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OVERSIGHT OF THE FEDERAL COMMUNICATIONS COMMISSION

WEDNESDAY, OCTOBER 25, 2017

House of Representatives,

Subcommittee on Communications and Technology,

Committee on Energy and Commerce,

Washington, D.C.

The subcommittee met, pursuant to notice, at 2:17 p.m., in Room 2322, Rayburn House Office Building, Hon. Marsha Blackburn [chairman of the subcommittee] presiding.

Present: Representatives Blackburn, Lance, Shimkus, Latta, Guthrie, Olson, Kinzinger, Bilirakis, Johnson, Flores, Brooks, Collins, Walters, Costello, Walden (ex officio), Doyle, Welch, Clarke, Loeb sack, Ruiz, Dingell, Eshoo, Engel, Butterfield, Matsui, McNerney, and Pallone (ex officio).

Also Present: Representatives McMorris Rodgers and Tonko.

Staff Present: Ray Baum, Staff Director; Kelly Collins, Staff

Assistant; Robin Colwell, Chief Counsel, Communications and Technology; Chuck Flint, Policy Coordinator, Communications and Technology; Adam Fromm, Director of Outreach and Coalitions; Gene Fullano, Detailee, Communications and Technology; Brighton Haslett, Counsel, Oversight and Investigations; Elena Hernandez, Press Secretary; Tim Kurth, Senior Professional Staff, Communications and Technology; Lauren McCarty, Counsel, Communications and Technology; Alex Miller, Video Production Aide and Press Assistant; Evan Viau, Legislative Clerk, Communications and Technology; Hamlin Wade, Special Advisor, External Affairs; Sean Farrell, Professional Staff, Communications and Technology; Jeff Carroll, Minority Staff Director; Alex Debianchi, Minority Telecom Fellow; Evan Gilbert, Minority Press Assistant; David Goldman, Minority Chief Counsel, Communications and Technology; Tiffany Guarascio, Minority Deputy Staff Director and Chief Health Advisor; Jerry Leverich, Minority Counsel; Jourdan Lewis, Minority Staff Assistant; Lori, Maarbjerg, Minority FCC Detailee; Jessica Martinez, Minority Outreach and Member Services Coordinator; Dan Miller, Minority Policy Analyst; Tim Robinson, Minority Chief Counsel; Andrew Souvall, Minority Director of Communications, Outreach and Member Services; and C.J. Young, Minority Press Secretary.

Mrs. Blackburn. The Subcommittee on Communications and Technology will now come to order. And the chair recognizes herself for 5 minutes for an opening statement.

And I do want to welcome each and every one of you, obviously a hearing of interest as we have a full room in front of us. And it is our first hearing in 2017 with a fully formed Federal Communications Commission.

As often seems to be the case, the Senate takes their dear, ever-loving time to get things done, but I am pleased to see that the Commission is back up to speed. And I will tell you, I am pleased that we have five members of this Commission, and they have different points of view to bring to the discussion on all things telecom related. And I think that that is healthy for the telecommunications and technology industry.

And we are here today to conduct oversight of the agency, which is this subcommittee's primary role. It is very important that we fulfill these obligations, because we have given the FCC a critical mission and critical task to fulfill. From the Commission's disaster response efforts, to its work supporting the deployment of rural broadband, to its efforts to streamline and modernize the regulatory environment impacting some of America's greatest creators and innovators, you are all doing important work, and we appreciate what you do.

One of the FCC's many jobs is to regulate broadcasters who accept and fulfill unique public interest obligations due to their use of

valuable public spectrum. While we were in the final stages of planning for this routine oversight hearing, some of my colleagues asked that the committee hold an entire hearing about comments by the President on Twitter regarding certain broadcasters' work. So I fully expect them to question the Trump tweets.

And, Chairman Pai, since we have a very full slate of issues, my hope is that you will address that concern so that we can focus on the work and responsibilities of the Commission.

The Commission has conducted entirely appropriate oversight of broadcast licenses. There is no indication it has any interest in regulating political content, unlike some in our chamber who have urged the FCC to adopt a new fairness doctrine mandating that broadcasters provide equal time to the opposition if they allow anyone to express any type of political opinion on air.

The outrage over the President's Twitter musing stands in sharp contrast to the silence as Twitter cuts off the voices of conservatives, sexual assault victims, and potentially anyone who posts something they just don't like for whatever reason, all this on a platform so powerful and far-reaching that you could argue that it is the modern day public square. And some on Twitter have even called to suspend the President's account. And after my recent experience, I will say I wouldn't put it past some people.

The latest Twitter scandal is an attempt to distract from the Commission and the American people from the FCC's real work, which is delivering on a mission to unleash American innovation.

So, Chairman Pai, no matter what questions are said, I hope that we are going to stick to keeping our eye on the ball and making certain that we address things like media ownership rules, the Lifeline program, the imperatives of expanding rural broadband, and restoring a free and open internet. That is something that we want to see done by the end of this year.

And at this time, I yield 1 minute to the vice chairman of the subcommittee, Mr. Lance.

[The prepared statement of Mrs. Blackburn follows:]

***** COMMITTEE INSERT *****

Mr. Lance. Thank you very much, Chair. And welcome to Chairman Pai and the now full complement of commissioners. What a good-looking group. Thank you for appearing before us today.

Since our last oversight hearing in July, the Commission has continued its important work on issues such as disaster relief and recovery in the communities affected by the recent hurricanes, commercial spectrum availability, fraud prevention in closing the digital divide. The Commission is also moving forward in the process to roll back the misguided Title II reclassification of ISPs from the previous administration.

Here on the subcommittee, we have recently taken a bipartisan step forward in reauthorizing the FCC for the first time since 1990. I applaud the chairman and ranking member for their leadership in reasserting this vital oversight tool. I also thank Commissioner O'Rielly for joining me in the district I serve in August for a 5G industry roundtable. I commend his leadership at the Commission pursuing innovation-friendly spectrum and infrastructure policies that will be important in our efforts to win the race to 5G.

Thank you all for being here, and I look forward to your testimony.

[The prepared statement of Mr. Lance follows:]

***** COMMITTEE INSERT *****

Mrs. Blackburn. The gentleman yields back.

Mr. Doyle, you are recognized for 5 minutes.

Mr. Doyle. Thank you, Madam Chair, for holding this hearing. And thank you to all the witnesses for appearing before us today. Let me just say that I really enjoy our time here together, as I am sure all of you do. And I would encourage the chairman to continue to hold these get-togethers far more often.

Mrs. Blackburn. Absolutely.

Mr. Doyle. Commissioner Rosenworcel, welcome back. Your work on the homework gap has been missed.

Commissioner Carr, congratulations on your confirmation. I hope that as you establish your agenda, that you remember that the guiding principle of the FCC is to act in the public's interest. It is a standard that I will hold you to as well.

Chairman Pai, many people around the country, including myself, and many of colleagues are deeply alarmed by your response to the President Trump's threats against the media, and specifically his tweet threatening NBC. In 2014, you wrote in The Wall Street Journal that the government has no place pressuring media organizations into covering certain stories. You took 6 days to respond to the President's tweet. And when you did, you did not directly address the President's threat at all or its chilling effects on the media.

While the President and the administration can dispute the veracity of any story, even ones that are demonstrably true, they cannot attack the free institutions that enable our democracy. As Senator

Flake said yesterday, it is time for our complicity and our accommodation of the unacceptable to end.

Besides this issue, the Commission's agenda under your leadership has already had a profoundly negative effect on our country. From increasing cost on small businesses, driving up the cost of calls to family members in prison, and claiming that wireless broadband is competitive, even when people in rural America know it is not, it seems that in every fork of the road you have chosen the path that leads to higher consumer cost, fewer choices, and less innovation. And if it sounds as if the worst is yet to come, news reports suggest that you unveil plans tomorrow to vastly alter the media landscape in this country, clearing the way for more media consolidation, including the Sinclair-Tribune merger.

Yesterday, the Commission eliminated the main studio rule that had ensured for 77 years that local news was gathered and reported locally. What good would a studio and reporters in New York have done for broadcast stations in Houston or Florida after the hurricanes? What good is local news if it isn't local? Other news reports suggest you will announce an order to repeal the FCC's open internet order around Thanksgiving.

Madam Chairman, I sincerely hope that, if this true, that we have a chance to talk to the Commission in advance of a vote on that order. The idea that such a significant order that would affect so much of our economy would be voted on without oversight is unconscionable and would be a dereliction of this committee's duties. If the chairman

is intent to act, I believe that his actions should be done under the scrutiny of Congress and in the light of the public.

That concludes what I want to say. And I am going to yield the remaining part of my time to Ms. Eshoo.

[The prepared statement of Mr. Doyle follows:]

***** COMMITTEE INSERT *****

Ms. Eshoo. I thank the gentleman for yielding his remaining time to me.

I want to associate myself with our ranking member's comments, particularly to what the President said that was a direct assault on the First Amendment and, with all due respect to you, Mr. Chairman, your delayed and rather tepid response to that. I want to place verbally in the record the First Amendment of the Constitution of our country.

It was written, adopted by --

Mrs. Blackburn. Without objection.

Ms. Eshoo. Thank you -- December 15, 1791. It is as new and as important today as the day that it was adopted.

Congress shall make no law respecting an establishment of religion or prohibiting the free exercise thereof or abridging the freedom of speech or of the press -- they were very clear. They were very clear -- or the right of the people peaceably to assemble and to petition the government for a redress of grievances.

I hope you will choose to enlarge on the public statement that you put out.

And with that, I will yield back the balance of my time.

Mrs. Blackburn. The gentlelady yields back to the ranking member.

Mr. Doyle. And I yield back.

Mrs. Blackburn. The gentleman yields back.

