

ONE HUNDRED FOURTEENTH CONGRESS
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Statement of Ranking Member Frank Pallone, Jr.
Committee on Energy and Commerce
Subcommittee on Communications and Technology
Hearing on “Reauthorization of the Federal Communications Commission: The FCC’s FY
2016 Budget Request”
March 4, 2015

Thank you Chairman Walden, and welcome Managing Director Wilkins. You were here only a few months ago to walk us through last year’s budget—we appreciate you coming back.

We are here today to take a look at the Federal Communications Commission’s fiscal year 2016 Budget Estimates. The FCC has broad jurisdiction. It oversees industries that account for approximately one-sixth of the economy and growing, but it has been operating with the same budget for the better part of a decade now. That does not account for the damage done by the sequester. I should note that the FCC operates with fewer than 1,700 full time employees. I would say that the FCC is certainly a small but efficient agency.

This year, the FCC asked for a \$48 million increase in its budget authority over last year. The vast majority of that increase would pay to move the Commission’s headquarters to a new home. Overall the move will create a smaller footprint for the agency, which will save \$119 million over the next 15 years.

Most of the remaining increase is to upgrade the Commission’s aging and creaky information technology infrastructure—an update that will net a savings of up to \$10 million over the next five years. This is the same computer system that famously groaned to a halt under the weight of four million Americans writing in to voice their opinions about network neutrality. Four million is certainly an eye-popping number when it comes to comments in a single proceeding. Modern computers, however, should be able to handle that load without blinking.

Together, these temporary budget increases will save the government nearly \$130 million dollars in the long run. Rejecting these requests out of hand would be pennywise but pound-foolish. Fortunately, this subcommittee is practiced at reviewing these types of budget requests.

But today’s hearing is actually different than other FCC budget hearings for a couple of reasons. First, it is the start of an effort to revive an FCC reauthorization process that has been dormant for 25 years. With the struggle Republicans have been facing to fund the Department of Homeland Security, however, I doubt the public wants us to create a brand new funding cliff.

Second, the timing of today's budget hearing has raised some eyebrows, coming just days after the Commission adopted new network neutrality protections. Now, that might be coincidence. I am hopeful it is, because I think we would all agree that this Committee has a responsibility to conduct genuine oversight. We must make sure the FCC's dollars go as far as possible. But we should also ask whether the Commission has sufficient funding to maintain its critical services for the public. Together, it is our job to make sure to strike the right balance.

Thank you.