

BRETT GUTHRIE, KENTUCKY
CHAIRMAN

FRANK PALLONE, JR., NEW JERSEY
RANKING MEMBER

ONE HUNDRED NINETEENTH CONGRESS
Congress of the United States
House of Representatives
COMMITTEE ON ENERGY AND COMMERCE
2125 RAYBURN HOUSE OFFICE BUILDING
WASHINGTON, DC 20515-6115
Majority (202) 225-3641
Minority (202) 225-2927

January 12, 2026

MEMORANDUM

To: Members, Energy and Commerce Committee
From: Majority Staff
Re: Communications and Technology Subcommittee Hearing

I. INTRODUCTION

On Wednesday, January 14, 2026, at 10:15 a.m. (ET), the Subcommittee on Communications and Technology will hold a hearing in 2123 Rayburn House Office Building. The hearing title is “Oversight of the Federal Communications Commission.”

II. WITNESSES

- The Honorable Brendan Carr, Chairman, Federal Communications Commission
- The Honorable Olivia Trusty, Commissioner, Federal Communications Commission
- The Honorable Anna Gomez, Commissioner, Federal Communications Commission

III. BACKGROUND

The Federal Communications Commission (FCC) is a federal agency established pursuant to the Communications Act of 1934 to regulate interstate and international communications by radio, television, wire, satellite, and cable. A full Commission includes five Commissioners appointed by the President; however, only three are required for quorum.¹

Congress last reauthorized the FCC in 2018, authorizing \$333 million for fiscal year (FY) 2019 and \$339 million for FY2020.² The FCC currently employs approximately 1,404 full-time equivalents (FTE)³ and was permitted to collect \$390,192,000 in offsetting regulatory fees for

¹ Communications Act of 1934, as amended, § 4(a), (h), 47 U.S.C. § 154(a), (h).

² Consolidated Appropriations Act, 2018, Pub. L. No. 115-141, div. P, tit. I, § 101 (2018).

³ *2026 Budget Estimates to Congress*, Federal Communications Commission (May 2025), <https://docs.fcc.gov/public/attachments/DOC-411718A1.pdf>.

FY2025.⁴ For FY2025, the FCC requested \$416,112,000 in budget authority from regulatory fee offsetting collections, representing a 6.6 percent increase from FY2025 funding levels.⁵ The Financial Services and General Government and National Security, Department of State, and Related Programs Appropriations Act, 2026, which was released on January 11, 2026, proposes fully funding the FCC's request.⁶

IV. SELECTED ISSUES

A. Electromagnetic Spectrum

The Working Families Tax Cut Act restored the FCC's spectrum auction authority, which lapsed March 9, 2023, until September 30, 2034.⁷ The law directed the FCC to auction at least 300 MHz of spectrum by July 4, 2027, with at least 100 MHz coming from 3.98-4.2 GHz (Upper C-Band).⁸ It also directed the National Telecommunications and Information Administration (NTIA), in consultation with the FCC, to identify 500 MHz of Federal spectrum between 1.3 and 10.5 GHz for reallocation for full-power commercial use,⁹ which the FCC is to auction within 8 years.¹⁰

In November, the FCC approved a Notice of Proposed Rulemaking that would make 100-180 MHz of Upper C-Band spectrum available for auction.¹¹ In December, the FCC released a Public Notice establishing procedures for the auction of 200 licenses in the AWS-3 bands,¹² which was directed in the National Defense Authorization Act for Fiscal Year 2025.¹³ That auction will take place in June 2026.

B. Build America

The FCC has taken steps to accelerate broadband deployment. This includes proposals to alleviate state and local barriers to wireline¹⁴ and wireless infrastructure,¹⁵ streamline the process

⁴ Further Consolidated Appropriations Act, 2024, Pub. L. No. 118-47, div. B, tit. V (2024), <https://www.congress.gov/bill/118th-congress/house-bill/2882/text>.

⁵ *2025 Budget Estimates to Congress*, *supra* note 2.

⁶ Financial Services and General Government and National Security, Department of State, and Related Programs Appropriations Act, 2026,, H.R. 7006, 119th Cong. (2026).