At this time, I recognize the chairman of the full Energy and

Commerce Committee, Mr. Walden, who has been in the chair all day along with the hearing downstairs.

The gentleman is recognized for 5 minutes.

The Chairman. Well, thank you, Madam Chair. And I want to welcome especially Commissioner Carr. Welcome aboard. We are glad to have you here for the first time in this capacity. And welcome back Commissioner Rosenworcel. It is sure good to see you on the Commission. And we look forward to continuing our work with you and the other members. Chairman Pai, thank you too for being here and for your leadership.

I couldn't agree more with Chairman Blackburn that this Commission has some very, very important work to do. The United States has weathered a large share of natural disasters this year, including wildfires that have devastated literally hundreds of thousands of acres in my home State. And we know the tragedies all across the West from these fires. These catastrophic weather events have shown the importance of maintaining the most reliable and modern communication systems possible. And we certainly owe the work many of us were engaged in on FirstNet and going clear back to 2012, and we need to make sure that works as planned.

I look forward to hearing updates on the agency's contributions to the overall Federal relief efforts underway in these areas as well as those impacted by Hurricanes Irma, Harvey, and Maria, although some of the affected areas are almost back up to speed, which is great, thanks to a lot of hard work on both industry and government. We know we are

facing enormous challenges elsewhere in restoring essential services, in places like Puerto Rico and the Virgin Islands, as well as others here on the mainland.

We appreciate the Commission's efforts to streamline permitting, advance funding, and provide much needed assistance in these situations. We also appreciate the Commission's work to keep us informed through a bipartisan, bicameral briefing on FCC hurricane response efforts that we requested and that Chairman Pai's team quickly provided at the beginning of this month. Thank you for doing that.

As 2017 draws to a close, we find ourselves waiting on a number of key items to emerge from the Commission. In no way does this committee expect our oversight to delay the Commission's important work. Rather, hearings like this are vital to keeping open the lines of communication and exposing commissioners and committee members alike to different perspectives, yielding better understanding and better decision-making. But we expect the Commission's work to go regardless, just as it did under the previous administration.

The subcommittee continues its work as well having just finished a markup on an FCC reauthorization bill for the first time in many years. I want to thank my colleagues on both sides of the aisle for their work on this effort as we continue to move toward full committee markup soon.

Last month, we held a hearing on the challenges and opportunities presented by the repacking process that the Commission has embarked upon. I commend the Commission's continuing efforts to release funding and work with every broadcaster to ensure their needs are being

met as this transition evolves in a timely manner. Your input has been and will continue to be extremely important to this committee as we look at options to solve the remaining issues. And we certainly know there are some out there.

Some of my colleagues may wish to use this opportunity as a forum to rehash, once again, the arguments for dumping cutting edge broadband internet service into the stale, musty bucket that is Title II. In any case, if anyone was wondering, my position hasn't changed on that, and I don't sense others have.

This Commission should not be dissuaded in any way by the previous Commission's partisan maneuver, which upended stacks of Commission precedent, disregard reams of legislative history to achieve the results that were demanded by then President Barack Obama. It is up to the Commission to set the optimal regulatory conditions to fuel broadband investment and deployment. And I hope to see a new bar set in this regard before the end of the year.

Ultimately, Congress is the appropriate forum to settle the net neutrality debate. I think you hear a little of that passion here on both sides. And I have been continuing my efforts to negotiate a compromise. Although my staff continues to engage the various affected parties in productive discussions toward that end, my colleagues in the minority have, unfortunately, seemed largely uninterested at this point. I would love to see that change, by the way. The door remains open.

We are willing and able to codify net neutrality protections and

establish a Federal framework in statute for providing certainty to all participants in the internet ecosystem. I don't think we need Title II to do that. We have the same end goal: Preserving the internet as a free, open, dynamic environment to unleash innovation and drive our economy, while also doing everything we can to extend its benefits to every American. We should be able to work together to clear this issue off our plates.

With that, again, I thank the Commission for being here today. We are glad to see you fully constituted and confirmed. And as you can imagine, we have a lot of issues to hear from you on and to have good discourse back and forth. So thanks again.

And with that, I yield back.

[The prepared statement of Chairman Walden follows:]

***** COMMITTEE INSERT *****

Mrs. Blackburn. The gentleman yields back.

Anyone seeking the remainder of the chairman's time?

No one else. The gentleman yields back.

At this time, Mr. Pallone, you are recognized for 5 minutes.

Mr. Pallone. Thank you, Madam Chairman and Ranking Member Doyle, for holding this hearing today. And I appreciate that you are maintaining the subcommittee's tradition of oversight of the FCC. I know some people here today would prefer you wouldn't.

Congressional oversight is especially important now because the FCC is on a path to take up a number of controversial issues in the next few months. Nonetheless, it is curious that this hearing is scheduled for today in particular, just one day before Chairman Pai is expected to make public at least one proposal that enriches a single company above others, and that would clear out any last obstacles to Sinclair broadcasting's purchase of Tribune Media Company. This will be the single largest owner of television broadcast station, and they would be buying the second largest.

So Chairman Pai has claimed repeatedly that it is simply coincidence that his actions are all timed to benefit Sinclair. But if that was the case, why can't the members of this committee see the latest proposal that he plans to circulate tomorrow before the Commission came before us? And now Chairman Pai has refused repeatedly to respond to my questions about allegations about his relationship with Sinclair. And this kind of evasiveness with Congress does not help put anyone's concerns to rest. These moves are just another

example of how this FCC values large companies over small ones and always puts companies before consumers.

The most glaring example of this, of course, is Chairman Pai's commitment to eviscerate net neutrality protections by the end of this year. Net neutrality protects consumers, protects small businesses, and protects free speech. And I hope that the FCC is spending this time reviewing the millions of comments that had been filed, including comments from the Democratic members of this committee. And I also hope the FCC considers the thousands of consumer complaints that have been made public since the comment period closed. These complaints demonstrate that consumer problems with broadband providers is much farther reaching than the FCC's proposed rulemaking lets on.

Now, together, these items have the potential to drastically remake the way Americans communicate. And in taking on these issues, the FCC must find a way to insulate itself from the political pressures from the President. Chairman Pai has claimed that he has restored independence to the FCC, yet he refuses repeatedly to put any distance between himself and President Trump, whether it is net neutrality, Sinclair, or even protecting a free press. And that evasiveness does not inspire confidence.

I have said many times, and I think I have told some of the Commission members, that I remember earlier this year when Sean Spicer was at a press conference and he said that the President would have the FCC repeal net neutrality before the FCC even addressed the issue. So, you know, again, it just seems that everything is, you know,

whatever the President wants, and there is really no independence at all on net neutrality or the other issues. And the FCC has a long tradition of bipartisanship. But, unfortunately, that is simply not the case today. Hardworking American consumers and future Congresses are sure to take a dim view of the current partisan politics at the FCC, and it is time to restore that bipartisan tradition.

But, again, I thank the chairman and the commissioners for all being here today. And I would like to yield a minute each to Mr. McNerney and Matsui. I guess I will start with McNerney.

[The prepared statement of Mr. Pallone follows:]

***** COMMITTEE INSERT *****

Mr. McNerney. Well, I thank the ranking member for yielding.

I have noticed a troubling trend in the FCC's recent actions. The very core of the FCC's mission is in the public interest. In fact, the words "public interest" appear over 100 times in the Communications Act. But by taking steps to limit access to information and content, the Commission has gone against what I think is the public's interest. This is evidenced by the Commission's current efforts to dismantle net neutrality protections. It is further evidenced by the steps the Commission has taken to undercut localism from reinstating UHF discount to eliminate the main studio rule. These and other actions signaling favorable treatment for Sinclair.

And then there was the chairman's initial silence regarding the President's threat to revoke broadcast licenses on the basis of viewpoints, followed by the chairman reluctantly making a statement, but one that was too late and insufficient. I am disappointed in these actions and the effect that they will have on the information my constituents and Americans across the country have access to.

With that, I yield to Ms. Matsui.

Ms. Matsui. Thank you very much. Thank you for yielding.

In order to expand broadband deployment across this country, it is critically important that we accelerate our work to free up spectrum for commercial use. Additional spectrum is necessary both to expand wireless coverage across rural America and build capacity across all of America. We must also focus on locking more spectrum frequencies that will allow new and innovative technologies to grow. This means

everything from precision agriculture, public safety communications, telehealth services, the Internet of Things, and connected devices. All of this to rely on access to spectrum's invisible infrastructure of the 21st century.

Access to the spectrum would depend on the FCC conducting auctions that will allow additional low, mid, and high-band spectrum to be delivered to commercial users. That is why Congressman Guthrie and I introduced the Spectrum Auction Deposits Act yesterday. Without this fix, future auctions may be put on hold indefinitely. And I look forward to working with Chairman Pai, the committee, and Congressman Guthrie to work together to enact this into law.

And with that, I yield back.

Mrs. Blackburn. The gentlelady yields back.

And I see no other members requesting time, so this concludes our opening statements.

I would like to remind members that, pursuant to the committee rules, all members' opening statements will be made a part of the record.

We want to thank our witnesses for taking the time to be here today and for preparing for the hearing, submitting your testimony. We do appreciate this. Today's witnesses will have the opportunity to give opening statements, followed by the questions that are going to come from our members.

Our witness panel for today's hearing: The Honorable Brendan Carr, Commissioner Clyburn, Chairman Pai, Commissioner O'Rielly,

Commissioner Rosenworcel. We appreciate that you all are here for this.

And as the tradition of this subcommittee, we will go in the order of seniority. So, Chairman Pai, you will be first, followed by Commissioner Clyburn, and then Mr. O'Rielly, Mr. Carr, and Ms. Rosenworcel.

So, Chairman Pai, you are recognized for 5 minutes for an opening statement.

