

Opening Statement of Chairman Robert E. Latta
Subcommittee on Communications and Technology
“From Introduction to Implementation: A BEAD Program Progress
Report”
September 10, 2024
(As Prepared for Delivery)

Good morning, and welcome to today’s hearing.

Almost three years have passed since the Infrastructure Investment and Jobs Act (IIJA) became law.

This legislation appropriated \$42.5 billion to the Broadband Equity, Access, and Deployment (BEAD) program at the National Telecommunications and Information Administration (NTIA) to deploy broadband infrastructure to unserved and underserved homes and businesses. While this investment in broadband infrastructure to rural communities is a worthy

cause, I am concerned with the implementation of the BEAD program.

First, this program was created outside of regular order, and therefore lacks appropriate provisions to safeguard these taxpayer dollars.

There was **no discussion** of whether \$42 billion is the right amount to connect every American or debate on how this program should be administered. The infrastructure bill was also a missed opportunity to enact meaningful permitting reform that would have broken down barriers to deployment and stretched this federal funding further.

I am further concerned with how the Biden-Harris Administration is running the program. NTIA

continues to add requirements that are contrary to Congressional intent and make this program less attractive and more expensive to the broadband providers needed to deploy to unserved and underserved communities.

These actions include adopting price controls for certain broadband plans, preferring certain technologies over others, and adding burdensome and unnecessary workforce and climate requirements. We have raised these concerns with NTIA at numerous oversight hearings and in letters to the agency. I fear that these burdensome requirements are delaying approval of state initial proposals and will jeopardize the success of the grant program.

I am also concerned about impending workforce and supply chain shortages.

Getting the workers, bucket trucks, and other materials needed to deploy broadband will be challenging with 56 states and territories chasing the same supply chain and workforce at the same time. This will lead to shortages and higher prices that will eat up money and time needed for deployment, undermining the success of this program.

Fortunately, NTIA has listened to some of our feedback. Two weeks ago, NTIA sought comment on how states can use alternative technologies, such as unlicensed fixed wireless and low-earth orbit (LEO) satellites, to serve our most remote areas.

Although these technologies should have been permitted from the start, I am pleased that NTIA has finally realized that it will take all available technologies to bridge the digital divide. I hope that NTIA makes similar changes to address the other concerns we have raised.

Before I conclude, I want to mention the Universal Service Fund working group and efforts to revive the Affordable Connectivity Program (ACP), as I know my colleagues on the other side will likely raise it. I am committed to finding a long-term solution to address broadband affordability.

However, ACP must be reformed to ensure that it is targeted towards those **who truly need the subsidy to pay for broadband**, and it must have a sustainable funding source. Relying solely on stopgap funding leads to uncertainty for those who rely on the program. I am actively working on a solution with my colleagues in the bipartisan, bicameral Universal Service Fund Working Group, along with the Ranking Member of this subcommittee. Time is running short this Congress, but I hope we can reach an agreement on this important issue.

Closing the digital divide is a bipartisan priority and significant federal resources have been dedicated to this effort.

Today's hearing is an opportunity to discuss the NTIA's administration of the BEAD program from the perspective of those on the ground—the states and broadband providers that will do the work of deploying broadband our unserved and underserved communities. I look forward to hearing from our witnesses. Thank you for appearing before us today.

I now recognize the Ranking Member of the Subcommittee, the gentlelady from the Seventh District of California.