⁷ One Big Beautiful Bill Act, Pub. L. No. 119-21 § 40002(b)(1) (2025) ("Working Families Tax Cut Act").

⁸ *Id.* § 40002(b)(2).

⁹ *Id.* § 40002(c).

¹⁰ *Id.* § 40002(d).

¹¹ *Upper C-Band (3.98-4.2 GHz.)*, GN Docket No. 25-59, Notice of Proposed Rulemaking, FCC 25-78 (rel. Nov. 21, 2025), <https://docs.fcc.gov/public/attachments/FCC-25-78A1.pdf>.

¹² Auction of Advanced Wireless Services (AWS-3) Licenses, AU Docket No. 25-117, Public Notice, DA 25-1075 (rel. Dec. 18, 2025), <https://docs.fcc.gov/public/attachments/DA-25-1075A1.pdf>.

¹³ Servicemember Quality of Life Improvement and National Defense Authorization Act for Fiscal Year 2025, Pub. L. No. 118-159, Div. E, Title LIV, §§ 5401-5405 (Spectrum and Secure Technology and Innovation Act), § 5403 (2024).

¹⁴ *Build America: Eliminating Barriers to Wireline Deployments*, Notice of Inquiry, WC Docket No. 25-253, FCC 25-66 (rel. Sept. 30, 2025), <https://docs.fcc.gov/public/attachments/FCC-25-66A1.pdf>.

¹⁵ *Build America: Eliminating Barriers to Wireless Deployments*, Notice of Proposed Rulemaking, WT Docket No. 25-276, FCC 25-67 (rel. Sept. 30, 2025), <https://docs.fcc.gov/public/attachments/FCC-25-67A1.pdf>.

to upgrade copper networks to internet protocol (IP),¹⁶ ease access to utility poles,¹⁷ and reform the Commission's National Environmental Protection Act (NEPA) rules.¹⁸

C. Universal Service Fund

The FCC's Universal Service Fund (USF) program is a user-fee-based support program that subsidizes broadband and telephone services in high-cost, typically rural, areas (High-Cost Program), for low-income households (Lifeline Program), in schools and libraries (E-Rate Program), and at rural health-care facilities (Rural Health Care Program).¹⁹ It is funded through a fee assessed on telecommunications service providers' interstate and international voice-service revenues. This fee, known as the contribution factor, is adjusted each quarter based on what the fund is projected to disburse that quarter. The contribution factor for the first quarter of 2026 is 37.6 percent, down from 38.1 percent in the fourth quarter of 2025, which was an all-time record.²⁰

Although the Supreme Court affirmed the constitutionality of the USF in June 2025,²¹ it still faces challenges in light of new broadband programs and a diminishing funding base. Subcommittee Chairman Hudson and Ranking Member Matsui are part of the bipartisan, bicameral USF Working Group, which is discussing legislation to reform the USF.²²

D. Media Issues

The FCC's broadcast rules have received significant attention in recent years, in particular the Commission's strict rules on media ownership. For example, the National Television Multiple Ownership Rule currently prohibits a broadcast ownership group from owning television stations that have an aggregate national audience reach exceeding 39 percent.²³ Last year, Subcommittee Chairman Hudson led over 70 members from both parties in a letter to the FCC asking the agency to update its media ownership rules.²⁴ These outdated rules have made it more difficult for broadcasters to compete against the growing digital streaming

¹⁶ *Reducing Barriers to Network Improvements and Service Changes*, WC Docket No. 25-209 et al, Notice of Proposed Rulemaking, 40 FCC Rcd 5329 (2025).

¹⁷ *Accelerating Wireline Broadband Deployment by Removing Barriers to Infrastructure Investment*, WC Docket No. 17-84, Fifth Report and Order, Fourth Further Notice of Proposed Rulemaking, and Orders on Reconsideration, 40 FCC Rcd 5395 (2025).

¹⁸ *Modernizing the Commission's National Environmental Policy Act Rules*, WT Docket No. 25-217, Notice of Proposed Rulemaking, FCC 25-47 (rel. Aug. 14, 2025), <https://docs.fcc.gov/public/attachments/FCC-25-47A1.pdf>.