STATEMENTS OF AJIT PAI, CHAIRMAN, FEDERAL COMMUNICATIONS COMMISSION;
MIGNON CLYBURN, COMMISSIONER, FEDERAL COMMUNICATIONS COMMISSION;
MICHAEL O'RIELLY, COMMISSIONER, FEDERAL COMMUNICATIONS COMMISSION;
BRENDAN CARR, COMMISSIONER, FEDERAL COMMUNICATIONS COMMISSION; AND
JESSICA ROSENWORCEL, COMMISSIONER, FEDERAL COMMUNICATIONS COMMISSION

STATEMENT OF AJIT PAI

Mr. Pai. Thank you. Chairman Blackburn, Ranking Member Doyle, members of the subcommittee, thank you for holding this hearing today. I appreciate this opportunity to update you on the FCC's work to advance the public interest.

That work has been substantial. In my written statement, I outlined a progress in four key areas: Promoting public safety, bridging the digital divide, modernizing our regulations, and combatting unwanted robocalls. Additionally, I commended the subcommittee for its work on reauthorizing the FCC.

Of particular importance is the provision just mentioned by Congresswoman Matsui that would allow the deposits placed by bidders in spectrum auctions to be sent to the Treasury. Without this measure, the FCC won't be able to launch a large spectrum auction for the foreseeable future.

But this morning, I would like to address an area of concern for all members and for me: The First Amendment. I have said again and

again and again that the First Amendment must be at the heart of our work. That is why I oppose the prior FCC's critical information needs study, an ill-conceived initiative which would have involved sending government funded agents into newsrooms to second-guess editorial judgment. And that is why just last month I spoke at the Newseum about the importance of the First Amendment.

My record on these issues is clear. And these issues are not new. President Kennedy targeted The Washington Post and NBC directly telling one of my predecessors that a particular story was outrageous and to, quote, "do something about it." More recently, some have said that the FCC should reject a transaction involving the transfer of FCC broadcast licenses because of editorial judgments. And six members of this very committee, including the current ranking members of the committee and subcommittee, once demanded that the FCC investigate a broadcaster based solely on the content of a documentary that they didn't like and that hadn't even aired.

Let me be clear. I stand on the side of the First Amendment. I firmly believe that journalists should heed to their viewers, their listeners, and their readers, not the dictates of officials in Washington, D.C. But don't just trust my words. For if you believe, as I do, that the Federal Government has no business intervening in the news, then we must stop the Federal Government from intervening in the news business. And that is why this afternoon I shared with my fellow commissioners an order that will reform our media ownership rules and help pull the government, once and for all, out of the

newsroom. We will vote on this order at our November 16 meeting.

The marketplace today is nothing like it was in 1975. Newspapers are shutting down. Many a radio and TV stations are struggling, especially in smaller and rural markets. Online competition for the collection and distribution of news is even greater than it ever was. And just two internet companies claim 100 percent of recent online advertising growth. Indeed, their digital ad revenue alone this year will be greater than the market cap of the entire broadcasting industry. And yet the FCC's rules still presume that the market is defined entirely by pulp and rabbit ears. As one newspaper has put it, making the argument that the current rules are outdated is easy. That radical right wing rag was The New York Times in 2003.

Now, if this order is adopted, the FCC will belatedly recognize reality and match our rules to the modern marketplace. First, the order will, once and for all, eliminate the newspaper broadcast cross-ownership rule. As President Clinton's first FCC chairman has explained, under current conditions in the media business, the FCC's rule is perverse. And the Third Circuit has said that it remains at, quote, significant expense to pro-competitive arrangements.

Second, the item will eliminate the radio-television cross-ownership rule, which is unnecessary into today's marketplace given the Commission's separate local radio and local television ownership rules.

Third, it will revise the local television ownership rule to eliminate the eight-voices test and incorporate a case-by-case review

of the top-four prohibition. This better reflects the competitive conditions in local markets.

Fourth, it will eliminate the attribution rule for television joint sales agreements, finding that JSAs serve the public interest by allowing broadcasters to better serve their local markets.

Fifth, it will retain the disclosure requirement for shared services agreements involving commercial television stations.

And, sixth, it will finally, finally, establish an incubator program to encourage greater diversity in and new entry into the media business and seek comment on what the details of that program should be. And unlike under the prior administration, I have ordered that the text of this decision be made publicly available tomorrow, 3 weeks before we vote on it. That too is news that is fit to print.

Chairman Blackburn, Ranking Member Doyle, members of the committee, thank you once again for holding this hearing, and I look forward to answering your questions.

[The prepared statement of Mr. Pai follows:]

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Mrs. Blackburn. We thank the chairman.

Commissioner Clyburn, you are recognized for 5 minutes.

STATEMENT OF MIGNON CLYBURN

Ms. Clyburn. Chairman Blackburn, Ranking Member Doyle, and members of the subcommittee, good afternoon, and thank you for the opportunity to once again appear before you today.

We are 9 months into a new administration, making it appropriate, I believe, to reflect on the tremendous change that has taken place when it comes to our outlook on consumers, competition, and viewpoint diversity. Beyond the Washington acronyms, inside of the beltway jargon and flashy press headlines, are a series of actions, I fear, that are jeopardizing the FCC's role as the referee on the field protecting consumers and small business interests.

Now, I ask you not to take my word about this. In my hand are 80 mostly handwritten letters I have received in the recent months. They express concern ranging from open internet and proposed mergers to inmate calling and a lack of affordable broadband in their communities. Amid the many policy changes, what may have gone unnoticed are the enforcement actions that we have failed to take against the Nation's largest regulatees, where they have violated the public trust and the Commission's rules.

In March, for example, millions of consumers were unable to call 911 for 5 hours. Similar outages in the past few years resulted in

the Commission collectively fining companies more than \$30 million. These past fines were a recognition that we depend on 911 being available during times of greatest need. How did the current FCC handle this year's outage, one of the largest fines ever? No penalty and no report that addressed the question of whether the Commission's rules were violated.

Now, I am all for taking enforcement action whenever the public's trust has been violated. But what is clear is that the majority's focus is on targeting individuals and small businesses, where we are least likely to collect any fines.

Turning to policy. It is a source of great disappointment that as we approach the holiday season, 2.7 million children continue to wait for this agency to make good on its word to bring about real reform when it comes to the inmate calling regime. In April, the FCC majority welcomed Industry Consolidation Month by reinstating the technologically obsolete UHF discount. The result: Opening the door for a single broadcast station group to reach more than 70 percent of the television households. In that same month, we paved the way for huge rate hikes on business data services, formerly known as special access, that will not only negatively impact small businesses but rural hospitals, schools, libraries, and police departments as well. Instead of looking out for millions of little guys, the Commission's majority once again chose to align with an interest of a handful of multibillion dollar providers.

In August, we began an inquiry that may actually put us on a path

of lowering the bar for what we now consider to be high-speed broadband. As I travel across this country, the refrain I hear is that service is too expensive and speeds are too low. We should be aiming to lead the world in having the fastest, most robust broadband, not heading in the opposite direction by green-lighting broadband service at excruciatingly slow snail-like speeds.

Now, last month, we took another worrisome turn with the adoption of our latest mobile competition report. Ask those that I have met in rural America who are struggling with 2G and 3G service. What they want is reliable wireless connectivity. What they have is lackluster noncompetitive service, simply put.

Our reports' findings do not match the experiences on the ground and in the communities across this great Nation. And if I am to believe the reports that I am hearing and reading, in just a matter of days, as you have heard, the chairman will circulate a series of items that include rolling back the best elements of our media ownership rules. If true, the already consolidated broadcast media market will become even more so, offering little to no discernible benefits for consumers.

Our actions, most often the ones that fail to make the headlines, have real everyday consequences. And while I keep and will keep doing everything in my power to make sure that we do not dial back any further when it comes to consumer protections, just, reasonable, and fair phone rates for all of our citizens, media ownership opportunities, and digital inclusion, I remain fearful, in part, because the rhetoric is not in line with the actions. I have submitted a longer statement for

the record.

But once again, allow me to thank the subcommittee for providing me the opportunity to testify today. I look forward, I believe, to answering any questions you may have.

[The prepared statement of Ms. Clyburn follows:]

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Mrs. Blackburn. Commissioner Clyburn, you always look forward to the questions, and we are delighted you are here.

Commissioner O'Rielly, you are recognized for 5 minutes.

STATEMENT OF MICHAEL O'RIELLY

Mr. O'Rielly. Thank you, Mr. Chairman.

Good afternoon. It is a pleasure to be before the subcommittee once again as it conducts further oversight of the Federal Communications Commission.

Before I discuss certain policy and other matters, I would like to address the recent tweets by the President of the United States raising matters within the purview of this FCC. Let me be clear. I do not speak for the President, and I have never met him. However, I think it is fair to say that the new President and his administration have received what can be most kindly called unbalanced coverage from various media sources. But you don't have to take my word for it or corresponding studies showing the same.

Former President Carter stated over the weekend: I think the media have been harder on Trump than any other President, certainly that I have known about.

With that said, I do not believe that the Commission's licensing decisions should be influenced or decided by politics. Similarly, like my objections to the cozy relationship between the past administration and the Commission, I continue to support the FCC as

an independent agency. Moreover, I strongly believe in the Constitution of the United States, which includes the First Amendment, and have sworn to support and defend it as part of my oath of office. But this is somewhat immaterial, because the beauty of the Constitution is that it is the highest law of the land, and the rights that it affirms and provides supersede my belief or any action on the Commission. It serves to protect us all, even the unwitting bystander or active hostile.

