

**RAY BAUM'S Act – A Bipartisan Foundation for Bridging the Digital Divide**

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Subcommittee on Communications and Technology

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Chairman Blackburn, Ranking Member Doyle, and Members of the Subcommittee, thank you for the opportunity to testify about how policies enacted in RAY BAUM'S Act are addressing the digital divide and will continue to help close this gap.

I am testifying on behalf of Competitive Carriers Association ("CCA"), the nation's leading association of competitive wireless providers. CCA is composed of nearly 100 carrier members ranging from small, rural providers serving fewer than 5,000 customers to regional and nationwide providers serving millions of customers, as well as vendors and suppliers that provide products and services throughout the mobile communications ecosystem.

CCA thanks Congress for the bipartisan work to enact Public Law 115-141, the Consolidated Appropriations Act, 2018, into law earlier this year. Over a dozen important legislative efforts from this Committee were included in the final package, including Division P, the Repack Airwaves Yielding Better Access for Users of Modern Services of 2018 ("RAY BAUM'S Act" or "Act"), while memorializing a good man whose presence and dedication to public service, particularly to help those in rural America, touched us all.

Looking at telecommunications policy today, two themes clearly emerge: bridging the digital divide and international competition to lead the world in fifth generation, or "5G," deployments. Fortunately, the Act takes concrete steps toward accomplishing both. 5G is both an evolution and revolution, and builds upon existing 4G LTE technologies. Whether in rural America or downtown Washington, DC, carriers must have access to sufficient spectrum resources and the ability to deploy physical infrastructure to provide service. In the 263 days since enactment, the Act has produced results to close gaps in coverage and inspire United States' leadership in next-generation and 5G deployments.

But the work is not yet done. As the Federal Communications Commission (“FCC”) and other federal agencies continue work to implement the Act, ongoing and necessary Congressional oversight will further action to close the digital divide and deploy advanced networks to benefit consumers in all corners of the nation.

### **RAY BAUM’S Act is a Bipartisan Success Story**

CCA applauds this Committee’s work to pass the Act, which represents a significant bipartisan accomplishment that touches a broad range of policy issue areas. It is noteworthy that closing the digital divide and preserving and expanding broadband service in rural America is a priority shared by Democrats and Republicans. While 5G buzz grabs the headlines, rural America is at a crossroads. Decisions made by policymakers today can either launch new innovation, economic growth, and education and public safety benefits in rural America, or broaden the digital divide, leaving rural America behind a mobile, connected world. Fortunately, issues addressed in the Act move us forward on several key areas.

### Spectrum

Spectrum is the lifeblood of the wireless industry, and a finite resource only available from the government. All carriers must have access to sufficient spectrum at low-, mid-, and high-bands to serve their customers. Spectrum licenses can only be obtained through auction from the FCC or from private market transactions, and the Act takes steps to enable both channels by updating how auction deposits are processed to allow auctions to move forward. The Act also directs the FCC to study incentives on ways to make fallow spectrum available to a variety of stakeholders willing to invest in and serve rural America.

The Act builds upon a previous landmark success for this Committee – the Spectrum Act included within the Middle Class Tax Relief and Job Creation Act of 2012. Among other provisions, the Spectrum Act authorized the first voluntary incentive auction, where television broadcasters could voluntarily elect

from a range of options to relinquish, move, or share their spectrum assignment in exchange for a portion of the auction proceeds, using a market-based mechanism to reallocate the spectrum needed to keep up with American consumers' insatiable and exploding demands for wireless access. While previously untested, the incentive auction was a resounding success, netting billions for broadcasters and the Treasury for deficit reduction. For the wireless carriers that won licenses, this spectrum is particularly important to serve rural areas and expand service, as its propagation characteristics carry signals across long distances and help to improve the business case to serve areas with lower population densities.

While the auction was a success, work continues to put the spectrum to use to serve consumers. We are 20 months into the "repack" process, where remaining broadcasters are moved in the band to clear the way for the carriers that bid over \$19 billion to gain access to the frequencies. In response to concerns that funding established in the Spectrum Act may be insufficient to cover all the costs of the repack, Congress acted in RAY BAUM'S to allocate an *additional* \$1 billion for reimbursing broadcasters, on top of the original allocation of \$1.75 billion, to cover relocation costs for the broadcasters and keep the repack timeframe on schedule. The Act also provided funding for consumer education as the process moves forward. Congress should continue to closely monitor the repack process and ensure that spectrum is expeditiously cleared for winning bidders to put to use as soon as possible and no later than the July 2020 deadline.

