrive online. Households still need and want tools to be able to be a part of the digital ecosystem. And that is one of the reasons why I sponsored the Digital Equity Act and its inclusion in the Bipartisan Infrastructure Law.

And I wanted to ask you: How can States succeed in helping communities build on their digital competency? I know that a lot of kids in schools are learning about these things in the classroom, but how about that working parent that still really needs to be able to acquire skill sets for new opportunities in this area where digital skills are required?

Mr. Davidson. So the Digital Equity Act is an incredibly important piece of the puzzle here, because we can build a connection to somebody's home, but if they can't afford that connection, it is not that useful.

And even if they can afford that connection and they don't have the skills or the tools or devices to get online, all this work is for naught, right?

So we need all of these pieces of the puzzle. The Digital Equity Act is important

to make sure -- it gives States and communities the tools and funding to work on skill-building; to make sure that people have devices; to reach communities like seniors, veterans, people in rural communities, to make sure that they have all of those skills that they need to be able to actually thrive online.

And we are making progress. Every State in the country will have a digital equity plan by the first quarter of next year, by this winter, and we will be putting out a next round of funding starting in the spring to fund those programs.

Mr. Veasey. Yeah. No, absolutely.

And let me ask you really quickly -- I wanted to switch over to spectrum really fast. In what ways does the National Spectrum Strategy support good jobs and foster a skilled and diverse workforce that can meet the spectrum challenges of the 21st century and make sure that the U.S. continues to lead in wireless innovation and technological advancements?

Mr. Davidson. Well, our main goal here is to make sure that we are promoting the wireless industry here, making sure that the U.S. remains a leader in wireless innovation. That spectrum pipeline, it will enable us to continue that wireless innovation, creating new kinds of industries, new jobs, and new uses of spectrum.

There is actually something also very specific that we are trying to do in the National Spectrum Strategy, which is to build the national spectrum workforce. We need more engineers and scientists and people in the industry and technologists to be engaged on spectrum. It can't all just be about AI, right? We need spectrum engineers if we are going to continue to be the leader around the world. And we are going to be investing in that under this strategy.

Mr. Veasey. Thank you.

Thank you, Mr. Chairman.

Mr. Latta. Thank you very much.

The gentleman's time has expired.

And the chair now recognizes the gentleman from Pennsylvania's 13th District for 5 minutes for questions.

Mr. Joyce. Thank you, Chairman Latta and Ranking Member Matsui, for holding this hearing today.

And thank you to Assistant Secretary Davidson for being here today to testify with us.

The current administration has attempted to regulate the internet as a utility for a long period of time. As we heard just last week, the most recent example of this has been reinstatement of net-neutrality rules under Title II by the FCC.

We must not go down this path of rate regulation. We must not only understand that we need a free market but we need the innovation. For my rural constituents, who ultimately might not be able to receive internet access, these would be onerous, utility-style regulations.

Mr. Davidson, I am very concerned that the affordability requirements in the BEAD NOFO and the pressure that NTIA is placing on States to include affordability requirements in their State plans will result in rate regulation, which is contrary to the IJA and will wind up causing the program to ultimately fail.

Can you please reassure this committee that NTIA will not encourage or otherwise attempt to influence States to assign a specific price cap to any broadband tier, freeze broadband prices for a specified period of time, or otherwise regulate the prices of any low-cost or middle-class affordability plan in order to gain NTIA's approval?

Mr. Davidson. So, Congressman, thank you for the question. And the statute is very clear that we are not to engage in rate regulation, and we will not.

Mr. Joyce. That is very important to me and to this committee. I thank you for that reassurance, Mr. Davidson.

Will you commit further that any State BEAD plan that includes price caps, rate freezes, or any other regulation provisions will be rejected by NTIA, because approving such a plan, NTIA, as you just stated, would be violating the statute's express prohibition on broadband rate regulation?

Mr. Davidson. So we have given States a tremendous amount of flexibility about how they want to implement these rules, particularly around the low-cost option. The statute, the Bipartisan Infrastructure Law, requires States to ensure that providers have a low-cost option.

We are giving States a lot of flexibility in terms of how they implement it. And some States will choose -- they are all choosing very different ways to do it. And our expectation is that we are going to embrace the sort of laboratory of democracy, let different States approach this in different ways.

We are not setting a price at NTIA. We are not setting a national price for broadband. We are not setting rates.

Mr. Joyce. Even if that went outside NTIA's express oversight that says a price regulation should not be part of any rollout?

Mr. Davidson. Our view is that different States will approach this in different ways. NTIA is not going to set a rate. We are not going to engage in rate regulation.

Mr. Joyce. Does it worry you that NTIA's insistence on price controls will jeopardize the success of the program and leave millions of Americans -- and my concern is rural Pennsylvania, where I represent -- those Americans without internet access is not an infringement of IJJA? And, if not, why not?

Mr. Davidson. We actually -- we don't think it is an infringement. I understand

the concern about the question, but the fact is that different States are going to approach it different ways.

And, again, nobody is required to be part of this program. This is a Federal funding program. We are spending billions of dollars of Federal money. It seems quite reasonable to say that, in return for receiving these Federal funds, that providers -- different States are going to take different ways, but providers need to have a low-cost option.

Different States are going to take different approaches to how they do that. And we are giving them the flexibility to do it different ways.

Mr. Joyce. Why do you believe that NTIA has the ability to impose requirements like these and it is nowhere to be found in IIJA and it undermines the goals that you have publicly stated of bridging that digital divide?

Mr. Davidson. We actually think it supports those goals. And, actually, we are not requiring States to take any particular approach. We are not requiring States to set a particular price for broadband. And different States will choose to do it different ways as a condition of getting this Federal money. We think they are going to be able to meet their goals and do it in a way that allows for affordable options that --

Mr. Joyce. Without stating price requirements one way or another? You support that?

Mr. Davidson. We are not requiring them to set a particular price.

Mr. Joyce. Do you agree that this type of price regulation could deter participation by qualified and experienced providers, ultimately wasting that \$42.5 billion of BEAD funds?

Mr. Davidson. No. We think that -- there is billions of dollars being spent here. We think that providers can -- and we know -- we have talked to providers who can

provide that service and also still give low-income families a low-cost option.

Mr. Joyce. Mr. Chairman, my time has expired, and I yield.

Mr. Latta. Well, thank you very much.

The gentleman's time has expired.

And the chair now recognizes the gentleman from California's 29th District for 5 minutes for questions.

Mr. Cardenas. Thank you, Chairman Latta and Ranking Member Matsui, for holding this hearing.

And I want to thank Mr. Davidson for being here and for informing the American people and answering our questions.

I would like you to clarify an answer to one of the questions you just answered. You said "spending billions of dollars." But do you see it more as spending billions or investing billions back into communities?

Mr. Davidson. Well, thank you. I think this is an investment, a giant investment, in America's competitiveness and in equity and fairness in our society.

Mr. Cardenas. Okay. Thank you, Mr. Davidson. Because, as a Democrat, I am very, very sensitive when people think that we are just throwing money around. This is investing back into communities. So thank you for clarifying that.

I am going to try to cover a few issues today.

And, Mr. Davidson, last time you were before us in this committee, we discussed the important role the American Connectivity Program would play in the success of NTIA's BEAD Program. You said then that your deployment programs do better when the ACP is on firmer footing. We are now in December and are still staring down a potential lapse in funding for the ACP this spring.

How has uncertainty with the future of ACP funding affected the BEAD Program?

And how might we expect it to affect the initial State plans that are being submitted to NTIA currently?

Mr. Davidson. Well, we are quite concerned about the future of ACP because it is so essential for the success of our bigger goal, to invest in America and make sure that we are building networks that connect everyone online.

As I said -- as you rightly point out, there is a real connection here that, if we don't have ACP and make -- if we don't make sure that low-income families are able to get online, we won't have customers for the networks that are being built. And so this investment will become much more expensive, in fact.

And so we are already seeing that, that concern, in the plans that we are seeing. The most important thing that Congress can do to support this build-out and connect everybody in America is to support the ACP program and make sure it is on firm footing.

Mr. Cardenas. Thank you.

I also want to pivot to discuss issues related to spectrum. NTIA just released its National Spectrum Strategy, which calls for additional study of at least five specific spectrum bands.

Can you describe in more detail how the implementation of the National Spectrum Strategy will lead to making more spectrum available for commercial wireless use? And can you speak to the importance of Congress fully funding NTIA through this process?

Mr. Davidson. Yes. So thank you for that.

I think one of the most important things that we are able to do in the National Spectrum Strategy is to identify 2,700 megahertz -- that is a lot of spectrum -- for future study.

The key now is to make sure that we can do those studies quickly and efficiently.

NTIA is going to play a central role. That homework assignment comes to us. Making sure we have the resources to do it is really important.

Mr. Cardenas. Thank you. I hope we can come to an agreement on fully funding NTIA up here.

Lastly, in October, President Biden signed an executive order to develop a coordinated Federal approach for safely and responsibly developing and deploying AI.

How do you see this technology being deployed when it comes to sharing spectrum between Federal and non-Federal spectrum operations?

Mr. Davidson. So we are really excited about the possibilities of AI to help us with more efficient use of spectrum and efficient understanding of how spectrum is being used. So we expect that advanced AI models could help us in managing spectrum and developing policy.