Turning to substantive matters. A top priority of mine is to ensure that the electromagnetic spectrum is being put to the most efficient use possible. My overall goal of this work is to position the United States and our wireless carriers for overall success in the coming years. We know that internationally several nations seek to corner the market on next generation wireless technologies, commonly known as 5G, to reap the economic benefits and dictate the world's wireless future. I intend to ensure that the United States' ingenuity and technological development are not unfairly hampered by others' quest for this premier position.

Moreover, as the insatiable demands of consumers for more mobility and broadband offerings continue, the Commission has the arduous task of reclaiming, reallocating, clearing, and, in some cases, facilitating spectrum sharing. A prime location for such efforts is the mid-bands, including a 3.5, 3.7 to 4.2, and 3.1 to 3.5 gigahertz bands. In terms of a license spectrum, the time has come to determine whether the DSRC remains the best use of the 5.9 gigahertz band. If

it no longer makes any sense, the Commission could combine the 5.9 gigahertz with the rest of the 5 gigahertz band and potentially the 6 gigahertz band to expand current unlicensed operations and promote continued growth.

Once spectrum is made available, additional auctions will be needed to assign licenses. But as Chairman Pai testified, the Commission faces difficulty in securing a financial institution to meet the statutory requirements to hold our upfront auction payments. Without a willing partner or a change in law, the Commission believes that it is unable to announce a schedule for future spectrum auctions, much less hold an auction itself.

While the subcommittee has included a technical fix within its larger reauthorization bill, it is possible that this larger legislation may take additional time. Accordingly, I want to thank Representatives Guthrie and Matsui for introducing the Spectrum Auction Deposits Act of 2017, a stand-alone bill for this purpose, and express my support for moving this rifle shot approach as soon as possible.

In terms of process reform, I believe that the Commission is more open and transparent now than it has been since I started following its activities. However, I continue to believe that additional changes to the Commission's procedures, both formal and informal, are necessary and prudent. On that note, the Commission's perpetual struggle over the excessive use of delegated authority continues. To rectify this, I have put forth what I consider to be a balanced plan

to accommodate the competing interests of permitting commissioners to vote and resolving matters expeditiously. I would be pleased to work with the subcommittee on this and any other process reform ideas.

I thank the members of the subcommittee for holding this hearing, and I look forward to answering any questions you may have. Thank you.

[The prepared statement of Mr. O'Rielly follows:]

***** INSERT 1-3 *****

Mrs. Blackburn. The gentleman yields back. And so far, he is winning the prize for most time yielded back.

Mr. Carr, you are recognized.

STATEMENT OF BRENDAN CARR

Mr. Carr. Thank you.

Chairman Blackburn, Ranking Member Doyle, distinguished members of the subcommittee, it is a privilege to appear before you today. This is a particular honor for me because this is my first opportunity to testify since I was sworn in as a commissioner in August. For the 8 months before that, I served as the general counsel of the FCC, after joining the agency originally as a staffer back in 2012.

In my 5 years at the Commission, I have enjoyed working with you and your staffs on policies that promote the public interest. I want to commend you in particular for your efforts to enact bipartisan legislation, such as Kari's Law, the Improving Rural Call Quality and Reliability Act and, most recently, the markup of an FCC reauthorization bill.

Having served in various roles in both the majority and the minority at the FCC, these experiences have instilled in me an appreciation for the importance of bipartisan consensus and working towards common ground. I commit to carrying that forward in my time on the Commission.

In my testimony, I want to focus on the ways the FCC can continue

to incentivize broadband deployment. This is particularly important as we make the transition to 5G, a shift that will require a massive investment in both wired and wireless infrastructure. But if we get the right policies in place, this transition could mean \$275 billion in network investment, 3 million new jobs, and half a trillion added to the GDP.

As I see it, there is at least three keys to getting there: Spectrum, infrastructure, and ensuring we have the skilled workforce in place to deploy these NexGen networks. First, we need to get more spectrum into the market. I am pleased the FCC is pressing forward on this front. We are proceeding underway that is looking at broad swaths of spectrum between 3 and 24 gigahertz. And the chairman has announced that we will vote later this year on opening up additional bands above 24 gigahertz. These are really great steps towards maintaining the United States' leadership in the global race to 5G.

Second, we must modernize the Federal, State, and local regimes that currently govern broadband infrastructure deployment. 5G is going to require a 10- to 100-fold increase in the number of cell sites in this country. The current regime is simply not tailored to support this type of massive new deployment. It costs too much, it takes too long. So we need to find ways to drive the regulatory -- the unnecessary regulatory costs out of the system, and we need to speed the timeline for obtaining regulatory approvals. Doing so will be particularly important for rural America.

One recent study shows that regulatory reform can shift the

business case for entire communities. Streamlining alone could make it economical for providers to deploy 5G to nearly 15 million more homes than under the existing and more burdensome regime. The lion's share of those would be in less densely populated parts of the country.

Third, we need the skilled workforce necessary to get this transition across the finish line. Last month, I participated in a roundtable hosted by the Wireless Infrastructure Association outside of Baltimore. A broad range of stakeholders from wireless companies to independent infrastructure providers all talked about the shortage of skilled workers that can deploy the small cells, distribute antenna systems and other infrastructure necessary for 5G.

Now, while there is no direct regulatory role for the FCC here, I think we need to focus additional attention on this issue and potential solutions, including the role that apprenticeship and other job training programs can play. And to that end, I will be participating at an event next month at the Department of Labor on workforce development.

One last point. While technology continues to evolve, one constant is the FCC's obligation to promote public safety. This has been highlighted in a most devastating of ways over the past 2 months with the hurricanes that have overwhelmed communities across the country and now currently with the wildfires that we see. The FCC has been working hard since well before the first hurricane made landfall. And Chairman Pai has kept the agency focused on the immediate task of supporting restoration efforts, including by forming a hurricane

recovery task force that is coordinating the agency's work. Right now, the FCC is focused on the emergency situations in Puerto Rico and the U.S. Virgin Islands, while continuing to assess restoration efforts across the country. I will see some of those firsthand on Friday when I visit Houston to hold a roundtable with broadcasters, meet broadband providers, and visit a 911 call center. I will be taking stock of the progress that has been made and the ways the FCC can continue to support those efforts.

So, Chairman Blackburn, Ranking Member Doyle, members of the subcommittee, thank you again for the opportunity to testify. I look forward to answering your questions.

[The prepared statement of Mr. Carr follows:]

***** INSERT 1-4 *****

Mrs. Blackburn. Thank you, Commissioner Carr. You did well in your first appearance.

Commissioner Rosenworcel, you are recognized for 5 minutes.

STATEMENT OF JESSICA ROSENWORCEL

Ms. Rosenworcel. Thank you.

Good afternoon, Chairman Blackburn, Ranking Member Doyle, and the other members of the subcommittee. Thank you for the opportunity to be here today. This is my first appearance before you since returning to the FCC. I had a little vacation courtesy of your friends in the United States Senate.

Of course, a little distance provides some perspective. And in my time off, one thing became abundantly clear: The future belongs to the connected. No matter who you are or where you live in this country, you need access to modern communications to have a fair shot at 21st century success. But the fact of the matter is that, today, too many Americans lack access to broadband. Let's put a number on it. Right now, 34 million Americans lack access to high speed-service. That number includes 23 million Americans living in rural areas. That is just not acceptable. We need to do better.

But, of course, statistics alone don't tell the whole story. To get a picture of just what it means to be consigned to the wrong side of the digital divide, consider kids and homework. Today, 7 in 10 teachers assign homework that requires internet access. But data from

the FCC show that as many as one in three households do not subscribe to broadband. Where those numbers overlap is what I call the homework gap. And according to the Senate Joint Economic Committee, the homework gap is real, and it affects 12 million children all across the country.

I have heard from students in Texas who do their homework at fast-food restaurants with fries just to get a free WiFi signal. And I have heard from students in Pennsylvania who make elaborate plans every day to get to the homes of friends and relatives just to be able to get online. I have also heard from high school football players in rural New Mexico who linger in the school parking lot late at night in the pitch-black dark because it is the only place that they can get a reliable connection. These kids have grit, but it shouldn't be that hard, because, today, no child can be left offline.

Developing digital skills is essential for education and for full participation in the modern economy. So I hope that adds a human dimension to what it means to not have access to broadband.

Now, let me tell you what we can do about it. If we want to get serious about addressing our broadband problems, we need to know exactly where those problems are most pronounced. We need better mapping. Nearly 9 years ago, in the American Recovery and Reinvestment Act, Congress had a good idea. It created a national broadband map identifying where deployment has and has not occurred. But if you check that map online now, you will last see that it was updated 3 years ago. And I don't have to tell you, in the internet

age, 3 years is an eternity.

You cannot manage what you do not measure, so I think it is time for a national broadband map that offers an honest picture of both wired and wireless broadband across the country. And, of course, we can build this map with all sorts of datasets here in Washington. But I think it would great if we had a clearer picture on the ground. I am a big believer in the wisdom of crowds, so I think we should put it to the public. If any of your constituents have not been able to get service or live in an area that lacks it, help us make that map and write us at broadbandfail@fcc.gov.

I set up this account to take in the public stories and ideas, and I will share everything that comes in with the chairman and my colleagues, because I think it is time to every one of those broadband fails into something better: broadband success.

Finally, I want to point out that, with broadband, speed matters. The FCC has a statutory duty to annually assess the state of broadband deployment. Today, our national standard is 25 megabits. But the agency has sought comment on scaling this back to 10 megabits. That is crazy. We won't solve our broadband problems by lowering our standards. We need to correct this course immediately and start setting bigger goals, if we want to do bigger things.

Let me close by thanking you for having me at this hearing today. I look forward to answering any questions you may have.

[The prepared statement of Ms. Rosenworcel follows:]

***** COMMITTEE INSERT *****

Mrs. Blackburn. We thank everyone for the testimony. And this concludes our testimony portion, and we are going into the Q&A portion. And I will recognize myself for 5 minutes.

