

**STATEMENT OF
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**BEFORE THE
SUBCOMMITTEE ON FINANCIAL
SERVICES AND GENERAL GOVERNMENT
COMMITTEE ON APPROPRIATIONS
UNITED STATES HOUSE OF REPRESENTATIVES**

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Chairman Joyce, Ranking Member Hoyer and Members of the Financial Services and General Government Subcommittee, thank you for inviting me to appear before you today to review the Federal Communications Commission's Fiscal Year 2025 budget request.

I welcome this opportunity to discuss the Commission's funding needs and report on the agency's mission, workload, operations and achievements. The work of the Commission matters. Communications technologies power one-sixth of the nation's economy—and everyone needs access to these technologies to have a fair shot at 21st Century success. As a fee-funded agency, the Commission has worked hard to develop a reasonable budget that maximizes benefits to consumers, while remaining fair to industries responsible for our requested general Salaries and Expenses level of \$448,075,000. This amount will ensure that the Commission can meet its statutory mandates and uphold the core values of our laws—consumer protection, universal service, national security, and public safety—all while keeping pace with ever-changing and advancing technologies. I look forward to working with the Members of this Subcommittee to accomplish the goals and objectives that Congress has delegated to the Commission as an independent regulatory agency.

Although this is not my first hearing before this Subcommittee, it is my first presentation of the budget as Chairwoman, and the first woman to permanently lead the agency in our Nation's history. I'd like to highlight some of the Commission's critical work under my leadership. If our requested fee-funded budget level is not met, and additional funding for certain programs outside our budget is not provided, this critical work is at risk.

First, the Commission's Affordable Connectivity Program, the largest broadband affordability program in our nation's history, has helped 23 million households pay for high-speed internet service. Across the country, I have met with people who have been able to get online and stay online thanks to this program for work, school, healthcare, and more. As you all know, Congress provided the funds for this program through the Bipartisan Infrastructure Law, rather than as part of the FCC's annual budget that you consider. However, I would be remiss if I did not take the opportunity to note that that funding to keep these households connected will be exhausted this month. I strongly support Members of Congress's efforts to continue to fund the Affordable Connectivity Program into the future to help more families get and stay connected to the high-speed internet they need to participate in modern life, and I stand ready to assist in any way I can.

Second, the agency's work to create the National Broadband Map—the most accurate broadband map ever created—will help close the digital divide. For decades, the Commission produced broadband maps based on Census blocks. In practice, this meant that if there was high-speed internet service in a single location in a Census block, the agency assumed there was service throughout the area. Needless to say, this methodology overstated service nationwide. Following passage of the Broadband DATA Act, and thanks to the funds Congress provided —\$33 million in regular appropriations, along with \$65 million in special directed appropriations, for a total of \$98 million— the FCC published its first location-based broadband map to paint a more accurate picture of where broadband is and is not available across the United States. This new map identifies every household and small business in the country that should have access to high-speed internet service. For context, on how much more granular this is than what came before, in our current mapping effort the Commission identified over 115 million locations where fixed broadband could be installed compared to data from just 8.1 million Census blocks in our prior maps. At Congress's direction, this map supports the Bipartisan Infrastructure Law's \$42.5 billion investment in deploying high-speed broadband nationwide. However, to keep iterating and improving this map's accuracy and to continue to use this data to help efforts all over this country to bring broadband to everyone, everywhere, the Commission's budget request includes a \$30 million increase to its base to support the National Broadband Mapping program. Now that the previously appropriated funding for the National Broadband Map has been exhausted, the Commission needs to include the necessary resources for the Map in its budget going forward. Given the time, effort and money that went into starting it up in 2021, we need to make certain that we have the resources to continue to update and maintain our maps well into the future.

Third, the Commission is doing more than ever before to keep your communications more secure. Under my strategy of “deter, defend, develop”: deter bad actors, defend against untrusted vendors, and develop a market for trustworthy innovation, the Commission has taken a number of actions to protect our networks from national security threats. For the first time in history, we have revoked the authorization to provide telecommunications services which will soon include broadband, and not just voice service for four Chinese communications providers. In addition, the Commission adopted my proposal to regularly review foreign companies' authorizations to provide telecommunications services in the United States. On top of this, we have implemented the Secure and Trusted Communications Networks Reimbursement Program to remove Huawei and ZTE equipment in our communications networks. This is important for our domestic security and also sends a signal to the world that going forward we will not support insecure equipment in essential infrastructure. As you know, Congress provided \$1.9 billion to operate the Secure and Trusted Communications Networks Reimbursement Program through the Consolidated Appropriations Act of 2021. Unfortunately, this amount is not enough to secure our networks; we currently face a \$3.08 billion shortfall to fully reimburse participating carriers for removal, replacement and disposal of the problematic equipment. Unless we receive an additional appropriation, we can only provide forty cents on the dollar to those companies in reimbursement, which threatens our national security and risks the shutdown of rural networks.