So there is a lot to be done just even in our own uses of AI to make sure that we are being smart and efficient. And I think it will ultimately be part of how spectrum is assessed, how these dynamic spectrum-sharing systems work. And so we are very excited about investing in that.

Mr. Cardenas. Yeah. AI is definitely exciting, and AI is definitely going to change the world. It already has, to a certain degree --

Mr. Davidson. Yes.

Mr. Cardenas. -- but more compounded in the very near future.

So I am very pleased to hear that you are welcoming it and that you are looking to utilize it to the best of your ability to benefit the American people and the systems that are important not only to the individuals across our country but to the entire economy.

So, again, I can't stress enough what we have been doing over the last few years under the Biden administration and when the Democrats were in control of the House

and the Senate. We were able to invest, invest, invest across America. And when it comes to spectrum, that is about as critical as anything.

Again, spectrum wasn't something that people talked about 30, 40 years ago, but it is here today. And it truly is the way for children to be able to have access to learning, the way small businesses and large businesses can actually excel and employ and grow.

These are the kinds of things that are important to us, and that is why we have done all the great things we have pushed forward. And we are looking forward to the people of America benefiting from that.

Thank you very much --

Mr. Davidson. Thank you.

Mr. Cardenas. -- Mr. Davidson.

I yield back.

Mr. Latta. The gentleman yields back.

And the chair now recognizes for 5 minutes the gentleman from Ohio's 12th District for 5 minutes for questions.

Mr. Balderson. Thank you, Mr. Chairman.

And thank you, Assistant Secretary Davidson, for being here today.

I recently met with an electric co-op in Ohio that covers much of my district. When I asked them if they would be trying to get BEAD dollars to expand their broadband network build-out, they told me no. At first I was surprised to hear this. BEAD is an opportunity every provider should be excited about. But I was told the funding's red tape makes the program less appealing.

This specific provider and many across the Nation already own an expansive network of utility poles, and their build-out requires them to simply run the fiber to their existing poles.

They are not interested in expanding their broadband footprint in rural communities with BEAD dollars in my district because your agency would require them to conduct an environmental review on every single utility pole they run fiber to. Keep in mind that these poles already exist and have been in the ground for years. This seems like a great way to keep rural electric co-ops from accessing BEAD dollars.

Can you explain to me why a costly environmental review for poles that have been in the ground for years is necessary?

Mr. Davidson. So, first of all, let me just start by saying, we know we are only going to succeed if we can get all hands on deck. This is a pretty big project, and we want a variety of providers like the providers you are talking about to be part of the program. So we have worked hard to try to make that possible.

I actually would love to hear more about that specific example and to get back to you. And I would be glad to talk directly with your staff and team about it. I don't know the specifics of the environmental review that you are talking about.

I know that we are quite concerned about permitting. We have a whole project that we have spun up around making sure that permitting processes are going to be -- we can do everything that is in our power to streamline them.

I would like to see whether there are possibilities for something that we could do that would make the program more attractive to the kind of provider that you are talking about.

Mr. Balderson. Okay. Thank you. I appreciate your willingness to do that.

Would you support congressional actions that would allow for NTIA to grant waivers in circumstances where providers are using existing poles to build out the network?

Mr. Davidson. Again, I need to understand the specifics of that example, but we

are hard at work -- we have just spun up a whole permitting team, in fact -- to try to think about whether there are ways --

Mr. Balderson. Okay.

Mr. Davidson. -- that we could streamline those kinds of approvals.

Mr. Balderson. Okay. Thank you very much.

Given the number of projects that will likely require environmental review -- and you have touched on this -- I am worried about review timelines being extended.

Mr. Davidson. Right.

Mr. Balderson. Can you tell me what your agency is doing to prepare for this increased volume of reviews and what your plan is to expedite the environmental review process?

Mr. Davidson. So I will just say -- it is a terrific question, because this is a really important issue that we have known is coming. And it is not here yet, because the big spend, particularly in the BEAD Program, is coming -- you know, is going to be a year or two away at least. But we have heard from industry -- not just industry -- we have heard from a lot of stakeholders in this community that one of the big challenges we are going to face is the timelines around permitting.

So we are really eager to do what we can. As I said, we spun up a group to look at it. We are focused, first and foremost, on the Federal permitting pieces, because that is what is in our control, working with the State -- the Federal land management agencies that do a lot of this, trying to make them understand what the timelines are going to be like, what the heat map looks like where they are going to face real surges. And then we also have asked and we are working with States to make sure that their broadband plans include a permitting strategy.

Mr. Balderson. Okay. Thank you.

My final question: As you can imagine, demand for qualified broadband technicians and telecommunications workers is about to quickly increase. If we want BEAD networks to be built out quickly, a well-trained workforce pipeline will be required.

The Infrastructure Investment and Jobs Act authorized BEAD funds to be used for workforce development. Do you agree that it is important that States submit robust workforce development plans as part of their proposals to the NTIA? And what are you doing to make sure this requirement is addressed by each State as part of their deployment plans?

Mr. Davidson. Absolutely. So it is a terrific point. Like the permitting one, we know that one of the giant challenges that is going to face us in doing these build-outs is the workforce. As I mentioned, over 100,000 new jobs being created. Do we have the people to fill them?

And can we make sure -- and this is a huge opportunity for community colleges and, you know, training programs all across America, in Ohio, to be, you know, training this workforce, knowing that these jobs are coming.

We have required that States include that as part of their plans. We have a team that actually goes through and is looking at every plan specifically to see, what does that workforce plan look like?

\$800 million going to the State of Ohio -- almost \$800 million. We are hopeful there will be a good workforce planning component to it.

Mr. Balderson. Thank you so much, and I look forward to working with you and your staff.

Mr. Davidson. Thank you.

Mr. Balderson. I yield back.

Mr. Latta. The gentleman yields back.

And the chair now recognizes the gentlelady from Illinois's Second District for 5 minutes.

Ms. Kelly. Thank you, Chair Latta and Ranking Member Matsui, for holding this morning's hearing.

And I want to thank the Assistant Secretary Davidson for his testimony today.

While NTIA's program and policymaking focus largely on expanding broadband internet access and the use of spectrum by all users, it has taken on new responsibilities as it relates to artificial intelligence.

Specifically, in addition to taking on some of the policy questions coming out of President Biden's executive order on AI, NTIA has launched a request for comment to advance its efforts to ensure AI systems work as claimed and without causing harm.

Assistant Secretary Davidson, I also think it is critical that we have an AI accountability ecosystem, which is why I joined Reps Josh Harder and Obernolte in introducing the AI Accountability Act.

The bill, which has since been approved by this committee on a 50-0 vote, will require NTIA to issue a report and conduct a study, in consultation with stakeholders, on AI accountability measures for AI systems.

Given this bill and NTIA's request for comment, are there any policies that you expect are needed to support the development of audits, assessments, and other mechanisms to build an AI accountability ecosystem?

Mr. Davidson. Thank you so much for the question. And I think it is spot-on. And, actually, we are quite interested in this question.

You know, AI is driving so many important decisions in people's lives. We need to make sure that these systems are actually working the way they are intended or the way that they say that they are working.

So, for example, if somebody represents that a new machine learning system, you know, is keeping people's data private, is secure, is not biased, how can we test to make sure that that is true?

And that is the project that -- it is actually a project that we are already hard at work on. And you mentioned this. We have put out a request for comment on these issues and the questions of, you know, how do we assess AI systems as they are being deployed? How do we do audits on the back end? It is kind of like how we have done financial audits in the financial accounting system. How do we make sure, like a financial statement, that there is an AI audit capability?

We got a tremendous number of -- over 1,400 comments back. We are working through them. We are going to have a report out -- I suspect it is going to be in the winter -- that is going to touch on some of these very issues. And we do have ideas about what the Federal Government can do both to support and fund more work in this space and ultimately be very engaged in making sure that audits can -- build that ecosystem.

Ms. Kelly. Well, we look forward to your feedback.

Another issue that is dear to me and my constituents and millions of Americans is gun violence. My district, like so many of my colleagues', is no stranger to the gun violence epidemic. In fact, just this morning, The Washington Post reported the U.S. surpassed a 2006 record for highest number of mass killings with a gun in which four or more victims were killed.

The First Responder Network Authority, or the FirstNet Authority, which is overseen by your agency, plays an important role in first responders' ability to react to mass shootings, as the Nation's communications network dedicated to emergency responders and the public safety community.

Your written testimony mentions that FirstNet Authority has surpassed 5 million connections -- evidence that demand continues to grow for these critical emergency services.

What is NTIA doing to ensure FirstNet Authority has all the resources it needs to meet the growing demand?

Mr. Davidson. Yes. I am so glad you mention it. FirstNet has been a real public-private-partnership success story. As you indicated, this is the network that -- we work with the FirstNet Authority, but oversee the FirstNet Authority in making sure that they have connectivity for first responders.

And it is incredible: Over 5 million first responders are now on the network. This is a network that 6 or 7 years ago didn't exist, right? 27,000 fire departments, police departments, public, you know, safety agencies are now signed up to be part of FirstNet.

So making sure that FirstNet continues to thrive is a high priority for us. We are continuing to support them. They have dynamic new leadership over there.