Chairman Pai, I am going to come to you first. I want to stay with that freedom of speech theme. During the last administration, the Commission had proposed a multimarket study of critical information needs, and you had made the comment that you thought it thrust the Federal Government into the newsrooms across the country. And Chairman Upton, Chairman Walden, and many members on this subcommittee, including myself, sent Chairman Wheeler a letter calling the study what we thought would be unconstitutional, and urging him to put a stop to the attempt to engage the FCC as the news police. Fortunately, Chairman Wheeler did heed our call.

And I want to know if you can -- he put a stop to it, but can you tell us more about that project? How close was it to actually happening? How much money got spent on that project?

Mr. Pai. Thank you for the question, Chairman Blackburn, and thank you for your advocacy several years ago. The critical information needs study was a study that was conceived in the prior FCC. It spent approximately \$900,000, as best I can discern it. And the project involved sending government-funded researchers into newsrooms to ask questions about why they were or were not covering eight different categories of news that the government thought were important, asking questions to news directors and the like about perceived bias, and asking a whole host of other intrusive questions.

It seemed to me that this was not compatible with the agency's obligations under the First Amendment. And so I wrote up an op-ed about it. And I am grateful that Chairman Wheeler ultimately scrapped that study, but not before, as I said, a great deal of money had been expended and a rubicon of some sort had been crossed.

Mrs. Blackburn. Okay. Now, when Chairman Wheeler pulled the plug on it, the FCC said that some of the questions may not have been appropriate and that the Commission would be modifying the draft study. So what is the current status on this?

Mr. Pai. That study will not proceed and -- period.

Mrs. Blackburn. Okay. I just want to ask, for each of you on the Commission, is there anybody on this current Commission that would support such a study?

Ms. Clyburn. Well, Madam Chairman, one of the things that I take issue with is how that was couched. I was a part of that study, which was a study of -- it started out being a study of studies, looking at what the Commission gathered in terms of information about the entire media ecosystem. And as a result of us not having information, we have been kicked, you know, back several times to the court about not having justification, not having information, not having data. When it comes to certain policies, the court has spoken. We don't have the information needed. We are making decisions by putting a finger up in the wind and seeing where the political winds are flowing and going in terms of information, in terms of our decision-making.

Mrs. Blackburn. Okay.

Ms. Clyburn. And that is why we have a UHF discount that is totally -- it has no justification. And that is because we have no information that we are gathering. We are just making decisions based on political --

Mrs. Blackburn. So you would support the FCC being in the newsroom?

Ms. Clyburn. I will support the FCC not being in the newsroom, because I am a First Amendment prophet. I had a newspaper for 14 years, and dare not anybody come into my newsroom and tell me what to print. That is not what I am saying.

Mrs. Blackburn. All right. Let me ask you all this. In 2009, Anita Dunn, the White House communications director said of Fox News: We are going to treat them the way we would treat an opponent. We don't need to pretend that this is the way that legitimate news organizations behave. This overall attitude culminated in the exclusion of Fox News from access in numerous large and small ways.

As deputy press secretary Josh Earnest wrote in an email to a Treasury official, and I am quoting: We are demonstrating our willingness and ability to exclude Fox News from significant interviews.

Did any of this raise First Amendment concerns with any of you?

Yes or no. Commissioner Carr, start with you, and go right down the line.

Mr. Carr. I think it underscores the need for the Commission to just stay focused on every action that the agency takes being consistent

with --

Mrs. Blackburn. Okay. We are going to learn to do yes and no.
Okay. Commissioner Clyburn.

Ms. Clyburn. I am hesitant about asking -- I am trying to grasp what are you saying. All I know is I am very consistent on First Amendment principles.

Mrs. Blackburn. Okay. So exclusion from asking questions or being included, would that bother you?

Ms. Clyburn. Exclusion --

Mrs. Blackburn. Excluding a news outlet, would that bother you?

Ms. Clyburn. Excluding a news outlet from -- that is not how I conduct myself.

Mrs. Blackburn. Okay. All right.

Chairman Pai?

Mr. Pai. I agree with Commissioner Carr.

Mrs. Blackburn. Okay.

Mr. O'Rielly. Yes.

Chairman Blackburn. Yes. Okay. Follows instructions well.

All right. Chairman Rosenworcel?

Mr. Rosenworcel. Tension between administration --

Chairman Blackburn. Yes or no. You have got to learn to do it.

Mr. Rosenworcel. Tension between administrations are as old as the republic.

Mrs. Blackburn. All right.

Mr. Rosenworcel. Nothing strikes me about what you have just

described as being particularly new or unique.

Mrs. Blackburn. Okay. That is unfortunate.

All right. Mr. Doyle, you are recognized for 5 minutes.

Mr. Doyle. Thank you very much.

Commissioner O'Rielly, in the spirit of Chairman Dingell, I have a number of questions that I want to ask you with -- just requiring yes or no answers. And I would appreciate you doing that as rapidly as possible.

Mr. O'Rielly. Yes.

Mr. Doyle. Thank you. You got it. You used to work on this committee.

Mr. O'Rielly. Yes.

Mr. Doyle. And you helped draft legislation that prevented one entity from owning broadcast stations that reach more than 39 percent of the national population, correct?

It is a yes or no.

Thank you.

In response to a question for the record from me, did you state that you believe only Congress can change the cap via the passage of legislation?

Mr. O'Rielly. Yes.

Mr. Doyle. Thank you. At that time that you worked on this legislation, did you understand that a UHF station signal, the ones above channel 13, could not travel as far as VHF signals?

Mr. O'Rielly. Yes.

Mr. Doyle. Were you aware at that time that the FCC did not count the entire reach of UHF stations against the 39 percent national ownership cap?

Mr. O'Rielly. Yes.

Mr. Doyle. And in a twist of fate, since the DTV in 2009, digital UHF stations can now reach a larger audience than VHF stations, right?

Mr. O'Rielly. Yes.

Mr. Doyle. The UHF discount now allows a single entity to own stations that reach more than 39 percent of the national population, correct?

Mr. O'Rielly. Yes.

Mr. Doyle. Even though there is no technical reason for this discount anymore, right?

Mr. O'Rielly. Yes.

Mr. Doyle. So the UHF discount just allows companies to reach close to 80 percent of the national audience, right?

Mr. O'Rielly. Yes.

Mr. Doyle. Do you believe the Congress intended to create a loophole in the law?

Mr. O'Rielly. I -- that is a -- no.

Mr. Doyle. Thank you.

Did you state in a response to me that, even though you think only Congress can change the national cap, this entire issue may need to be litigated through the judicial process to determine which position is accurate?

Mr. O'Rielly. Yes.

Mr. Doyle. Did you also say that you suspect your position will ultimately prevail at the end of the day?

Mr. O'Rielly. Yes, always.

Mr. Doyle. Does that mean you believe the court will find that only Congress can adjust the 39 percent national cap?

Mr. O'Rielly. Both parts, yes, national cap and the UHF discount.

Mr. Doyle. But did you also state that you will support whatever action is necessary to see that the issue gets its day in court?

Mr. O'Rielly. Yes.

Mr. Doyle. So are you saying that you are willing to vote to raise the cap, even though you think Congress prohibited the FCC from taking that action?

Mr. O'Rielly. I am saying that I need to see what the item is. I don't want to --

Mr. Doyle. It is a yes or no question.

Mr. O'Rielly. Well, yes.

Mr. Doyle. Thank you.

If the 39 percent cap is statutory, as you and I both believe, will you oppose any attempts by companies to contravene congressional intent?

Mr. O'Rielly. I believe that they comply with the law.

Mr. Doyle. Specifically, if the Sinclair-Tribune merger resulted in a combined entity reaching more than 39 percent of the

national audience, that would contravene congressional intent, correct?

Mr. O'Rielly. No.

Mr. Doyle. Why not?

Okay. Thank you. I will let you get by on that one.

So if that is the case, though, if it did contravene the 39 percent, would you oppose the merger?

Mr. O'Rielly. I don't talk about any pending merger before the Commission.

Mr. Doyle. If the Sinclair merger goes through and the courts determine that you were right, that Congress prohibited companies from exceeding the cap, should the FCC undo the merger?

Mr. O'Rielly. I don't talk about any pending mergers before the Commission.

Mr. Doyle. Well, let me just say, I think this is a dangerous path, because your response to my questions for the record and some of your answers here today suggest that you may take steps to evade the law by approving a merger, even though you and the majority of the Commission agree that it would violate congressional intent. And I hope that you will reconsider that.

Let me ask Commissioner Rosenworcel if she has anything she wants to add to the line of questioning that I have had regarding that merger.

Ms. Rosenworcel. Thank you. I believe that 39 percent is the figure that Congress chose to put in the law and that this Commission needs to abide by it.

Mr. Doyle. Thank you.

Madam Chair, I want to ask unanimous consent to enter into the record five documents. One is the chairman's 2014 Wall Street Journal op-ed, his response; a letter also that he sent regarding a letter that a number of members sent regarding the President's threats against the media; a letter from Consumers Union; and the statement for the record that Commissioner O'Rielly had sent back to me.

Mrs. Blackburn. So ordered.

[The information follows:]

***** INSERT 1-5 *****

Mr. Doyle. Thank you very much. I see my time is just about expired, so I will yield back.

Mrs. Blackburn. Yes, it has.

And, now, Chairman Walden, you are recognized.

The Chairman. Well, thank you, Madam Chair.

Yes or no, Commissioner O'Rielly, do you wish communications issues were as simple as yes or no?

Mr. O'Rielly. Yes.

The Chairman. Thank you.