Fourth, we are doubling down on our efforts to stop scam robocalls and robotexts. Robocalls and robotexts aren't just exasperating, they are a pathway for fraudsters to harm consumers. So, we have been attacking them from all angles—cutting off bad actors from our networks, requiring providers to block unwanted calls, and mandating technology to stop call spoofing. Some of our efforts are beginning to bear fruit. After we identified the companies

behind the auto warranty robocall scam, we told the rest of the industry to cut them off and auto warranty calls fell by over 90 percent. We used the same method to reduce student loan scam calls by 88 percent. And because this is problem that requires coordination among law enforcement, we now have a memorandum of understanding with Attorneys General from 49 states. This partnership with states has already born fruit. In February, the Commission acted swiftly to make AI-generated voices in robocalls illegal, giving state AGs a new tool to go after voice cloning scams.

Fifth, we are doing our part to keep pace with rapid development of the satellite sector and the growing importance of space-based communications. The space industry has entered an era of unprecedented growth, which is fueling an increase in both the complexity and the number of applications for space services before the Commission. Thanks to your approval of our proposed reorganization, the agency's Space Bureau is up and running and has already completed its first year of hard work. In the past year, the Commission has adopted new rules to streamline our satellite policies and expedite the processing of space and earth station applications as well as a new licensing framework for commercial space launches. And the Commission has established a new framework for the coming convergence of satellite and terrestrial convergence—we call it Single Network Future.

Sixth, we implemented the PIRATE Act and enhanced our protections of licensed broadcasters from pirate radio. We did this with a \$5 million budget increase to our base appropriation to support this resource-intensive, on-the-ground work. In addition to tougher fines on those who violate the spectrum rights of broadcasters, the law requires the FCC to conduct periodic enforcement sweeps, and grants the Commission authority to take enforcement action against landlords and property owners that knowingly permit illegal pirate radio activity on their properties. In the past year, we proposed over \$8.8 million in fines against violators. Funding our budget request is necessary to continue this important work.

And last but not least, we are finding more ways to use spectrum to support wireless communications into the future. We are working to free up more spectrum to serve as a launching pad for new technologies. We have already identified the 7-16 GHz band as prime mid-band airwaves for 5G, 6G and beyond. That is why I proposed making 550 megahertz of spectrum in the 12.7-13.25 GHz band available for new commercial mobile use. And we're not stopping there, the FCC is already looking to what a 6G future could look like including its impact on the digital divide, machine learning, how it could make life easier and more efficient for consumers, and new ways to connect industries, technology, and communities. Those communities include Tribal communities, and as a result of our work in the 2.5 GHz band, today more than 80 percent of Federally-recognized Tribes have licensed spectrum. That is real change—and real opportunity.

But as we plan for the future, we also need to be mindful of the spectrum demands in the present. And one thing that absolutely needs to happen is the restoration of the FCC's spectrum auction authority. For three decades the FCC has had the authority to auction off airwaves to commercial actors to use to deploy, create, and innovate. But more than a year ago on March 9, 2023, that authority expired for the first time. As this Committee knows, if this is not corrected, it could have a tremendous impact. Over the past three decades, the FCC has held 100 spectrum auctions and, in the process, raised more than \$233 billion for the United States Treasury. Restoring this authority will provide the United States with the strongest foundation to compete in

a global economy, counter our adversaries' technology ambitions, and safeguard our national security.

So those are some of the things the FCC is doing to bring high-speed connectivity to everyone, everywhere that is secure, resilient, and ready for the future. I hope to work with you in the coming months as you develop the Fiscal Year 2025 bill to ensure that the Commission is properly funded to accomplish its core mission goals. Thank you for the opportunity to join you today to share these details about the Commission's ongoing work. I look forward to your questions.