I think one thing that Congress could do that will be really important is making sure that we reauthorize FirstNet. We will have to do that by 2027, and we don't want to wait. I think it is a network that is really succeeding. And you see it every month -- you know, a fire, a hurricane, a flood; they are there to help our first responders.

Ms. Kelly. Thank you so much.

And, Mr. Chair, I yield back.

Mr. Latta. Well, thank you very much.

The gentlelady yields back.

And the chair now recognizes the gentleman from Georgia's 12th District for 5 minutes for questions.

Mr. Allen. Thank you, Mr. Chairman.

And, Assistant Secretary Davidson, thank you for being here today.

I just heard your comments to Congressman Joyce, and I would like to follow up on that. Will NTIA permit a State to rate-regulate, yes or no?

Mr. Davidson. We are giving States a lot of flexibility about how they approach these issues.

Mr. Allen. So yes?

Mr. Davidson. Well, I think it depends on what you mean by rate regulation. And I think -- we would say that we are giving States flexibility to set the low-cost option the way they want to.

Mr. Allen. Wow. That is shocking.

Anyway, the FCC found in its Spectrum Frontiers Report and Order that, quote, "the 37 GHz band presents a number of opportunities because, other than a limited number of existing Federal uses that need protection, the band is a greenfield -- there are no existing non-Federal operations, terrestrial or mobile."

Seven years later, your National Spectrum Strategy identified this band as worth additional study for the United States to compete with China.

We need to start taking action to repurpose spectrum rather than study the same bands over and over. What is your plan to provide certainty that some of the spectrum bands identified in the National Spectrum Study will be reallocated?

Mr. Davidson. So NTIA will be leading these studies. It is really quite essential that we make sure that we are providing a pipeline, as you indicate, to make sure that we can compete on the global stage with China and others.

Mr. Allen. So, when you say you are leading, this is priority one? Or where are we on the priority list here?

Mr. Davidson. It is priority one for NTIA --

Mr. Allen. Okay. Good.

Mr. Davidson. -- and our spectrum work.

Mr. Allen. Good.

Mr. Davidson. And we have been given a deadline, which we take seriously.

Mr. Allen. Yeah. Okay.

I understand there has been a lot of debate across the Federal Government about the 3-gigahertz band and how it should be open for commercial use. The National Spectrum Strategy contemplates studying this band even though the DOD PATHSS report completely closed the door on it.

Is the inclusion of the 3-gigahertz band in the National Spectrum Strategy a recognition there are problems with DOD PATHSS report?

Administrator Davidson, why didn't you include the 4-gigahertz band in the National Spectrum Strategy?

Mr. Davidson. So there were two questions there, I think.

On the PATHSS report and lower-3-gigahertz, we felt this band was too important to give up on. And it is true; the DOD study, the lower-3-gigahertz study that they produced, looked at a very specific question: Could we use the band right now? And the answer is no. Right now, they do not see a way forward in that. And we think their technical work in that area is strong.

However, it was a limited study because it did not look at some of the other questions about what would it take to share and also the question of, if we had funding to reallocate a system, could we use part of the spectrum.

Mr. Allen. Okay.

Mr. Davidson. And that is what we are going to study.

Mr. Allen. All right.

Let's talk about the BEAD labor issues. The only labor requirement in the IJA for the BEAD Program is for companies to certify that they are following Federal labor and employment laws and certify they will remain in compliance with them. However, in the NTIA NOFO, you have added a laundry list of pro-union suggestions for States to adopt, including Davis-Bacon prevailing wages, project labor agreements, and union peace agreements.

Are your attempts to add these labor provisions a way to overturn or evade State laws?

Mr. Davidson. No, sir. Our belief is that the only labor requirements that we are putting in are compliance with current Federal law.

Mr. Allen. Okay. You realize Georgia is a right-to-work State?

Mr. Davidson. Of course.

Mr. Allen. Okay.

Mr. Davidson. And that is why we wrote the NOFO the way that we did, to respect and acknowledge that there are going to be States that have different kinds of approaches. And I think, if you look carefully at our notice, it is no surprise that this is an administration that cares about labor, but we have been very careful to write this --

Mr. Allen. Oh, we know what this administration is doing to the workforce out there.

There are dozens of States whose State law expressly prohibits project labor agreements. Should one of those States' broadband programs make eligibility for BEAD funding dependent on acceptance of PLAs, which requirement would have primacy, the State law or the BEAD funding eligibility rule?

There are numerous studies showing that these union labor provisions drive up

the cost of construction. The most recent studies in 2020 and 2021 show PLAs increased construction costs 14.5 to 20 percent.

My livelihood was made in the construction business before I came to Congress. I know that if you drive up the cost of labor, your construction project will suffer. Those costs are passed on to the taxpayers.

Has NTIA conducted any studies or analysis to determine how many fewer unserved households will be connected because of these increased costs?

Mr. Davidson. Congressman, I don't have any of that particular kind of data. Our belief is that these are not programs that should be driving up costs. We know there are going to be a lot of different kinds of --

Mr. Allen. So where is the accountability?

Mr. Latta. Well, pardon me. The --

Mr. Allen. Okay. I am out of time.

Mr. Latta. -- gentleman's time has expired. If the gentleman would like to follow up in writing --

Mr. Allen. I am sorry. I was having so much fun there. I yield. Okay. And I thank you, sir.

Mr. Davidson. And I will follow up.

Mr. Latta. Thank you very much.

Mr. Allen. I will follow up with some questions that I would like you to answer.

Thank you.

Mr. Latta. The gentleman's time has expired.

And the chair now recognizes the gentlelady from California's 16th District for 5 minutes for questions.

Ms. Eshoo. Well, first, let me thank you, Mr. Chairman, and our ranking

member, Ms. Matsui, for holding this important hearing.

And, Alan, it is wonderful to see you. It --

Mr. Davidson. It is nice to see you.

Ms. Eshoo. -- always is. It always is.

And I want to compliment you on your answering members directly in a very direct way, but it is conversational. If there is anyone watching this hearing from home, what you say is understandable. And I think that that is causing some excitement across the country about what is going to be taking place in their communities. So bravo to you.

Two quick things off the top.

On the ACP, this is 22 million Americans that, unless Congress funds this program, are going to be getting a letter that says, "You no longer have any internet."

And I think it is important for each member of this committee to know how many people they have in their congressional district that are going to be cut off. This is a responsibility of Congress. This is not some novel, you know, factoid. Twenty-two million Americans is a lot of people.

So can you do that? Can you advise each member of this committee how many constituents they have that will lose their connections unless this is funded?

Mr. Davidson. We have a lot of that data, and I think it is -- first of all, it is --

Ms. Eshoo. Great.

Mr. Davidson. -- an incredibly important point. And I will tell you, there are 2.7 million households in California --

Ms. Eshoo. Uh-huh.

Mr. Davidson. -- who get ACP today.

Ms. Eshoo. But I want to know how many are in mine too.

Mr. Davidson. We will work on the district -- I got the States data for you today.

Ms. Eshoo. Great. Okay.

Mr. Davidson. But I think it is a terrific point. And I think the key point to know is that: 22 million households, many of them -- they are distributed all across America. They are in every congressional district. And a lot of them are in rural areas.

And, also, the other piece is, we are only going to succeed in our broadband build-out if we continue to have the support for them.

Ms. Eshoo. Good. Well, thank you.

On national spectrum policy -- and you talked about, you know, how this is a whole-of-government approach, you are working with agencies, developing good partnerships with your brothers -- you left out your sisters, I noticed. That is the only flaw today so far, Alan.

If you don't agree with an agency, who has the final say so?

Mr. Davidson. Well, ultimately, you know, we are all creatures of the administration and the White House. And we have in our documents now, in our Presidential Memorandum, a clear process for how we are going to resolve any of those kinds of questions --

Ms. Eshoo. I see.

Mr. Davidson. -- when they come up.

Ms. Eshoo. Okay.

Mr. Davidson. But NTIA is the starting point, and we are given a leading role here, which is important.

Ms. Eshoo. Good.

And on the, you know, the public -- the AI accountability --

Mr. Davidson. Right.

Ms. Eshoo. -- when can we expect to see that report?

Mr. Davidson. The first quarter of next year --

Ms. Eshoo. Okay. Great.

Mr. Davidson. -- and maybe even sooner.

Ms. Eshoo. Okay.

Now, you know that the most important resources for the development of AI are good data, computing power, and people -- three things that are almost, today, exclusively controlled by the big technology firms.

I have a bill, the CREATE AI Act -- you are familiar with it --

Mr. Davidson. Yeah.

Ms. Eshoo. -- that includes all sectors having access, you know, to these resources. Because I believe we really need to democratize AI so that innovators across all sectors -- all sectors -- we don't have just one sector in this country; we have many -- that they will be able to work to improve.

Tell us why you think this is important.

Mr. Davidson. Well, AI is going to be transforming our economy. It is going to be a hugely important thing. We know we are only going to be able to appreciate the benefits of it if we deal with the risks of it.

But one of the risks here -- and you so rightly say it -- is if it is only in the hands of a few. We need to make sure that small businesses, researchers all over the country, people all over the country, have access to these tools. And so, making sure that, as you say, that there is data available to a broad set of people, that computing power is available to a broad group is going to be a critical piece of this.

And I would just say, thank you for raising it. And thank you for your long-term leadership in this space and, for so many years, thinking about these hard issues.

