Opening Statement of the Honorable Marsha Blackburn Subcommittee on Communications and Technology Hearing on "Oversight and Reauthorization of The Federal Communications Commission" July 25, 2017

(As prepared for delivery)

Welcome to the Communications and Technology Subcommittee's hearing titled "Oversight and Reauthorization of The Federal Communications Commission". I appreciate the Commissioners appearing here to offer their testimony.

The FCC has not been reauthorized since 1990 and its current appropriation is over 430 million dollars. It is charged with administration of the Communications Act and other statutes vital to the functioning of our communications policy. We must reexamine the core functions of the Commission and restore a culture of humility that was lacking under the regulatory cloud left by Chairman Wheeler. The FCC plays a vital role in our increasingly technology dependent society. The subcommittee has therefore released a discussion draft for consideration.

I would be remiss by not discussing Net Neutrality. The Commission's decision in 2015 to reclassify the Internet as a public utility was a power grab laced with the irony of suffocating the most innovative part of our economy with a 1930s era law. This gave new meaning to the term "progressive". Reply comments to the Commission's NPRM are due August 18th. Chairman Pai, we hope you're keeping that "weed whacker" handy because it has a lot of work to do.

Title II reclassification has created a 5.6 percent reduction in ISP network investment, will lead to rate regulation and has generated tremendous uncertainty. However, I know there is disagreement. While my colleagues on the other side of the aisle had nothing to do with this, Internet giants such as Amazon and Google recently joined with websites like <u>Pornhub</u>, and dark money groups Fight for the Future – Demand Progress – and Free Press for a "*Day of Action*" to claim Republicans will "*break the Net*". Let me be clear, Republicans have always supported a free and open Internet. We must move past the partisan rhetoric. Ranking Member Pallone said in 2010 that this is a job for Congress. I agree.

Other issues confronting the Commission include administration of the Lifeline program, media ownership rules, and process reform. The GAO released another

report critical of the Lifeline program on June 29th. It found that 36 percent of program participants could not be verified for eligibility, over 6,000 deceased individuals were enrolled after their death, and numerous carriers approved eligibility for the program based on fictitious documentation. Lifeline continues to be plagued by significant deficiencies – including the need for a hard cap.

Outdated media ownership rules and process reform issues also concern the subcommittee. Commissioner O'Rielly astutely noted that the FCC's Quadrennial Review of broadcast ownership rules released last August was "divorced from the realities of today's media marketplace." Finally, process reform has been an issue of bi-partisan concern for some time. Bi-partisan bills have passed the House five of the last six years. Chairman Pai, you have taken positive steps; including the release of a fact sheet for any proposal to be considered at an open meeting and releasing the text of documents to the public in advance of a vote at an open meeting. However, more must be done to promote and sustain a culture of transparency at the Commission on several other issues noted in the majority memorandum.

I look forward to today's hearing. Thank you.