Now, moving on. Commissioner Rosenworcel, so I am glad you raised the ARRA issue. I was on the committee at the time when the stimulus bill came through. And I fought like the dickens to get the maps done before the money went out the door, and I failed in that effort. And so the money went out the door, then they drew the maps.

What I am trying to figure out is why are the maps 3 years old? Does the FCC not have a responsibility to keep those up to date?

Ms. Rosenworcel. Thank you for the question. I agree with you. I think we should be keeping them up to date. I think the fact that we spend billions of dollars on Universal Service Fund every single year without having a full sense of where service is and is not is a problem.

The Chairman. I fully agree.

Ms. Rosenworcel. And it is my understanding that the funds that were used to support that map at the Department of Commerce ceased to be available when the American Recovery and Reinvestment Act came to

an end, and I think that the FCC has been collecting data through its own 477 process. But it is not --

RPTR ZAMORA

EDTR HOFSTAD

[3:17 p.m.]

The Chairman. And how valuable is that 477?

Ms. Rosenworcel. -- compatible --

The Chairman. There you go.

Ms. Rosenworcel. -- with the data --

The Chairman. Thank you.

Ms. Rosenworcel. -- from the Department of Commerce.

You know, I don't know -- wherever you are sitting on this issue, it just seems to me that with better data we are going to make better decisions --

The Chairman. Thank you.

Ms. Rosenworcel. And that is the point I --

The Chairman. I actually agree with that and hope you all can figure out what the best reporting improvement mechanism is to get to those data points, because we shouldn't be overbuilding or wasting the ratepayers' money.

Mr. Chairman, did you want to comment on that?

Mr. Pai. I would be happy to. That is precisely why, several months ago, I asked the House and Senate Appropriations Committees for a reprogramming of funds to enable us to discharge that important function. And I am glad to report that each committee agreed with that recommendation and that task is now underway and certainly welcome

Commissioner Rosenworcel's support for it.

Ms. Rosenworcel. I just --

The Chairman. Ms. Rosenworcel.

Ms. Rosenworcel. -- want to point out that that sounds terrific, but it is my understanding that that is only for wired broadband. And I think an adequate map at this point has to include both wired and wireless.

Mr. Pai. Certainly, if the committees give us additional reprogramming funds, we would love to pursue it. We cannot act in the absence of congressional authorization from our appropriators, as this committee well knows.

The Chairman. Very good. Maybe we can get everybody on the same page on this one. We stand ready to work with you on it.

Chairman Pai, we have spent a lot of time together over the years before this committee, and one of my concerns has been that the FCC did not always operate in an open and transparent way. I argued for making some of the proposed orders public and have it actually circulated so Commissioners could read it, the public could read it.

Have you done anything to improve that process down there?

Mr. Pai. I believe I have, Chairman Walden. I announced a pilot project in the second week I was in office that, for some of the upcoming meetings, we would be publishing at least 3 weeks in advance the actual text on the internet of these orders --

The Chairman. Had that been done before?

Mr. Pai. It had never been done, and I had been told not only

was it potentially unlawful for it to be done, but it was also unwise for it to be done. And I think the success of the pilot program has disproved each one of those claims of fear.

And, just yesterday, I announced that -- or 2 days ago, rather, that this would be a permanent project, that we would be doing this on a permanent basis for every meeting that the FCC will hold into the future so long as I have the privilege of leading the agency.

The Chairman. And you have also made -- have you made changes on -- there was an issue about delegated authority and Commissioners wanting to be able to take it off delegated authority. Have you made any changes on that one?

Mr. Pai. Absolutely. One of the things that Commissioner O'Rielly and I noticed in the minority is that if one of us or both of us requested that an item that was reportedly going to be done on delegated authority -- if we requested that item be considered by the full commission, my predecessor would typically ignore that. And so I said, if there are two Commissioners who want to handle something on the full commission level, we will do that. And that is what we have done.

The Chairman. Good.

Main studio rule --

Mr. Pai. Yes, sir.

The Chairman. I think I am the only one on the panel that actually had to comply with that, as an FCC licensee for more than two decades.

Obviously, you believed it outlived its purpose. I believed it

outlived its purpose. It made no sense. We very seldom, if ever, had anybody come into the main studio for the purpose of looking at the public file. That is now online, I believe, right?

Mr. Pai. Absolutely right.

The Chairman. And so I am trying to get to this issue of why some people think it was like the holy grail of local communication. Because I don't see it that way; I didn't see it that way. We acquired three other stations in another market. It would have been nice to be able to consolidate in overhead and put the money, like we did, into more news gathering and into the programming and all of that. People still knew where we lived, and we knew where we lived. And so I commend you for getting rid of that rule.

I think there is a whole bunch of other antiquated rules that are legacy, that make no sense in today's internet communication world, that other providers and competitors in the market have no obligation to comply with. I don't see Twitter with their local community rule in any community they serve or any of these others. I realize they are not licensed. But, obviously, there is a lot of debate going on now about how all these communication mechanisms work in today's environment.

My time is gone. Thank you, Madam Chair.

Thank you, Commissioners, for all the good work you do. We look forward to having you back up here on a regular basis.

Mrs. Blackburn. The gentleman yields back.

Mr. McNerney, you are recognized for 5 minutes.

Mr. McNerney. I want to thank the chair for the hearing.

And I thank you, Commissioners, for your work. It is not an easy job. And it is interesting to see the different viewpoints that you all have.

Mr. Chairman, I recently had a chance to visit The Huddle, which is a coworker space in my district where startups go together to bring innovative ideas and working hard to get their businesses off the ground. But they are very worried about the impact that doing away with net-neutrality protections will do to their businesses.

If net-neutrality protections are weakened, as you propose, can you commit to me that small businesses and jobs will not be hurt in my district? Please answer with a "yes" or "no."

Mr. Pai. Well, Congressman, I don't know that particular company, but, obviously, we support a free and open internet that allows small businesses like that to thrive.

Mr. McNerney. Commissioner Clyburn, do you think that that will hurt small businesses?

Ms. Clyburn. I think, if we shift gears, that it would, that they would not have the certainty that they need.

And I think that what doesn't get enough attention is the impact on universal service. And we can talk about that later, but the Chairman is not speaking, you know, clearly about what the impact on universal service would be if we shift from Title II.

Mr. McNerney. Well, thank you.

Commissioner Rosenworcel, there have been a series of reports on

the Sinclair-Tribune merger. I am very concerned about the impact that this merger would have.

The FCC has a critical role to play in the merger approval process. From your perspective, how do you think the Commission has handled the review of this merger and the related proceedings?

Ms. Rosenworcel. Thank you for the question.

Frankly, I am concerned. I think any broadcaster reaching more than 70 percent of United States households would be unprecedented.

I am also concerned that, if you look at the series of media policy decisions that has been made by this Commission, they all seem to serve Sinclair Broadcasting's business plans, from reinstating the UHF discount, to changing the 39-percent rule that was enacted by Congress, to possibly foisting on all of our households a new broadcast standard for which they own many, many patents.

I think it has reached a point where all of our media policy decisions seem to be custom-built for this one company. And I think it is something that merits investigation.

Mr. McNerney. Thank you. That is a pretty strong statement.

Mr. Pai, should the FCC be doing more to ensure local officials have resources to know -- local resources and know how to use the WEA, the Wireless Emergency Alerts?

Mr. Pai. Absolutely, Congressman. That is part of the reason why I supported the proposal last year to work cooperatively with local officials and stakeholders to see if we can strengthen that system.

Mr. McNerney. So we can count on your support in terms of

producing resources and education?

Mr. Pai. Absolutely. Our public safety bureau and I personally am committed to making sure that that system is as robust as it can be.

Mr. McNerney. Thank you.

Mr. Pai, last September, the FCC adopted a further notice of proposed rulemaking that addresses increasing the accuracy of the WEA geotargeting. The final round of comments was due on January 9. When does the Commission plan to move on that?

Mr. Pai. We don't have a particular timeframe, Congressman. I will note two things, however: First, the reason that we have that geotargeting proposal is because my office last year urged the full Commission to include it. And that is part of the reason why I was pleased to support it.

The second thing is that we are still working very cooperatively with local officials, with stakeholders, and others to figure out the right way forward. So, while I can't give you a specific timeframe, I do want you to know that this is under active consideration, and we are going to do the best we can to make sure that the system, as I said, is robust.

Mr. McNerney. Well, would you commit to giving the committee a quarterly report on the progress of that?

Mr. Pai. I would be more than happy to do so.

Mr. McNerney. Thank you.

Chairman Pai, during our last FCC oversight hearing, I asked you

if you would commit to turning over to this committee any reports, requests, memoranda, and server logs related to the alleged May 7 DDOS attacks on the FCC's electronic systems.

You said that you had hoped to consult with IT staff and attorneys to see if there were any applicable technical or legal prohibitions against you sharing information with this committee. You then committed to sharing the requested information with the committee to the extent that you could do so.

So far, no one from your staff has followed up with my office regarding this matter, and we still have not received a single document in response to the request.

Do you recall consulting with the IT staff about this issue?

Mr. Pai. I do remember meeting about this issue after the hearing. If you don't mind, I will take a look at it. My understanding was that we had gotten in touch, perhaps not with your office but with the committee. But I will double-check to make sure, and we will get you the information that you need.

Mr. McNerney. Okay. Well, I will follow up on that, then, and make sure we get that information.

Mr. Pai. Okay.

Mr. McNerney. Well, I am going to yield back.

Mrs. Blackburn. The gentleman yields back.

Mr. Lance, you are recognized for 5 minutes.

Mr. Lance. Thank you, Chairman Blackburn.

Good afternoon to members of the Commission.

And, regarding the First Amendment, let me say that I think you, Chairman Pai, and all members of the Commission, are devoted to the First Amendment, as, of course, we are in Congress. I am proud that New Jersey was the first State to ratify the Bill of Rights in 1791.