Ms. Eshoo. Thank you. You are always welcome here. Thank you for your superb leadership.

Mr. Latta. Thank you.

The gentlelady's time has expired.

Let me just ask our witness, would you like to break now or go through one more witness?

Mr. Davidson. If we have only got -- I could do another one.

Mr. Latta. Okay.

At this time, then, the chair will recognize the gentleman from Texas's 11th District for 5 minutes for questions.

Mr. Pfluger. Thank you, Mr. Chairman.

And thanks for being here, Assistant Secretary.

I authored a letter with colleagues, a bipartisan letter, and was pleased to see the NTIA reconsider its approach to a letter of credit on the BEAD Program.

The success of this program definitely hinges on having service providers of all sizes. I think that has been discussed here. And I hope at this point you will commit to the flexibility in your approach to the requirements that will strike a balance between accountability and fairness.

And my specific question is: While I think that the waiver has been a good step in the right direction, if a State seeks to waive the letter of credit outright at the onset, will you commit to engaging in a thoughtful review of all the waiver requests based on the risk associated with each of the States' reimbursement strategies?

Mr. Davidson. We will absolutely commit to working with States on their requests and looking at them carefully.

I think the letter of credit -- thank you for raising it. And thank you also for the

Members of Congress who weighed in on this.

This, I think, is exactly the way we want to implement this program. We are trying -- as you know, that we have to be accountable, we have to be good stewards of taxpayer money. We want to have the broadest set of people at the table. If we don't get it right, we are committed to reevaluating, just as we did in that letter of credit, and saying, okay, we need to change the rules here.

Mr. Pfluger. Thank you for that.

And following up on barriers to deployment, permitting reform has been one of this committee's very top priorities across all industries. We have passed a number of bills, including the American Broadband Deployment Act, my Federal Broadband Deployment Tracking Act, and others. And we can't close the digital divide if projects are tied up in this red tape.

What is NTIA doing to work with the Federal agencies to streamline their permitting process or have them prioritize broadband permit reviews?

Mr. Davidson. It is an incredibly important question. We are keenly concerned about it as well. We know that we are not going to succeed if we put out all of this money and then projects are tied up for years. And we know this is one of the top concerns we have heard from developers -- or deployers, I should say, providers of networks.

What we are trying to do is work within the Federal Government, first and foremost, because that is where we have the greatest control. We have a permitting group that is set up across agencies. We are working with it. We have new resources to build out a bigger permitting team at NTIA.

And the biggest thing we are trying to do is work with the other Federal land -- like, the land use agencies, who really manage a lot of the Federal

permitting processes, to make sure that they are aware of what this is -- and make sure they have the resources to move us quickly through the process.

And we are also trying to seek ways that we, too, could streamline the parts that we can control.

Mr. Pfluger. Thank you.

Moving to the National Spectrum Strategy, EMBRSS: You know, the administration released the NSS. I was disappointed, you know, in looking at several pieces and parts of this, although they identified about 2,700 megahertz of spectrum for study, it doesn't commit to freeing up a single megahertz of spectrum for auction.

Mr. Davidson. Right.

Mr. Pfluger. And this is where we have to compete with China. This really is so important. We have a national-security side; we have a commercial side.

Does NTIA have specific metrics to reach when it comes to the strategy and identifying and allocating contiguous bands for full-power licensed spectrum? And, if so, what specific procedures will be in place to ensure that these goals are reached?

And I have another question after this.

Mr. Davidson. Okay. Good. I will just say very quickly, we share this goal. We share this goal. We know we are only going to succeed on the international stage if we are freeing up and creating this pipeline.

I will just say, the study is a real thing. We need to be able to make sure we are doing this smartly. All of these bands are encumbered. All of them have uses. If we don't look carefully and figure out exactly how we move systems or where the sweet spot in these bands is, we are not going to succeed.

So we are committed to moving quickly, and we are committed to making sure that we have got -- we know and we talk to industry all the time about their needs, and

that is the metric that we are looking at.

Mr. Pfluger. When you look at the EMBRSS study and it talks about the lower-3, it says that it can be shared --

Mr. Davidson. Right.

Mr. Pfluger. -- if certain conditions are met and if --

Mr. Davidson. Right.

Mr. Pfluger. -- certain conditions are agreed upon.

So is there a timeline? Just kind of "yes" or "no," do you have a timeline yet?

Mr. Davidson. Yes, we do have a timeline.

Mr. Pfluger. Okay.

Mr. Davidson. Both for sharing and then also for studying whether relocation would free up some more space.

Mr. Pfluger. One of the concerns I have had is just, especially being a veteran, having worked in all the spectrum areas as a fighter pilot, the Secretary of Defense submitted the EMBRSS report to Secretary of Commerce in September. A couple of months have passed. We still haven't seen a copy of this. And, last week, the Chairwoman of the FCC informed the committee that she had not seen the EMBRSS report.

So we need to see a classified report of this. And when are you planning on briefing members on the EMBRSS report in a classified setting? And when can we expect the full report to be available for members and heads of other agencies, like the FCC?

RPTR DEAN

EDTR HOFSTAD

[12:30 p.m.]

Mr. Davidson. Yes. "Any day now" is the short answer. We were working very, very hard to try to schedule something before this hearing. It didn't happen. We briefed your staff. We are committed to briefing you as soon as we can.

Mr. Pfluger. Critical that we see that, that we can weigh in.

Mr. Davidson. Yep.

Mr. Pfluger. With that, I yield back.

Mr. Latta. Thank you.

The gentleman's time has expired.

At this time, we will take a very short recess. And I ask all members to remain seated, and we will reconvene very quickly. Thank you.

[Recess.]

Mr. Latta. The subcommittee will reconvene.

And, at this time, the chair will recognize the gentlelady from Michigan's Sixth District for 5 minutes.

Mrs. Dingell. Thanks, Mr. Chairman. Thanks for having this hearing, and to the ranking member.

And it is great to see you. And I am going to get right down to questions. You are doing a great job. We really need you to do a lot of stuff. And I will save the flowery and go to questions.

I want to start with Broadband, Equity, Access, and Deployment, the BEAD Program. In Michigan, almost 500,000 households are unserved or underserved by high-speed internet infrastructure and another 730,000 households face barriers

accessing broadband. Approximately 30 percent of Michigan households do not have an affordable, reliable, high-speed internet connection that meets their needs.

Earlier this year, Michigan received more than \$1.5 billion in BEAD, which will enable every family and business across our State to get access to high-speed internet.

As of November 23rd, all States and territories have released their 5-year action plans and their initial BEAD proposals. Can you update the committee as to how NTIA plans to continue to work with each State and territory in this process?

Mr. Davidson. Absolutely.

First of all, it is so important that -- we will only succeed in connecting everybody if every State and territory succeeds. And so, from the beginning, we have really made it a priority to make sure that we are supporting States and territories in the work that they are doing. They play a central role.

The biggest thing that we have done and are continuing to do is make sure that we have people on the ground in the field, Federal program officers, working with each State. So there is an NTIA employee who wakes up every day thinking, how do I make sure that Michigan is succeeding in this program? There is somebody in every State doing that. And also so that the States know who they can come to.

And I think that kind of customer-service approach has worked really well, and we are committed to continuing it.

Mrs. Dingell. That is excellent. Next time you are here, I am going to ask who is really doing it and who is not getting there.

In October 2023, I led a letter with my colleague Congressman Pfluger asking NTIA to reconsider BEAD's letter-of-credit requirement and find alternatives to allow smaller broadband providers to compete for these funds.

I was pleased to see that NTIA recently took action adjusting the letter-of-credit

requirement to allow for a programmatic waiver.

Can you tell us how this letter-of-credit adjustment leads to more BEAD participation among broadband providers?

Mr. Davidson. Absolutely. So thank you for your leadership on this and for the letter.

Actually, you know, we were trying to do two things here: make sure that we are being good stewards of taxpayer dollars -- we have to make sure that there is accountability, that people who are building the networks actually can step up and do the work. We also wanted to make sure that the broadest possible set of providers are engaged.

And what we learned -- and I think, you know, it was letters like the one that you sent that made it clear to us that the letter-of-credit requirement that we originally had was too expensive, too onerous, was going to keep people off the playing field.

And so what we have done is make an adjustment that makes it possible to have other ways of satisfying that same requirement. It gives us confidence, you know, that they are going to be able to -- the providers will be able to -- if they are getting a lot of money, we need to make sure that they can do the work. But it is going to be something that is cheaper and that we know more people will be able to participate.

So thank you for your leadership on this.

Mrs. Dingell. No. Thank you.

As co-chair of this IG Caucus, I am acutely aware of the importance of making additional spectrum bands available for commercial wireless use. I was therefore pleased that President Biden recently released a memorandum modernizing spectrum policy and that NTIA released a National Spectrum Strategy. Spectrum is a key component to advancing 5G in this country, ensuring that we don't fall behind China,

Japan, South Korea.

Can you tell us how NTIA will accomplish the goals set out in the President's spectrum memorandum and the National Spectrum Strategy to ensure that there are adequate spectrum resources for various industry sectors and use cases?

Mr. Davidson. Right.

Mrs. Dingell. Something you know I care deeply about.