The Act clearly demonstrates Congress' desire to identify additional spectrum bands that can be reallocated for wireless use. Separate provisions direct the Department of Commerce to identify at least 225 megahertz of spectrum that can be repurposed and directs consideration of the many ways spectrum can be used to support wireless service, including through licensed and unlicensed use. CCA supports these efforts.

Mapping

More reliable data is necessary to determine where broadband coverage exists, and this endeavor has near-unanimous support from Congress and has been a constant theme in this Committee. Here again the Act sets policies to address mapping woes, including providing \$7.5 million to the Department of Commerce National Telecommunications and Information Administration to coordinate broadband mapping across the government and separately directing the FCC to complete a rulemaking standardizing mobile coverage data for the purposes of the Universal Service program or any other similar program.

The time is now to focus on creating reliable maps for purposes of allocating Universal Service Fund support. The FCC's Mobility Fund II program ("MF II") will allocate \$4.53 billion in support to preserve and expand mobile broadband in rural areas over the next ten years. The FCC recently closed the collection window for carriers to submit challenges to collected data. A preliminary review by the FCC of over 20 million speed tests has increased concerns that the data submitted to create the map was fatally flawed, and the FCC has launched an investigation. Congress must stay engaged as the current investigation moves forward and ensure that the parameters for determining eligible areas produce reliable data. CCA and our members will continue to work with Congress, the FCC, and other stakeholders to improve the data used to guide funding decisions before the great opportunity of MF II passes by.

#### Infrastructure Deployment

Closing the digital divide relies on the right policies to deploy, maintain, and upgrade physical infrastructure, and additional costs and delays are exponentially more problematic for deployments in rural America. CCA thanks Congress for addressing improvements to siting policies in the Act, including requiring use of standard applications for deployments on federal property; creating a shot clock for application reviews by executive agencies; creating a database of federal property capable of supporting

broadband infrastructure; and taking steps to further the adoption of dig-once policies. Together, if these policies continue to be implemented they will have an outsized positive impact for rural Americans.

### Resiliency

Broadband networks are continuously tested by an increasing array of disasters, including recent floods, hurricanes, and wildfires that are devastating portions of the country. CCA commends Ranking Member Pallone for his continued focus on establishing a framework to provide critical communications capabilities during times of disaster, including portions of the Securing Access to Networks in Disasters Act made law through RAY BAUM'S Act. CCA members continue to focus attention and devote resources to make their networks more resilient and have made substantial progress in recent years.

### **The Act Provides Important Updates to the FCC**

In addition to enacting legislation across a variety of policy issues, the Act also updates how the FCC acts to accomplish its mission. Overall, the agency was reauthorized by Congress for the first time since 1990. Beyond reauthorization, through the Act Congress also updated many ways that the FCC operates. As one example, including the Consolidated Reporting Act in RAY BAUM'S Act combines several sector-specific reports to Congress into the Communications Marketplace Report and eliminates outdated reports no longer relevant to the modern markets. The first Communications Marketplace Report is on the agenda for an FCC vote this week, and could represent a useful tool to further identify areas where improvements in data can lead to a better understanding of current coverage gaps across the country and how cross-sector convergence impacts the industry.

### **Congress Should Build Upon the Act with Future Actions**

The Act demonstrates how legislative priorities become law with bipartisan cooperation. As the 115<sup>th</sup> Congress winds to a close at the end of the month, CCA is committed to work with the Committee

to complete work on several bills not included in RAY BAUM'S Act that can help close the digital divide in the years ahead. Infrastructure deployment bills from members on both sides of the aisle deserve continued consideration. Spectrum policy must be continuously updated as technologies, use cases, and consumer demands evolve. Bills like the AIRWAVES Act address these challenges while advancing common sense solutions to closing the digital divide like the rural dividend. For example, a study CCA recently commissioned estimated that if this law were in place for the current and planned millimeter-wave spectrum auctions, the auctions could produce \$1.4 billion in rural wireless broadband investment, resulting in \$2.4 billion in additional GDP and 9,700 job years in the short term. However, to finally close the broadband gap and serve all Americans, policymakers must have reliable data regarding where coverage exists. RAY BAUM'S Act is a significant step in the right direction, and CCA urges Congress to build upon this step to further next-generation deployments, and close the digital divide once and for all.

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CCA commends Congress for enacting RAY BAUM'S Act, and looks forward to continuing to make sure that its implementation closes the digital divide and propels deployment of next-generation technologies. Thank you for your attention to these issues and for holding today's important hearing. I welcome any questions you may have.