¹⁹ Universal Service, FCC (accessed Oct. 30, 2023), <https://www.fcc.gov/general/universal-service>.

²⁰ Contribution Factors, USAC, <https://www.usac.org/service-providers/making-payments/contribution-factors/> (last visited Jan. 5, 2026).

²¹ *FCC v. Consumers' Research*, 606 US __ (2025).

²² Press Release, Fischer, Luján Announce Bipartisan, Bicameral Universal Service Fund Working Group (Jun. 12, 2025), <https://www.fischer.senate.gov/public/index.cfm/news?ID=D8ACC418-4EDB-46BB-AA04-50692166BD2B>.

²³ 47 U.S.C. § 303 note; 47 C.F.R. § 73.3555(e).

²⁴ Letter from Richard Hudson, Member of Congress, et al to The Hon. Brendan Carr, Chairman, FCC (Mar. 28, 2025), <https://hudson.house.gov/press-releases/hudson-leads-colleagues-in-urging-the-fcc-to-reform-outdated-ownership-rules>.

industry and Big Tech platforms that are competing for advertising revenue, but are not subject to the same regulations.²⁵

Other FCC broadcast requirements have received significant attention, including the following:

- the public interest standard, which requires broadcast licensees to operate in public interest, convenience, and necessity;²⁶
- the news distortion policy, which prohibits a broadcaster from deliberately distorting a factual news report;²⁷ and
- the broadcast hoax rule, which prohibits a broadcast licensee from broadcasting false information concerning a crime or a catastrophe if the licensee knows the information is false, it is foreseeable that broadcast of the information will cause substantial public harm, and broadcast of the information does in fact directly cause substantial public harm.²⁸

These rules only apply to broadcast licensees because they utilize scarce public airwaves. Thus, these rules do not apply to national or cable networks. The Supreme Court has recognized that a broadcast licensee's use of public airwaves allows the FCC to regulate the licensee in ways that might violate the First Amendment in other settings,²⁹ subject to specified limitations.³⁰

E. Modernizing Satellite Regulations

The satellite industry landscape has evolved significantly in recent years, underscored by historic growth and investment. Although the industry provides voice, video, location data, and observation capabilities, there is increasing consumer and commercial demand for satellite-enabled high-speed broadband services and supplemental cellular coverage. The regulations governing satellite operations, however, have not kept up with innovation.

In October, the FCC approved two items to modernize its satellite rules. The first would overhaul the licensing rules for space and earth stations to help improve predictability and speed of the licensing process.³¹ The second sought comment on ways to support the growing space economy by encouraging more intensive use of spectrum bands above 24 GHz that are shared between the terrestrial Upper Microwave Flexible Use Service (UMFUS) and the Fixed-Satellite Service (FSS).³²

²⁵ See Press Release, Streaming Reaches Historic TV Milestone, Eclipses Combined Broadcast and Cable Viewing for First Time, Nielsen (Jun. 17, 2025), <https://www.nielsen.com/news-center/2025/streaming-reaches-historic-tv-milestone-eclipses-combined-broadcast-and-cable-viewing-for-first-time/>.

²⁶ 47 U.S.C. § 307.

²⁷ Broadcast News Distortion, FCC, <https://www.fcc.gov/sites/default/files/broadcast-news-distortion.pdf> (last reviewed July 18, 2024).

²⁸ 47 CFR § 73.1217(a).

²⁹ See *Red Lion Broadcasting Co. v. FCC*, 395 U.S. 367 (1969).

³⁰ See 47 U.S.C. § 326.

³¹ *Space Modernization for the 21st Century*, SB Docket No. 25-306, Notice of Proposed Rulemaking, FCC 25-69 (rel. Oct. 29, 2025), <https://docs.fcc.gov/public/attachments/FCC-25-69A1.pdf>.

³² *Facilitating More Intensive Use of Upper Microwave Spectrum*, SB 25-305, Notice of Proposed Rulemaking, FCC 25-70 (rel. Oct. 29, 2025), <https://docs.fcc.gov/public/attachments/FCC-25-70A1.pdf>.