Mr. Davidson. Absolutely. And it is so critical. And you have said it so well. It is really about competing well on the global stage. And we can only do that by making sure that we are meeting that spectrum demand from the private sector as well as meeting the needs of the Federal missions.

The biggest thing that we were instructed to do was to make sure that we were putting these studies together. The Presidential memo from the White House asked for 1,500 megahertz of study. We are actually going to study over 2,700 megahertz of spectrum. And that is going to make a huge difference.

Now the big work is executing those studies, making sure that we are actually putting spectrum into the pipeline. But we now have that mid- to long-term path; we know for the next several years where we are going. And I think that helps industry and it helps us, to know what our strategy is.

Mrs. Dingell. Thank you.

Mr. Chairman, I am almost out of time, so I am just going to reaffirm previous colleagues' questions, too, on the importance of the Affordable Connectivity Program and making sure --

Mr. Davidson. And we are delighted to follow up with you about that. And there --

Mrs. Dingell. Thank you.

Mr. Davidson. -- are over 800,000 people in Michigan who rely on it, households --

Mrs. Dingell. I know.

Mr. Davidson. -- that are on it now.

Mrs. Dingell. Thank you.

I yield back, Mr. Chairman.

Mr. Latta. Thank you very much.

The gentlelady's time has expired.

And the chair now recognizes the gentlelady from Tennessee's First District for 5 minutes.

Mrs. Harshbarger. Thank you, Mr. Chairman.

And thank you, Mr. Davidson, for being here. I am over here.

Can you share any insight into the PATHSS report and whether you and Secretary Raimondo agree with the DOD's assertion that it can't make any of the lower-3-gigahertz band available for commercial use, please, sir?

Mr. Davidson. Yeah. So I would say, from what I have seen of the study, we agree with the technical conclusions about the difficulty of sharing right now. But there is a big line under the "right now," right? And I think that what DOD said -- under current circumstances, it is very hard to share, but we are also, sort of, not ready to give up on this band because it is so valuable. And that is the work that we have ahead of us.

Mrs. Harshbarger. Were there any conditions or limitations under which non-Federal access could be permitted?

Mr. Davidson. So the DOD did put together in their study a set of ideas about what would make sharing possible, different conditions. And that is, I think, door number one, which is to say, how could we follow the recommendations in the study and

try and create a situation where you could do sharing?

The door number two for us is -- what they didn't address in that study is also, if we spent some money and moved one of the systems that exists right there in that band, could we free up spectrum for non-Federal uses? And those are the two things that we still want to study.

Mrs. Harshbarger. Well, how much spectrum does the military control for DOD?

Mr. Davidson. That is a tough question to answer and probably one that is better answered in a different setting. But I would just say, they are the largest Federal spectrum user, and for good reason -- you know, the very important warfighting missions.

Mrs. Harshbarger. Well, absolutely. But when could you do that in a classified briefing setting?

Mr. Davidson. We would be happy to follow up with you --

Mrs. Harshbarger. Just give me a date, and I will be there.

Mr. Davidson. And it is one that is probably better done with DOD.

But, as I said before, we are also very committed to working to get this lower-3-gigahertz study into the committee's hands --

Mrs. Harshbarger. Okay.

Mr. Davidson. -- in the right setting, as soon as we can. And I mean, we are talking days, not weeks or months.

Mrs. Harshbarger. Yeah.

It was mentioned that there are reports of overbuilding in the broadband fiber community taking place. And if that is the case, wouldn't that require more funding because you still have those --

Mr. Davidson. Right.

Mrs. Harshbarger. -- places that haven't got broadband built out?

Mr. Davidson. Yeah. Well, you are absolutely right, and we are eager to avoid any kind of duplication of services, because we know that the only way we are going to be able to meet this mission of connecting everybody is if we use the money smartly.

Mrs. Harshbarger. Yeah.

Mr. Davidson. Congress was very clear in the statute, in our view. The Bipartisan Infrastructure Law makes it very clear how we are supposed to spend the money: unserved/underserved communities first; then States have some more flexibility.

Mrs. Harshbarger. Yeah.

Mr. Davidson. And we are going to stay laser-focused on that.

Mrs. Harshbarger. You stated that we need to be more efficient in how we use that spectrum. So give me an example or some examples, please.

Mr. Davidson. I think part of it is making sure that -- there are things that we can do with technology to be more efficient. There are possibilities for sharing. Like, sometimes you use spectrum and you will use it in one place; like, the Navy uses it for radar on the coasts. But, actually, the spectrum is pretty available in a lot of other places in the United States. In those settings, could we be more efficient by saying, well, let's allow commercial and non-Federal uses in those other places?

Mrs. Harshbarger. Yeah.

Mr. Davidson. So those are the kinds of things we are constantly looking for, which is to say, like, could we be more efficient just about the time that spectrum is being used, the places it is being used, the technology we are using.

Mrs. Harshbarger. Yeah.

Mr. Davidson. And that is the kind of stuff we are looking at.

Mrs. Harshbarger. Okay.

You mentioned you had two or three trusted network providers. Who are they?

Mr. Davidson. Well, I think it is -- I am not -- people in the industry understand that, for example, companies like Ericsson, Nokia, Fujitsu are major providers of network services, and they do it in a way that we consider to be far more trustworthy than, for example, the Chinese --

Mrs. Harshbarger. Totally.

Mr. Davidson. -- equipment providers.

Mrs. Harshbarger. Okay.

What steps are you taking to improve the coordination and management of Federal spectrum?

Mr. Davidson. We are doing a huge amount. And I think coordination is critical. I know sometimes it can sound a little boring, but it is really, really important to make sure that all of the Federal agencies are working together and that we have processes in place to make sure we are being efficient, as we were just discussing.

We have working groups that get together regularly. We have working groups that we do with Federal -- with the private sector to ensure that we are hearing from the private sector about what their needs are going to be.

The National Spectrum Strategy itself is a product of the coordination mechanisms. We have an MOU with the FCC that has been very powerful. And the spectrum strategy and the Presidential memo together are really about forcing us to make sure that we continue that coordination well.

Mrs. Harshbarger. Yeah. Well, you know how that goes. The more agencies, the longer it takes.

Mr. Davidson. Okay. Thank you.

Mrs. Harshbarger. With that, I yield back, sir.

Mr. Latta. Thank you.

The gentlelady yields back.

And the chair just wants to mention that we have several members that are waiving on to the subcommittee today, but, under committee rules, we will go through all of the members that are currently on the subcommittee. We will recognize them first, and then we will go to the waive-ons.

At this time, the chair will recognize the gentlelady from Florida's Third District for 5 minutes.

Mrs. Cammack. Well, good to see you.

Mr. Davidson. Good to talk to you again. Thank you.

Mrs. Cammack. Yeah. Yeah. A good conversation this week. I am thankful you took the time.

So I will just jump right into it. I know my colleagues have hit quite a bit on the DOD study, and we talked about that earlier, so I won't delve into that. So I am going to take a different turn here and talk about the IJJA.

So the NTIA was given \$850 million. Two percent of the total BEAD funds were set aside to administer the program, and I think that comes out to about \$17 million, if my math is correct.

So the question is: With that and the additional funds for grant administration, do you have information regarding how many new staff members NTIA hired to run the BEAD Program and how else you plan to use these funds and how much of the funds currently remain today? So that is kind of a three-parter.

Mr. Davidson. So I don't have my fingertips on some of those numbers, but I can give you a sense of it, which is that we have grown quite a bit to be able to administer these programs, and I think appropriately.

So we have looked out across the lifecycle of this program; it is a 10-year program, roughly. We have been given a fair amount of money -- the BEAD Program was given a fair amount of money. Two percent is a lot of that. I will say that the other programs that we administer are much leaner, and 2 percent to run, you know, for example, a competitive grant program that we administer is actually probably not enough money to do that. And there is more that we could say about that.

But I will just generally note that we have staffed up quite a bit. Well over 100 people, now, working across our broadband programs, I would guess. I could give you specific numbers.

And one of the biggest things we have done is build out that State-Federal program officer cadre that I was mentioning earlier that actually is making sure that we have a person for every State and the State knows who they can pick up the phone and call. And I think that customer-service approach has been the biggest thing that we have used the money to build, and I think it is working well for the States.

Mrs. Cammack. Okay.

And, actually, for the record, I do have a couple questions in that same line --

Mr. Davidson. Right.

Mrs. Cammack. -- about our State broadband -- Florida's broadband office and some of the accountability measures. So I will submit those for the record.

Mr. Davidson. Terrific. We would be very happy to --

Mrs. Cammack. If you could get those back to us. Because I know we are --

Mr. Davidson. Yeah. And very happy to follow up with you and your team directly about it.

Mrs. Cammack. Okay. I appreciate that.

So there has been a couple IG reports about FirstNet. In August of 2022, FirstNet

did not have reliable cost estimates. Then, November 2022, FirstNet could not demonstrate that investment decisions were used in a way that maximized the benefit for public safety. And then, in March 2023, FirstNet failed to provide adequate contract oversight.

So, without a doubt -- and you and I have had this conversation.

Mr. Davidson. Right.

Mrs. Cammack. Wife of a first responder. FirstNet is very important for public safety. I am an advocate.

But it looks like they are in significant need of more oversight from NTIA. So can you kind of outline what steps you are taking to provide that additional oversight?