Regarding President Kennedy -- you mentioned President Kennedy, Chairman Pai, in The Washington Post. Before you were born and, I would imagine, before any member of the Commission was born and when I was a little boy, John Kennedy canceled his subscription to the Herald Tribune, the great Republican newspaper in New York, and my late father, who was involved in public policy in New Jersey, sent him a subscription to the Herald Tribune. And we have in our family files a very sarcastic and curt letter back from Pierre Salinger saying we should stay out of the subscription business of the White House.

And so, from my perspective, all Presidents, on occasion, criticize various news agencies. I don't find it necessarily attractive. My reading of American history is that this is done by various Presidents. And I have great confidence in you, Chairman Pai, and in members of the Commission in this regard.

Mr. Pai. Thank you, Congressman.

Mr. Lance. To Commissioner Carr and to Commissioner Rosenworcel, congratulations on your confirmation.

Commissioner Rosenworcel, you recently applauded the AIRWAVES Act, introduced by Senators Gardner and Hassan, for identifying more spectrum that can be made available for wireless broadband.

How would the AIRWAVES Act arm the FCC with tools to keep pace

with consumers' significant demand for bandwidth and for the race to 5G?

Ms. Rosenworcel. Thank you for the question and the delightful family story.

Mr. Lance. I hope I haven't bored you.

Ms. Rosenworcel. You know, the best part of the AIRWAVES Act is something incredibly simple: It is full of deadlines. It chooses certain spectrum pans, and then it tells the agency that it has to auction them on a very clear calendar. I think that calendar is useful for all aspects of the wireless ecosystem, and I think it is vitally important.

Mr. Lance. Thank you very much.

Chairman Pai, last month, I believe without warning, Google blocked Amazon's new Echo Show devices from showing any YouTube videos. As of November 2016, YouTube was by far the leading internet video portal in this country, with 79-percent market share. Netflix was ranked second, with 8 percent. The same study found that users age 25 to 34 years spent an average of 178 minutes each week watching online video. So access to YouTube is a deal-breaker for videos devices like the Echo Show.

From your perspective, Chairman Pai, should the FCC be involved in any way in this matter?

Mr. Pai. Congressman, our internet regulations do not apply to edge providers or to conduct of the kind you are describing. So, as a matter of law, they simply don't, at this point.

Mr. Lance. Thank you. And I think that this is a serious matter, and I don't know exactly the venue we should pursue.

But is there any other member of the Commission who would like to comment on this?

Thank you, Madam Chairman. I will yield back a minute and a half.

Mrs. Blackburn. We are rolling. You might get the prize.

Mr. Lance. I hope so.

Please, everyone else, may I have the prize?

Mrs. Blackburn. Okay. Now we are into a competition. I have Goo Goos in the office. We will see who wins.

Mr. Ruiz, you are recognized.

Mr. Ruiz. Thank you, Chairman Blackburn. And, yes, I vote to give him the prize.

This hearing is timely for a number of reasons, but, in particular, I would like to focus on the FCC's role in the ongoing recovery effort in Puerto Rico and the Virgin Islands.

By way of background, I have training in humanitarian disaster relief from the Harvard Humanitarian Initiative. I am an emergency medicine physician. And I was on the ground in Haiti as the medical director for the largest internally displaced camp in all of Port-au-Prince after the earthquake in 2010. So I have seen firsthand the challenges that arise in a humanitarian crisis and the importance of communication systems and coordination amongst agencies, local governments, and NGOs in the field.

Two weeks ago, I flew down to Puerto Rico to see the conditions

for myself and to do a needs assessment based on my training and experience. And I found two things that I would like for you to carry back and figure out how we can work together to improve. One is a lack of clarity of leadership as to which agency is really running the show and taking the leadership on the ground. And two is a lack of coordination amongst agencies, NGOs, the local governments, out in the field, not necessarily in San Juan.

And so my first question is for Chairman Pai.

Has the FCC been in the room during these conversations in leadership? What is your footprint in Puerto Rico, and what are your efforts in coordinating with the other agencies on the ground?

Mr. Pai. Thank you for the question, Congressman, and thank you for your attention to this issue, including personal attention in the island itself.

I have spent a lot of time over the last several weeks involved in Puerto Rico and the recovery efforts. I have regularly consulted with FEMA, with Puerto Rican officials, with wireless companies, with tower companies --

Mr. Ruiz. "Regularly" means what? Are you invited to weekly, daily briefings?

Mr. Pai. So we get daily briefings on some of the situation there --

Mr. Ruiz. Do you have people on the ground full-time?

Mr. Pai. Yes, sir.

Mr. Ruiz. Do they go to those meetings in San Juan?

Mr. Pai. My understanding is that they do liaise with --

Mr. Ruiz. Just follow up with that. Do they go down into the periphery and the municipalities as well?

Mr. Pai. The FCC staff I have spoken with have described to me how difficult it was, in some cases --

Mr. Ruiz. It is.

Mr. Pai. -- to go from place to place.

Mr. Ruiz. Very difficult.

Mr. Pai. Because, in some cases, the roads weren't even cleared --.

Mr. Ruiz. Yeah.

Mr. Pai. -- so it was very difficult.

Mr. Ruiz. So that is good to hear, that you personally are involved in getting calls for sure.

Mr. Pai. Absolutely.

Mr. Ruiz. And, in this case, we have some lessons learned that could save lives.

I have also made some calls with telecommunication carriers that have run into a myriad of barriers, including -- and please take notes here -- one is a lack of security available to keep their engineers and equipment safe so they can make the repairs necessary to restore service; two, inconsistent coordination with power providers that could have freed up critical generators for use elsewhere on the island; and, three, failures in the backhaul infrastructure that have prevented towers from coming on line even when they are powered and repaired;

and, four, logistical delays that kept temporary satellite trucks, which were utilized, for example, in Texas and Florida to provide temporary wireless service, literally waiting on the boat for days.

So, while a disaster of these proportions is hopefully a rare occurrence, Hurricane Katrina and Sandy have shown us that hope is not a luxury that we can rely on.

Two weeks ago, I submitted a proposal to have the FCC create a list of best practices for telecommunications infrastructure and preparedness in hurricane and disaster-prone areas. I hope we can work together on this proposal to find a commonsense solution that fosters improved coordination and more efficient response efforts in the future.

So, Chairman Pai and to the other Commissioners, will you work with me on this important issue?

I will go down the line.

Mr. Carr. Yes.

Ms. Clyburn. Absolutely.

Mr. Pai. Yes.

Mr. O'Rielly. Yes.

Ms. Rosenworcel. Yes.

Mr. Ruiz. Wonderful. I appreciate your willingness to work on this critical issue.

Finally, Commissioner Rosenworcel -- Rosenworcel?

Rosenworcel?

Ms. Rosenworcel. That is it.

Mr. Ruiz. You have been outspoken on the need for FCC action in response to Hurricanes Harvey, Irma, and Maria. What more do you think the FCC can do to help with recovery efforts right now as well as better prepare for future disasters?

Ms. Rosenworcel. Thank you for the question and your work on this subject.

I think we just need to take a playbook from what we did with Hurricane Katrina and Hurricane Sandy. We held hearings. We held hearings and talked to people on the ground in locations that are different than Washington, D.C. We came up with ideas, we put them in reports, and then we changed our rules to make sure that we are better prepared the next time.

While I appreciate that we have a task force, I am confident that all good ideas do not reside in our building on 12th Street. And so I think we should be getting out, holding hearings, issuing reports, and then changing our rules to be better prepared in the future.

Mr. Ruiz. Thank you.

I yield back.

Mrs. Blackburn. The gentleman yields back.

Mr. Shimkus, you are recognized for 5 minutes.

Mr. Shimkus. Thank you, Madam Chairman.

I appreciate you all being here. Opioids, NDAA conference, and then here, so I apologize for missing some of the opening statements. It has been a busy day.

And I just caught the last end of the comments from you,

Commissioner Rosenworcel. And Chairman Pai was out to my district, and I appreciate that, visiting on an issue that many of you know that I have been working on, 911, going back to when we officially made it the national cellular number, all the way till next generation. And the interesting thing about the trip was that it was multiple counties, rural counties, working together to move forward.

And then we had a roundtable. And the roundtable, from my point, the people who talked about vesting in the program, they said the good and the bad. People who hadn't yet joined talked about why, but why they are thinking about it.

So I know you have made -- and this is to the Chairman.

I know you have made a lot of trips to rural America. I would like to know what some of your takeaways are, other than just the next-generation 911, but other issues that have been raised in your travels.

Mr. Pai. Thank you for the question, Congressman, and for the hospitality you and your folks showed in Harrisburg.

The key takeaway I have from the trips I have taken, over 4,000 road-miles in small towns across the country, is that the digital divide is real and that it leaves human capital on the shelf, particularly in rural towns that don't have internet access. And that is why I am deeply committed to doing everything that I can and hopefully the FCC doing everything it can to bridge that divide.

We have seen the payoff in places like Harrisburg, where, as you mentioned, 15 rural counties, predominantly lower-income, are able to

band together and create a next-gen 911 system that enables everybody to be safer than they were before.

We have seen the potential in education, where rural communities that have high-speed internet access are able to give their kids distance-learning opportunities and better educational opportunities overall.

We have seen the change in telemedicine. I personally visited a small town in southwestern Virginia that has been able to cut the sepsis rate by 34 percent by using advanced technologies like remote monitoring.

And we have seen the power in precision agriculture. I have been in feed lots in Allen, Kansas, and farms in Maryland and other places that tell me that the notion of an analog tractor is long gone. Right now, technology is the key driver for agricultural growth.

