

**Opening Statement of the Honorable Fred Upton
Subcommittee on Communications and Technology
Hearing on “Oversight of the Federal Communications Commission”
May 20, 2014**

(As Prepared for Delivery)

Oversight is a critical part of this committee’s work to foster a smaller, more nimble government for the innovation age. We have held multiple hearings with all of the FCC’s commissioners to address issues of national importance, to keep a close eye on its budget, and to ensure that commission process focuses on promoting jobs and innovation. Today’s oversight hearing with Chairman Tom Wheeler will continue this discussion to ensure that the FCC works in a way that benefits consumers, industry, and the American economy. I thank Chairman Wheeler for joining us today.

There is much to discuss. In the six months since Mr. Wheeler was confirmed as chairman, he has addressed a number of items – including media ownership, the IP transition, universal service, and just this past week, the incentive auctions and net neutrality. While I appreciate the Chairman’s leadership on some of these items, I have serious concerns with others.

As an initial matter, Chairman Wheeler started off his chairmanship with a review of FCC procedure – an issue this subcommittee has spent considerable time working to reform in a bipartisan manner. But I was especially disappointed to see some of the process failures that occurred last week. Media reports of open meeting items being circulated to commissioners as late as midnight the evening before the vote on one item and what seems to be partisan sharing of items with Democrats as much as 24 hours before sharing them with Republicans on another is particular concerning. Regardless of political affiliation, commissioners must be given adequate and equal time to consider items on which they will vote. Let us all hope that such incidents of favoritism and selective sharing are isolated and not emblematic of the chairman’s new operating procedure.

Additionally, I continue to be concerned with the commission’s ongoing defiance of its statutory obligation to complete the 2010 quadrennial review of media ownership rules. Despite the commission’s woefully outdated record on this issue, it has nonetheless moved forward with changes that effectively bar joint sales agreements and change commission treatment of shared service agreements under its media attribution rules. These actions, in the absence of the statutorily required media ownership review, raise significant questions about the commission’s commitment to making decisions informed by facts and utilizing sound process.

Lastly, I am troubled by the chairman’s insistence on attempting to regulate the Internet under rules that were informed by 19th century railroad regulations and adopted to regulate the monopoly telephone network of the past. The Internet has flourished under the current light touch regulatory scheme, and subjecting it to burdensome regulations is a leap in the wrong direction. Title II is inappropriate for the Internet and attempting to reclassify it would be harmful to consumers, businesses, and the future of the Internet as we know it. Nobody wants telephone service to look like it did in 1984, and we certainly shouldn’t wish for our Internet access to return to that rotary phone era, either.

The communications sector is vital to our national economy and commission action on even small items can have broad impact. I thank Chairman Wheeler for being here today and look forward to working together toward bipartisan, measured, transparent, and responsible actions that benefit consumers, job creation and our economy.

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