Mr. Davidson. Yeah. It is a terrific question.

And let me just very quickly say how important FirstNet is to us. It is a huge priority. It is also, I think, in so many ways, a public-private-partnership success story -- you know, to go, in 6 or 7 years, from nothing to 5 million first responders now relying on the network, 27,000 public safety agencies now signed up for it. It is hugely important.

That said, we need to make sure it is run properly. I think we have seen those reports. They go back several years, since before my time. But we take them seriously. We have instituted reforms to make sure that FirstNet is operating now in the ways that address those concerns.

We also have new leadership at FirstNet, including a very dynamic and excellent new executive director who comes out of the Federal Government, understands how Federal Government oversight needs to work. And I have a lot of confidence in the current leadership and our path forward to make sure we are addressing those concerns that have been raised.

Mrs. Cammack. Well, and perhaps in your response to some of the questions we are submitting for the record, if you could kind of dive into the steps that you are taking. Because I know, certainly, not just, you know, the majority but, I think, all Members of Congress, we get a little bit frustrated when there are IG reports that come out and no steps are taken or recommendations adopted. So I think that is just really important, if you could get that back.

Mr. Davidson. There is a lot that we could say, and I am happy to discuss it either in questions or follow up directly.

Mrs. Cammack. And I know I am coming short on time. You and I talked about this a little bit earlier this week, but could you talk a little bit about the implementation efforts that you are undertaking on Next Generation 911, in that same vein of first responder and public safety?

Mr. Davidson. Yeah. Well, I guess the biggest thing that I would say is just that Next Generation 911 continues to be an incredibly important thing for our country. The way that people communicate has changed; we need our 911 centers to keep up.

I have visited 911 centers across the country and know how big the need is. We should really keep working. And I know, in fact, spectrum legislation could be a path to funding that work.

Mrs. Cammack. Excellent. Thank you.

Mr. Davidson. Thank you.

Mrs. Cammack. I have run out of time. I will submit those questions for the record.

[The information follows:]

***** COMMITTEE INSERT *****

Mrs. Cammack. I appreciate working with you.

Thank you, Mr. Chairman. I yield.

Mr. Latta. Thank you.

The gentlelady's time has expired.

And the chair now recognizes the gentleman from Texas's 14th District for 5 minutes of questions.

Mr. Weber. Thank you, Mr. Chairman.

Secretary Davidson, my home district near Houston is home to the largest CBRS network in the world, almost 4 square miles, at Dow Chemical. We have seen how beneficial shared spectrum like CBRS is for the industrial and manufacturing sectors. Companies like the Taiwan Semiconductor Manufacturing Company and John Deere, as you know, also use the technology.

So my question for you is: What work has NTIA done to take stock of how the 3.1-, 3.5-gigahertz band could supercharge efficiency and innovation for our manufacturers, particularly as their work may relate to similar undertakings of that at the Department of Commerce in implementing the CHIPS Act?

Mr. Davidson. That is a great question. I will just say first of all, we also are excited and see the progress that CBRS has made. Spectrum-sharing is absolutely going to be a huge part of our spectrum future -- like, making sure that we are actually using the spectrum efficiently by sharing it among the different users who could be making the most beneficial uses of it. And so I am glad to hear the real-life examples of how well it is working.

We also have been tracking progress on CBRS. Recently released a study, I think earlier this year, looking at the adoption of CBRS and really seeing this huge uptick in its use, which is terrific.

You asked, I think, about the 3.1-, that lower-3-gigahertz. I think the tricky part there is what we are seeing from our colleagues at DOD, is that that portion of spectrum is not readily available today. And this is what I was trying to say earlier, is that you can't share it now and use it for these spectrum -- that we have real work to do to be able to meet the conditions where we could do more sharing. But we are not ready to give up on it, and we want to do that hard work.

Mr. Weber. And was that part of your exchange about maybe not to discuss this in this setting? Was that part of your --

Mr. Davidson. Yes. Part of it is --

Mr. Weber. Yeah. Okay.

Mr. Davidson. Part of it is a conversation that is better had when we can talk to --

Mr. Weber. Sure.

Mr. Davidson. -- the whole report in a more appropriate setting.

The second piece of it, though, is just -- the part that I can say is that we remain committed to the follow-on work that is necessary to make that sharing possible.

Mr. Weber. A followup question: Does the NTIA hold any concerns about the cost of building out low-power bands like CBRS or using similar technologies to deploy -- here is an old word -- auctioned spectrum?

Mr. Davidson. I think we are always keen to make sure that we are being careful about taxpayer money and cost. At the same time, I think there are potential win-wins in the auction setup to make sure -- I think this is what you are getting at -- that we can basically make sure that we are -- there are going to be situations where the private sector could be funding some of that work. And that is what we are --

Mr. Weber. That is exactly it.

So to what extent was the economic feasibility of the commercial industry sharing the band considered in the PATHSS report?

Mr. Davidson. Right. That part, again, easier to talk about in a different setting where we can discuss the full report.

But I think -- that is the part that was missing, in some ways, too. And I think that what we could say is that the PATHSS report, the lower-3-gigahertz report, focused almost entirely on this question of whether sharing was possible today. It did not look at the question of, if you had money to spend, say, from auction proceeds, and were able to relocate a system, would there be greater opportunities either for sharing or for other kinds of commercial uses.

And that is the follow-on piece that we would like to take up. So it wasn't studied in that first part, but we think it is very valuable to study.

Mr. Weber. Okay.

Well, with that, Mr. Chairman, I am going to go ahead and yield back.

Mr. Latta. Thank you.

The gentleman yields back the balance of his time.

The chair now recognizes the gentleman from Idaho for 5 minutes.

Mr. Fulcher. Thank you, Mr. Chairman.

Mr. Davidson, thank you for being here today.

In the Infrastructure Investment and Jobs Act, Congress chose to remain technology-neutral when creating the BEAD Program. NTIA, in their notice of funding opportunity, prioritized projects utilizing end-to-end fiber projects other than in areas that meet what States determine to be an extremely-high-cost-per-location threshold.

Now, many States have acknowledged that the available funding will not allow them to fully connect the unserved areas in the State using only fiber and that being able

to utilize a mix of technologies will maximize the funds.

So the language in IJJA demonstrates Congress's intent that the allocation of the BEAD funding be technology-inclusive, allowing States to make decisions based on maximizing the reach of the funds, but the administration and NTIA have made a clear preference for fiber, is what it looks like to me, in their program rules.

So now the question: Can you give us some explanation, how NTIA intends to handle State plans that include technologies other than fiber, such as fixed wireless access and so on?

Mr. Davidson. Thank you for the question. It is a very important question because, I will just say, we have known from the beginning that we will only succeed in this mission of connecting everybody if we use all available technologies.

And while we do think that we want to make sure we are giving every American the best possible internet connection they can get and in many cases that is a fiber connection, in many situations that is just not going to be possible.

And we expect that States are going to have plans that will include a variety of technologies, including fixed wireless and including low-Earth-orbit satellites, which offer a lot of potential for connecting places that are very, very hard to reach.

Mr. Fulcher. So, just to confirm --

Mr. Davidson. So we expect -- short answer is, we will look favorably on these -- we expect that States are going to have plans that have all of these technologies.

Mr. Fulcher. Okay. So, to confirm, States will be permitted to make decisions on the distribution of funds based on their individual situation?

Mr. Davidson. Exactly. And there are a set of rules that we lay out about how they do that and -- but we always expected and the rules are set out in a way that -- our notice is set out in a way that they can adopt a variety of technologies.

Mr. Fulcher. Okay. Thank you.

According to the NTIA "Environmental & Historical Preservation Fact Sheet" that came out in December of 2022, NTIA has indicated that the BEAD environmental review process should take about 3 to 18 months or more, meaning some projects may be significantly delayed in beginning actual deployment activities.

So, given the routine nature of anticipated deployment activities and the urgency to have BEAD projects completed and connect unserved and underserved communities, can you please share, Mr. Davidson, what actions is NTIA taking to streamline the environmental review process -- we have problems with that in a whole host of areas. But what action would NTIA take or is it taking to streamline the environmental review process to mitigate potential deployment delays?

Mr. Davidson. This is an incredibly important area. I am glad you are raising it. We have heard directly from, you know, network providers that one of their biggest concerns is going to be about the permitting processes. And we don't want to spend all this money and then find that it is going to take years longer to deploy the networks.

What we are doing is trying to do what is possible within our power to streamline these processes. We have just recently stood up a team within NTIA to make sure that we are, you know, addressing the pieces that are within our power. We are working with other Federal agencies, particularly the land-use agencies, to make sure that they have the resources and that they are streamlining their efforts. The whole Federal Government has set up a cross-agency working group specifically on permitting to try to streamline.

So we are doing all of those things. And the biggest things is standing up this team. And we are eager to do more. This is -- I will just say, this is a biggest issue that we know is coming, you know, really more in 2025, 2026.

Mr. Fulcher. So I have just about 40 seconds left, but that does bring up another point I wanted to raise.

I have a bill, Reducing Barriers to Broadband on Federal Lands Act, 2023. Basically, it streamlines the NEPA process in areas where there has already been a disturbance of the land and a NEPA process prior, where there is a new application.

And so if I could get any comments regarding progress being made to help broadband infrastructure across Federal land that has previously been disturbed, that has already gone through the process, any further comments in my remaining seconds?

