

**Testimony of Mignon L. Clyburn, Commissioner
Federal Communications Commission
Before the
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Committee on Energy &
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Oversight of the Federal Communications Commission
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Chairman Walden, Ranking Member Eshoo, distinguished Members of the Committee, thank you for the opportunity to appear before you today in the company of my colleagues from the Federal Communications Commission.

We are living during an incredibly exciting time. America remains the land of opportunity. Technological advancements abound, providing new means to achieve the American dream. Broadband is one of the biggest enablers of that dream. It is breaking down barriers for healthcare through remote monitoring; offering new paths to jobs and training; and providing a growing number of our children with access to world-class learning. Most Americans enjoy ubiquitous access to broadband, but the number of those who do not remains high. I am both humbled and grateful that, from the directive issued by you, the FCC has the obligation, ability and opportunity to serve our Nation by acting to close these remaining opportunity divides.

Mobile broadband is deeply intertwined in our daily lives. We talk, text, check the weather, map out destinations and avoid traffic, order food or transportation, and monitor our health and tasks at home via handheld devices. Honestly, I stress more about forgetting my smartphone than my wallet and I am not alone. Pew Research Center released a report a few

weeks ago showing that smartphone ownership has increased from 35 percent in 2011 to 68 percent today, and the 86 percent of young adults owning a smart phone today is up from 52 percent just four short years ago. But let us not miss the other side of the story: approximately half of consumers living in rural areas, and the same number who earn less than \$30,000 a year, own a smartphone.

What makes our nation unique and incredible, however, is our commitment to ensure everyone has access to the infrastructure and utilities that impact our daily lives: electricity, water, highways, telephone and now broadband. I am proud to have been a part of the FCC's historic decision to reform the universal service fund and adopt a blueprint to provide all American households with broadband access. While we have had tremendous success implementing the reforms to deploy fixed broadband – over six million American households will be connected with fixed broadband pursuant to our Connect America Fund and another 2.7 million will receive support to preserve and maintain service – the FCC's work is not yet complete.

I believe the agency has the ability and obligation to close these opportunity divides and can do so by adopting a permanent mobility fund to ensure all areas have access to mobile broadband, and by modernizing our Lifeline program to ensure that, once deployed, access is affordable.

Mobility Fund. It is no secret that I advocated for the creation of the Mobility Fund in 2011 and fought for sufficient funding to put our nation on a path to universal mobile service. While I believe it was appropriate to seek further comment on refining the Mobility Fund in April of 2014 in light the tremendous deployment during the intervening time, this proceeding was not an invitation for inaction and our job is not done.

I applaud the tremendous amount of private sector deployment of LTE, but the truth is that pockets of our nation still lack service and there are areas that only have service due to universal service support. Like many of us, I have driven through areas of mobile darkness and when I needed connectivity the most, was painfully reminded that the purpose of the universal service fund is to close the divides in areas where the private sector alone is unable or unwilling to deploy. We need to fulfil this commitment for mobile just as we have for fixed services.

Lifeline. We must also remain mindful that universal access involves more than just deploying facilities. Section 254 puts equal weight on the requirement that reasonably comparable service be available to low-income consumers as it does to ensure that reasonably comparable service is available in rural and high cost areas. The time is now for the FCC to follow the directives of the statute and devote resources and a commitment to low-income consumers as it has to rural consumers.

Yes, we are well aware of the vulnerabilities of the past, but the FCC took decisive action in 2012 by addressing many of the long standing issues in the Lifeline program. To date, our reforms have saved the Fund over \$2.75 billion and we are not done.

We must move beyond simply criticizing the “old” Lifeline program and focus on ways in which a restructured, recalibrated, modernized program can serve those who qualify and strengthen our economy. My goal is to create a new, refocused and retargeted program that will serve those most in need, and maximize each dollar of universal service funding spent, while eliminating any remaining incentives for waste, fraud and abuse. If done correctly, for a mere \$9.25 per qualified household per month, our government can provide a communications bridge that will help millions to get their lives back on track. The 21st century communications framework that the rest of us take for granted could be a life-changing link to education,

employment, even access to better healthcare for those who cannot afford a monthly connection. I am pleased that, under the leadership of Chairman Wheeler, the FCC sought comment this summer on revamping the Lifeline program and I hope we move to Order expeditiously. Every day that Lifeline supports a 30-year-old, voice-only framework with limited service options is another day where opportunity divides deepen.