F. Submarine Cables

Submarine cables are responsible for carrying data traffic across oceans. There are more than 600 active and planned submarine cable systems that keep the world connected.³³ Unfortunately, these cables are vulnerable to damage by the elements and unintentional acts, such as anchors dragging along the seafloor, and intentional sabotage. Damage to these cables can result in service disruptions and is costly and time-consuming to repair.

Pursuant to the Cable Landing License Act of 1921 and Executive Order 10530 of 1954, a submarine cable operator must obtain a license from the FCC to directly or indirectly land or operate in the United States any submarine cable directly or indirectly connecting the United States with any foreign country or connecting one portion of the United States with any other portion. In August, the FCC approved new rules to protect submarine cables from foreign adversaries and sought comment on additional proposals to protect submarine cables from foreign adversaries, encourage the use of American submarine cable repair and maintenance ships and the use of trusted technology abroad, and presumptively exempt certain applicants from Team Telecom review.³⁴

G. Delete, Delete, Delete

Under Chairman Carr, the FCC has prioritized identifying and eliminating rules that no longer serve the public interest. Since launching the *Delete, Delete, Delete* initiative in March 2025, the FCC has eliminated or begun eliminating more than 1,100 rules and requirements, totaling over 134,000 words, and the Commission has closed over 2,000 dormant dockets.³⁵

H. Rolling Back Biden Overreach

The Biden FCC led by then-Chairwoman Jessica Rosenworcel undertook a number of initiatives that expanded the FCC's authority beyond Congressional direction. For example, it reclassified broadband as a Title II telecommunications service to impose so-called "net neutrality" rules and expanded the E-Rate program to support off-premises use of wi-fi hotspots. These actions have been overturned by the courts and the current FCC. In January 2025, the United States Court of Appeals for the Sixth Circuit held that the text of the Communications Act prohibits classifying broadband as a telecommunications service.³⁶ In September 2025, the FCC rescinded the expanded E-Rate rules.³⁷ The FCC is also reexamining its framework for incarcerated people's communications services in light of unintended consequences arising from

³³ *Submarine Cable Frequently Asked Question*, TELEGEOGRAPHY (Jan. 5, 2026), <https://www2.telegeography.com/submarine-cable-faqs-frequently-asked-questions>.

³⁴ *Review of Submarine Cable Landing License Rules and Procedures to Assess Evolving National Security, Law Enforcement, Foreign Policy, and Trade Policy Risks*, WC Docket No. 24-253, Report and Order and Further Notice of Proposed Rulemaking, 40 FCC Rcd 6481 (2025).

³⁵ *See Delete, Delete, Delete*, GN Docket No. 25-133, Direct Final Rule, FCC 25-85 (rel. Dec. 18, 2025) (Statement of Chairman Brendan Carr).

³⁶ *In re MCP No. 185*, 124 F.4th 993 (6th Cir. 2025).

³⁷ *Addressing the Homework Gap through the E-Rate Program*, WC Docket No. 21-31, Order on Reconsideration, FCC 25-62 (rel. Sept. 30, 2025), <https://docs.fcc.gov/public/attachments/FCC-25-62A1.pdf>.

its 2024 implementation of the Martha Wright-Reed Just and Reasonable Communications Act of 2022.³⁸

V. KEY QUESTIONS

- How is the FCC's regulatory agenda helping to expand the availability of communications services?
- What is the FCC's progress in making spectrum available for commercial use?
- Does the FCC have proposals to reform the Universal Service Fund?
- How will the FCC enforce its media rules in ways that expand the ability of regulated entities to compete with Big Tech platforms?

VI. STAFF CONTACTS

If you have any questions regarding this hearing, please contact Committee Staff at (202) 225-3641.

³⁸ *Incarcerated People's Communications Services; Implementation of the Martha Wright-Reed Act*, WC Docket No. 23-62, Report and Order, Order on Reconsideration, and Further Notice of Proposed Rulemaking, FCC 25-75 (rel. Nov. 6, 2025), <https://docs.fcc.gov/public/attachments/FCC-25-75A1.pdf>.