Mr. Davidson. Well, I will just add that we would be delighted to follow up and talk to your staff. I am not the NEPA nerd at NTIA, but we have them. And I would be happy to talk to you more about the work that we are doing and hear from you about your --

Mr. Fulcher. Those are cursed positions.

Mr. Davidson. We actually have great people working on this.

Mr. Fulcher. I don't doubt that, but they are still a cursed position.

All right. Thank you, Mr. Chairman. I yield back.

Mr. Latta. The gentleman's time has expired.

And, at this time, we will go to the members who have waived on to the committee.

The gentleman from Ohio's Sixth District for 5 minutes.

Mr. Johnson. Thank you, Mr. Chairman.

The BEAD Program is quite ambitious in its stated purpose of connecting every household in America to high-speed internet. But even with more than \$40 billion in funding, I am concerned that if NTIA doesn't allow a range of technological solutions to be used, we might spend tens of thousands of dollars connecting a single home that could be

served much more affordably by satellite or some other technology, I mean, because there is a wide disparity in cost for some of these solutions.

This is especially the case in places like eastern Ohio, where the terrain and rural character of many areas would make fiber much more expensive and harder to deploy than something like low-Earth-orbit satellite internet.

So, Mr. Davidson, how is NTIA going to ensure that 100 percent of the unserved and underserved locations have access to broadband pursuant to the BEAD Program? And what is the plan for the most difficult locations and those locations that ISPs do not want to serve despite the BEAD funding? How are they going to be handled?

Mr. Davidson. Right. It is a terrific question, and the short answer is: The way we are going to make sure everybody is served is exactly as you say, with a range of technologies. We have always contemplated, from the beginning, that States would ultimately adopt a range of technologies and different States would choose a different mix.

And the way it is going to work is actually just as you said, or indicated. It is going to be fiber first where we can, and then States have the flexibility to use other tools, including setting the high-cost threshold so that for the most expensive, difficult-to-reach places we are going to use alternate technologies, which will include things like, for example, low-Earth-orbit satellites, those LEO satellites, which can give very good service and do it more cheaply in remote areas.

Mr. Johnson. Okay.

One of the principal roles of NTIA is to be the convener of Federal entities to determine the best use of spectrum.

Mr. Davidson. Right.

Mr. Johnson. NTIA is supposed to be the principal advisor to the President on

spectrum and act as the manager of Federal spectrum.

I am concerned that your role in this important job has slipped. Today, DOD seems to be playing an outsized role in spectrum policy. And I am 27 years in the military, and I was an IT guy there, so I understand how critically important spectrum is to DOD. But spectrum policy is your job.

Mr. Davidson. Right.

Mr. Johnson. What is Secretary Raimondo doing and what are you doing, as the Administrator of NTIA, to reinsert NTIA as the convener and neutral arbiter of spectrum policy?

Mr. Davidson. So, since the time that I have started in this role, we have really worked to assert NTIA's statutory authority and our key role as being a center -- not just a convener but a leader, in terms of thinking about the path forward on spectrum, resolving major spectrum questions and disputes among agencies, making sure that we have good science in place to do that work, building out a team to do that.

We have been working on all that, and probably the most tangible result of that has been the National Spectrum Strategy that you have seen and the Presidential memo that came out with it that really cements NTIA's central role in leading this work and leading these studies. So we have a path forward to do that now.

Mr. Johnson. Okay.

Congress included the Public Wireless Supply Chain Innovation Fund as part of the CHIPS and Science Act in 2022 with the intent of facilitating the adoption of open and interoperable wireless networks.

While Congress appropriated \$1.5 billion for the fund, only about \$20 million has been awarded by NTIA so far, and largely to academic institutions, not to the carriers deploying the networks.

So what is NTIA doing to ensure that funds are being disbursed in a manner that actually supports timely commercial wireless deployments?

Mr. Davidson. I would say, we are working hard to do this. It is an incredibly important and exciting project to make sure that we are opening up the wireless equipment market, making it more resilient that way, making sure that more people can participate in it.

We have started that first set of grants. And I would just say, watch this space. There is more to come. In the coming weeks, we will be putting out some much larger grants.

Congress did, in fact --

Mr. Johnson. So -- and my time is running out. And I am sorry, I don't mean to cut you off. Because my last question was: When can carriers expect to see support from this fund? So you are saying in the near future they are going to begin to see this open up.

Mr. Davidson. In the near future, you will see some larger grants. And Congress did say \$150 million the first year and then more in the out-years, so we are obeying that.

Mr. Johnson. Okay.

Mr. Chairman, I yield back. Thank you.

Mr. Latta. Thank you.

The gentleman's time has expired.

And the chair will now recognize Mr. Obernolte from California for 5 minutes, who is a member of the subcommittee, and then we will go back to questions from those who are waiving on.

Mr. Obernolte. Well, thanks very much, Mr. Chairman.

And thank you for being here. Thanks for an excellent hearing.

I wanted to follow up some questioning on the Broadband Equity, Access, and Deployment Program. I know Congressman Bilirakis was asking about rate regulation, and you made it very clear that the statute would prohibit NTIA from enacting any rate regulation as part of BEAD.

I have to say, first of all, that BEAD has been a game-changer in my home State of California. We are implementing projects for almost \$2 billion of broadband deployment. So it is going to bring broadband to vast segments of the State that don't have access to it. It is an overwhelmingly good program.

One of the points of contention, however, has been with the California Public Utility Commission, who has established a rule that requires that programs that are deployed under BEAD also comply with a restriction that they offer at least 1 gigabit upstream and downstream and that they cost no more than \$30 per month. And that seems a lot like rate regulation to me.

So do you think that States like California, through the CPUC, have the authority to do that kind of rate regulation for projects that we are funding through NTIA under BEAD?

Mr. Davidson. So I am not as familiar with the specific example that you are giving, and, honestly, it wouldn't really be appropriate to comment on a specific State plan right now until we have received it and while it is being under consideration.

I will just say, we have said from the beginning we will not do rate regulation at NTIA. We are very cautious about trying to be in the role of setting a rate for broadband nationally.

At the same time, we have said that States should have the flexibility, and different States are going to approach this in different ways that are going to meet their

State's needs. And so we also think that, you know, as a condition of getting Federal money, for a State to put certain requirements on providers is understandable.

We have tried to spell out the flexibilities that we see in the program, and, you know, we are really looking forward to seeing what States come up with.

Mr. Oberholte. Okay. Well, I mean, that sounds like you might be open to the idea of a State doing this.

Mr. Davidson. Well, I think the question is -- again, we don't consider it rate regulation if it is -- it is not something that is required of all broadband providers, right? This is not something that all broadband providers have to do.

This is something that is a condition of getting this funding. And Congress has said very clearly, there needs to be a low-cost option for people who get the funding. States are going to do it in different ways. It is very hard to know -- I really think it would depend a lot on the details of what they are proposing and how they are doing it.

And, again, a low-cost option, in our mind, is something that should apply -- as we have said in our model, be for the low-income families. And, you know, we have considered the basic tiers of service, the ones that are most important.

So I just don't know enough about the details of what you are suggesting, but --

Mr. Oberholte. All right. Well, I mean, I would encourage you to look a little bit at that.

Mr. Davidson. Yeah.

Mr. Oberholte. I mean, I will tell you, Congress was pretty clear when we authorized BEAD that rate regulation was not on the table, that this was not an effort to regulate rates. And I think it is fair that, because those are the conditions under which this money is being provided to States, that that requirement applies to them as well.

We are trying to correct a market failure here, where we are trying to serve

people that are underserved. And if we interfere in the markets further, I think that makes our job much harder.

So I would appreciate it if you could look into that, because I don't think that that should be allowed.

Mr. Davidson. Okay.

Mr. Obernolte. Another thing that I want to talk about with respect to BEAD is something that was brought up by Congressman Soto a little bit -- you know, the fact that BEAD is prioritizing the provision of end-to-end fiber.

And, in California, I mean, specifically, BEAD is wonderful, but we are not even going to get halfway to providing broadband to people that are completely unserved in California with BEAD. I mean, I think the combination of BEAD funding and other sources of funding are about \$9 billion in California, and the unmet need is over \$9 billion just to provide service to people that have no service at all.

So, I mean, we need to look at other ways of providing that service as well. And we have other compelling options, like low-Earth-orbit satellite-based, we have options like wide area networks that might be more efficient.

So can you talk a little bit about whether or not it makes sense to include those other kinds of broadband?

Mr. Davidson. So the short answer is: Absolutely it makes sense to include them. We have known from the start that different States are going to have different needs but that for many States it is going to need to be a mix of technology if we are going to reach everybody.

Look, fiber is the starting point because, as you know, it is the most extensible, expandable, future-proof version of the technology. That said, things like low-Earth-orbit satellites are going to be incredibly important in reaching the

hardest-to-reach locations.

Mr. Oberholte. I completely agree.

Well, I am out of time. I had a question about your upcoming report on open-source AI risks, which I am very interested in. I will submit that for the record and --

Mr. Davidson. Please.

Mr. Oberholte. -- look forward to reading it.

Mr. Davidson. Delighted to talk about.

[The information follows:]

***** COMMITTEE INSERT *****

Mr. Oberholte. Yeah.