In addition to universal service, I would like to highlight three other areas where the FCC is addressing chronic opportunity divides: (1) our auction proceeding, (2) reforming of inmate calling rates, and (3) the Connect2Heath FCC initiative.

First, the FCC adopted smaller license blocks and geographic service areas for the AWS-3 and incentive auction proceedings and instituted rural bidding credits when we reformed our competitive bidding rules. These actions should incentivize smaller companies to deploy wireless networks in areas that currently lack advanced services.

Second, last month, the Commission, after over a decade of inaction, voted to bring relief to friends, families and lawyers seeking to maintain connections with a loved one or client behind prison walls. Families are making incredible sacrifices: forgoing food, medicine, clothing, even access to 21st century educational opportunities for their children. Advocates are stymied in their efforts to provide vigorous representation of their clients. Young people are going without computers, broadband and printers because family resources are going toward prison phone calls. One example of this is a teenager from New Mexico who told the story of her family's sacrifice to stay in touch with her incarcerated father: They have spent more than \$28,000 to date to have a mere five minute per week conversation. This parade of horrors is rooted in an egregiously failed market regime. But there is reason for optimism. Since the FCC established interim interstate rate caps in 2013, prison call volumes have increased nearly 70% in

some facilities: real evidence that high rates discourage connection. But the majority of the 700,000 inmates released each year return home as strangers because on average, only 38 percent are able to maintain contact on a regular basis. As a result, these individuals are more likely to be among the 75 percent of inmates that reoffend and return to prison within five years.

Numerous studies continue to show that staying in touch with those who are incarcerated not only reduces recidivism, but improves the attitude of inmates during their sentence. Our action last month, I believe, is key to the on-going bipartisan efforts to reform our criminal justice system, such as the recently introduced Sentencing Reform Act of 2015. We all have a role in making society better and with this Order, I am proud to say, that the FCC has done its part.

Third, nowhere is the power of broadband more essential than in helping our country meet its national health goals. Over the last year, the Connect2HealthFCC Task Force has been laser-focused on this broadband-health equation. We have engaged a broad cross-section of federal, state and local stakeholders representing rural and underserved areas with the goal of understanding local broadband health ecosystems, and tapping into the unique challenges and solutions that communities are developing across the nation. Allow me to list a few highlights:

- In Virginia, broadband is bringing world class -prenatal care to rural areas of the Commonwealth where expectant mothers would otherwise have no access to high-risk obstetricians. This program reportedly reduced the number of pre-term deliveries by 25 percent, shortened the length of NICU stays (by nearly 40 percent), and had broader economic impacts – lowering the costs of care by millions of dollars and allowing mothers to return to work earlier after delivery.

- In rural Mississippi, the University of Mississippi Medical Center and the state's leadership structured a public-private partnership to bring mobile broadband to parts of the Delta where one in every ten people has diabetes and 40% of the children are obese. This groundbreaking program is using broadband-connected devices to help 100 uncontrolled diabetics engage in their own care. These patients, whose primary access to care may have been emergency room centers, reported zero ER admissions during the course of the program.

- In Florida, health care kiosks – enabled by broadband -- bring primary care to remote and underserved parts of our country, meeting the needs of children, seniors and people with disabilities where they live. A fire chief from Satellite Beach, Florida is using remote monitoring systems in the firehouse to cut 9-1-1 calls from elderly residents in half.

I am energized by the inspiring work of our local communities and committed to answering their call for robust and ubiquitous connectivity. We must ensure that our regulatory frameworks keep pace, and we will continue to work aggressively toward this end.

Finally, I want to thank my colleagues, and the Members of this Committee, for your support in finalizing a set of real solutions to the challenges faced by AM radio operators. As you may know, during my tenure as Acting Chair, I called for the opening of a translator window to increase the service options and economic viability of these stations. Just last month, through a bipartisan vote to open an immediate window for broadcasters to move an existing translator up to 250 miles, we will dramatically increase the quantity and competitive pricing of translators in the marketplace. Furthermore, upon the conclusion of the broadcast incentive auction, we have committed to opening an auction window for AM broadcasters to obtain a translator. We have also taken steps to provide increased protections for our smallest businesses in the space, by giving Class C and D stations a separate window during each stage of our process. Through

compromise and collaboration, we will yield powerful results for this valuable sector of our telecommunications marketplace.

Thank you for allowing me once again to appear before you and I welcome any questions you may have.