I yield back, Mr. Chairman.

Mr. Latta. Thank you very much.

The gentleman's time has expired.

And the chair now recognizes the gentleman from New York's 20th District for 5 minutes.

Mr. Tonko. Thank you, Mr. Chair and Ranking Member, for holding this important hearing and for allowing me to waive on.

And thank you, Assistant Secretary Davidson, for your excellent leadership of NTIA.

Throughout my time in Congress, I have worked hard to champion efforts to bring broadband access to unserved and underserved areas. I was thrilled to vote for the Bipartisan Infrastructure Law, which established, amongst other programs, the Broadband Equity, Access, and Deployment Program, a once-in-a-generation investment in affordable internet access.

Earlier this year, I was excited to see the Biden administration announce some \$665 million for New York State through the BEAD Program. I am especially proud that this funding will be delivered more effectively thanks to the work of the Office of Internet Connectivity and Growth, an office established by my ACCESS BROADBAND Act of 2020.

With today's historic levels of broadband investments, the OICG is more important than ever to get this funding out the door quickly and, more importantly, to ensure that it reaches the communities that need it.

So, Assistant Secretary, in your testimony, you discussed how the NTIA is working closely with States and territories to submit strong proposals for the BEAD Program. How is the NTIA ensuring that States and territories are engaging in robust and ongoing

conversations with communities, especially underserved communities, as part of that planning process?

Mr. Davidson. Yeah. Thank you for the question, and thank you for your longtime leadership. And the OICG, the Office of Internet Connectivity and Growth, has been a -- you know, it is one of the crown jewels of NTIA now.

Mr. Tonko. Thank you.

Mr. Davidson. The question is incredibly important, because we know that community engagement and participation is essential if we are going to succeed in the goals of this program of the Internet for All, of reaching all communities. Communities themselves are the ones who know best where the need is and how to best meet it.

We have done a number of things to make sure that communities are participating. Most importantly, we have told States that we expect -- we require in their State plans that they show us how they have consulted with local communities.

We have built out a Federal program officer program within OICG to make sure that every State has got an NTIA person on the ground who is thinking about how to make sure that communities are part of process.

We have build out our Office of Minority Business Initiatives to make sure that we are bringing in diverse voices into these conversations.

So, across the board, we are working to make sure that communities are a key part of these conversations, and including, also, requiring that States put out their plans for public comment, which they are doing right now.

Mr. Tonko. Great. Thank you.

And for the successful implementation of BEAD and other programs key to digital inclusion, like the Digital Equity Program and the Connecting Minority Communities Program, removing any barriers to program participation is essential.

So can you speak on what approaches have been most successful in ensuring that disadvantaged communities, in particular, can access Federal broadband resources and, indeed, apply successfully?

Mr. Davidson. I think, you know, I would come back to pointing to the staffing that we have built out. We have known from the beginning that it is important that we have diverse voices in this body of work and also that it is at the community level and the local level.

The biggest thing we have done -- I will say two things. One is building up that cadre of Federal program officers who can do this outreach on the ground. The second is really engaging with the stakeholder community who can help. We have built out a State Broadband Leaders Network, where we work specifically with State broadband offices. We have a Digital Equity Leadership Network, where we are working with community leaders, mayors, local officials who are doing digital equity work.

And all of that is part and parcel of this idea of we have to be engaged directly not just at the State level but with communities and with the nonprofit organizations that do work in the field.

Mr. Tonko. Thank you.

Additional key responsibilities of the OICG include improving interagency communication, tracking Federal broadband spending, and coordinating all of that with Federal and State entities.

So, Assistant Secretary, how has Federal, State, and local coordination of broadband programs improved over the past few years?

Mr. Davidson. I have to say, it is -- so coordination is incredibly important. If we are going to be good stewards of taxpayer money, we need to make sure that all of the Federal agencies working in this -- and there are a number of us -- are

well-coordinated.

I will say, coordination is radically improved from where we were several years ago, even since I started in this role. We have regular -- we have MOUs between a number of the agencies who are doing this work, so we are sharing data between ourselves. We have maps now that have been -- at Congress's instruction -- are the core things that we all use to make sure we are coordinated.

And we have interagency coordination mechanisms, starting at the White House, that bring all of the leaders, quite regularly -- maybe too regularly, it feels like sometimes -- to talk together and make sure that we are well-coordinated.

Mr. Tonko. Thank you. Well, it sounds as though we are getting the dollars out the door and in an effective way, so that is terrific.

Mr. Davidson. Yes, sir. Thank you.

Mr. Tonko. With that, Mr. Chair and Ranking Member, I yield back.

Mr. Latta. Well, thank you very much.

The gentleman's time has expired.

And the chair now recognizes the gentlelady from Arizona's Eighth District for 5 minutes.

Mrs. Lesko. Thank you, Mr. Chair.

Thank you, Mr. Davidson.

I want to raise some concerns in a provision of the BEAD notice of funding opportunity related to the labor and employment provisions.

As you know, the only labor and employment requirements in the IJA are that an applicant must demonstrate a record of compliance with labor and employment laws and certify they will continue to comply with those laws. This is the only requirement Congress included on this issue.

My concern is that the NTIA has included a lengthy list of their own social-engineering policies to promote and, in my opinion, mandate the use of organized labor. This includes prevailing wages, project labor agreements, union peace agreements, and union neutrality agreements.

And, to make matters worse, it seems that the Department of Commerce and NTIA are strong-arming States into accepting these provisions.

Mr. Davidson, are you aware that the Arizona BEAD Volume 2 proposal includes project labor agreements, union peace agreements, and union neutrality agreements?

Mr. Davidson. I have not actually had a chance to see that part of the Volume 2 provisions and, actually, really can't comment on any specific proposal. But I understand the point that you are raising.

Mrs. Lesko. Well, so my next question, then: Are you aware that Arizona State law prohibits public contracts from using any of those types of agreements? Are you aware that Arizona is a right-to-work state?

Mr. Davidson. I am not surprised to hear that.

Mrs. Lesko. NTIA has publicly stated that the labor provisions I mentioned are just options for States to include, not legally binding mandates. But if a State is going to judge an applicant on their willingness to accept these provisions through the scoring system, applicants will be pressured to accept these provisions to ensure a competitive application. In effect, they will become a de facto requirement.

Is NTIA encouraging or pressuring States to include these labor provisions as part of the scoring criteria as a way to backdoor your social-engineering policies into BEAD?

Mr. Davidson. The short answer is, no.

I think the longer -- I understand the concern that you are raising. We have tried to be quite careful and cognizant of the fact that different States have different State laws

and different approaches.

The focus that we have had is on compliance with Federal labor rules. And I believe that, when we put the scoring criteria together that we do require of States, it was only to the extent that they are required to consider compliance with Federal law.

Beyond that, different States are going to take different approaches. We know that. We have tried to give States a fair amount of flexibility in the way that they have implemented it. We are not strong-arming or pressuring them in any way on those issues.

Mrs. Lesko. Well --

Mr. Davidson. But compliance with Federal labor law is actually a requirement.

Mrs. Lesko. Let me follow up on the question, then. If a State includes only what is required by law, will NTIA approve that State's plan? Or will you reject a plan that does not include any of the organized labor provisions included in your notice of funding opportunity?

Mr. Davidson. I would have to look at the -- we always have to look at the totality of the plan. The short answer should be yes, but there are -- I just want to note that there are some requirements, when States reject certain kinds of provisions, that they provide an explanation of why they have done that. And so that would be potentially a piece of this.

But I would have to look at the details to know if that is, in fact, true in this case. So I don't want to just give you a blanket answer. But the intent is to be able to get to that place that you have just said.

Mrs. Lesko. Well, I think, in conclusion, I want NTIA to focus on bringing broadband to the unserved. Adding in all of the social-engineering policies distracts from deploying broadband, will likely make broadband deployment more expensive, and

unnecessarily slow down deployment.

And you can see the conundrum. Arizona State law says one thing, but if NTIA is going to pressure the States into doing these labor agreements that aren't allowed by Arizona law, it kind of puts us at a disadvantage.

Mr. Davidson. Well -- and I will certainly say, we have always built this program with a strong understanding, first of all, that different States have different laws and we need to understand those -- respect those approaches.

And then the other thing is, we are laser-focused on trying to get this money out the door as quickly as we can and help States build networks for the people who need them as quickly as possible, while being good stewards of taxpayer money. That is our focus. It will continue to be our focus.

Mrs. Lesko. Good. And I hope you allow the States to do what they will do according to their own laws.

And thank you.

And, with that, I yield back.

Mr. Latta. The gentlelady's time has expired.

And, at this time, seeing that we have no further members wishing to ask questions, I want to thank you again for being with us today. Greatly appreciate it.

And I ask unanimous consent to insert into the record the documents included on the staff hearing documents list.

Without objection, so ordered.

[The information follows:]

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Mr. Latta. And I will remind members that they have 10 business days to submit questions for the record. And I ask the witness to respond to the questions promptly. Members should submit their questions by the close of business on Tuesday, December the 19th.

[The information follows:]

***** COMMITTEE INSERT *****

Mr. Latta. And, again, Assistant Secretary, we really appreciate you being with us today.

And, without objection, the subcommittee is adjourned.

[Whereupon, at 1:23 p.m., the subcommittee was adjourned.]