So, to me, it just reaffirms the mission of this agency, so long as, again, I have the privilege of leading it, that the digital divide has to be our top priority.

Mr. Shimkus. So let me follow up on the Universal Service Fund issues that have been addressed. A lot of House Members have talked about how it is insufficient. Letters have gone back and forth. My colleague Congressman Cramer and, I know, Congressman Peterson from Minnesota has also taken an interest in this.

What do you have in the forefront of your plans to kind of address the funding issue on the Universal Service Fund?

Mr. Pai. It is a difficult question, Congressman. Obviously,

some of the bigger-picture initiatives that we have been able to get across the finish line, like the Mobility Fund Phase II and CAF Phase II, have been more successful in terms of getting off the ground.

In terms of the budget issue for the rate of return for carriers you are talking about, unfortunately, we are in a pickle. Last year, the Commission made a decision -- over my dissent, I would add -- that I forecasted at the time would leave us with a shortfall. And here we are, and the shortfall is here.

So one of the things that I have suggested to my staff is that we should think about getting a notice of proposed rulemaking out by the end of the year, to think about some of these budget issues, to be able to tee up before the end of the next budget cycle, which I understand ends at the end of June 2018, to be able to address this issue in a timely way so that rate-of-return carriers and, more importantly, rural consumers have the certainty they need in order to participate in the digital age.

Mr. Shimkus. And with my 54 seconds left, does anybody else want to -- I don't want to leave out the other Commissioners.

Commissioner Clyburn?

Ms. Clyburn. What you are not hearing is a call for contribution reform. And that is the elephant in the room that -- no party pun intended --

Mr. Shimkus. No, that is fine.

Ms. Clyburn. -- you know, that nobody is talking about. And if we don't have a rational conversation about that, we are going to stay

in a pickle.

Mr. Shimkus. Yeah, I appreciate that.

Commissioner O'Rielly?

Mr. O'Rielly. Two parts. One is I do believe there is an opportunity to use some of our reserves for rate of return to balance out both the legacy and the model side to provide -- we are not going to provide all the money they are requesting, but I think there is some opportunity to increase the budgets. They have nothing to do with the reforms that we adopted last year, which are mostly guardrails to prevent bad behavior.

And then, two, in terms of contribution forms, since I happen to be the chair of the Joint Board on Universal Service, we are trying to move forward on that, but there is a great difference of opinion on some of those things, so we have had to sideline that for the time being.

Mr. Shimkus. Well, my time has expired. I think there is still a great difference of opinion among a lot of Members of Congress too. So I appreciate the challenges, and I appreciate you being here.

I yield back.

Mrs. Blackburn. Mr. Loeb sack, 5 minutes.

Mr. Loeb sack. Thank you, Madam Chair.

And I do agree with my friend Mr. Shimkus that we have to deal with the funding issue. The question is going to be how are we going to do it.

First, Commissioner Rosenworcel, great to see you back.

Appreciate that. I haven't seen you since you were actually in Newton and Baxter, Iowa --

Ms. Rosenworcel. Yes.

Mr. Loebsack. -- way back in 2016. And people there were very happy to hear you talk about the homework gap issue and, just generally speaking, these rural broadband issues.

I saw that at a recent field hearing you did highlight the need for better data collection. And now you have this crowdsourcing proposal. After you mentioned that, I quickly went to your Twitter account and checked it out to see what was going on there, because I do want you to talk about that a little bit more.

But, before I do that, I am grateful that the subcommittee took up my Rural Wireless Access Act and we did move it forward -- thank you, Madam Chair. We have to get that out of the full committee.

It is great to talk about making sure that we have better data. I remember, Chairman Pai, when we talked last, you had mentioned going through northwest Iowa, going from southwest Minnesota to northwest Iowa -- or maybe it was the other way -- and you had a lot of problems, obviously, with cell service. As someone who has 24 counties in Iowa, I am fully aware of this problem, as are all my constituents.

But my bill, hopefully we are going to get it out of full committee, get it on the floor, and get this thing enacted at some point, and hopefully sooner rather than later, to make sure that you folks have statutory authority, as much as anything, to do the things that you are, you know, talking about today.

But can you elaborate a little bit on your crowdsource proposal?

Ms. Rosenworcel. Sure.

Listen, for a long time, the way that the FCC collected data about broadband is we found, if there was one subscriber in a census block, we presumed that it was available throughout the block.

Mr. Loebsack. Right.

Ms. Rosenworcel. I think we all know that that is not a fair assumption anymore, and we are leaving too many households behind.

We also have been collecting data and shapefiles from wireless carriers, and sometimes they get it right, but sometimes, as you probably know, you can drive through places and find that you have no bars and no ability to make a call.

We are going to have to work hard to have more precision in our maps to target our policy efforts, and I think we should be asking the public for help. I think they know better than anyone else where they live, where they get service and they don't. And I feel like it is time to start incorporating public comment into our maps if we want to make them effective and accurate.

Mr. Loebsack. I appreciate that. It is democratizing the process, and that is --

Ms. Rosenworcel. Exactly.

Mr. Loebsack. -- very important. I think we can all agree with that. Thank you.

For all the witnesses, at the recent repack hearing that we held, American Tower's witness said in his testimony that there was a shortage

of qualified tower crews. There are some of us who have some ideas about how we can address that issue.

Do you agree with that assessment, and do we have enough crews to get the job done in 39 months? If not, what will happen to broadcasters who can't complete the transition in that time?

To any of you folks who would like to address that issue.

Yeah, go ahead, Commissioner.

Mr. Pai. Well, I will simply say that we try to structure the phases such that we would be able to accommodate variations in terms of weather and availability of crews and the like.

If we get information that there is a bottleneck like that that might stand in the way of the 39-month deadline being able to be met, we will certainly work with Congress and with stakeholders to take the appropriate action.

Mr. Loebsack. Anyone else want to comment?

Mr. O'Rielly?

Mr. O'Rielly. Well, I have raised this issue a number of times with different industry groups to see where we were, and I was concerned that there was a shortage of crews. And we have seen an increase of the number of crews, some of those sponsored by the wireless companies who would like to take advantage of those licenses on an early basis.

So it has been relatively positive, but I think the Chairman is exactly right. We have to get through some of the phases and see where we are.

Mr. Loebsack. Any of the other Commissioners want to speak on

that issue? No?

It is a workforce development issue too. We have to get the right number -- we have to get the people trained so they can do that. And I have talked to my friend Mr. Shimkus about that too. We have to move forward on that.

While we are on the subject of the Universal Service Fund -- and, Commissioner Pai, you know that I have written to you about moving the resources to the U.S. Treasury and some of the concerns I have about that, making sure that the funds actually are used as they are supposed to be used.

Would you like to address that issue? Because I think that is a legitimate issue. If we move the funding, you know, to the U.S. Treasury instead of from the bank, then I think that is going to be a really difficult issue that we have to resolve.

Go ahead, if you want.

Mr. Pai. Thank you, Congressman. And I appreciate your concern.

The issue, as I understand it, from a financial perspective, is that -- well, twofold. Number one, from a legal perspective, it is safer for Federal funds of this kind to be stored with the United States Government as opposed to a private account.

Secondly, given some of the issues that arise when these funds are kept in a private bank account -- for example, if there is somebody who owes money to the IRS and that person is also at the same time getting money from the FCC, the Federal Government is limited in its ability

to have an offset, so to speak. Keeping the money in that Treasury account allows essentially the Federal taxpayer to be whole, that we are not sending money out the door in a way that, at the end of the day, Congress might not want.

And so we have been exploring with Treasury and with others the way to move forward on this. But, obviously, we are happy to take any input on ways to accommodate multiple interests.

Mr. Loeb sack. Commissioner Rosenworcel, you look like you wanted to say something.

Ms. Rosenworcel. I appreciate what my colleague just said. I think we have gotten conflicting advice over the years on this from OMB and GAO.

But I just want to make this point: We get about \$50 million in interest income every year from the accounts as they are held today. \$55 million can go far for rural broadband --

Mr. Loeb sack. That is right. Exactly.

Ms. Rosenworcel. -- for connecting schools and students. We are choosing to forgo those dollars. I don't think that makes sense.

Mr. Loeb sack. Right. Thank you.

Mr. Pai. If I may, Congressman, if, God forbid, something were to happen to those funds when they were in a private bank account and all the billions of dollars of Universal Service Funds somehow went away, we would be accountable to Congress. And you would be asking me, as the leader of this agency, why did you jeopardize taxpayer funds by keeping them in a private bank account when thousands, if not

millions, of Americans are depending on those funds? That is a tough tradeoff I have to make.

Mr. Loebsack. I think it is a --

Ms. Clyburn. That is why we need to put this out for comment.

Mr. Loebsack. Thank you so much. It is a difficult issue. We have to deal with it.

Thank you, Madam Chair.

Mrs. Blackburn. You are welcome.

And, Mr. Latta, 5 minutes.

Mr. Latta. Well, thank you very much, Madam Chairwoman, for today's hearing.

And thanks very much to the Commissioners for being with us today. As always, it is great to see you all.

And just following up on my friend from Illinois, I really appreciate, Mr. Chairman and Commissioner O'Rielly, for you coming out to my district, because I think, you know, you take an interest. And, in this one case, when the Chairman was out with the very small rural telecoms that you met with. And it wasn't really a roundtable; we were actually sitting around a square table. But there were quite a few people there that day that you addressed, and they appreciated it. And, Commissioner O'Rielly, for coming out and talking to, you know, our smaller broadcasters in the area, I appreciated that. So it is good that you are listening to the folks back home.

Chairman Pai, if I could start my questions with you. Like you, I believe modernizing regulations is critical to spur innovation. For

instance, I would like to see the FCC streamline procedures for small entities to seek regulatory relief. The current waiver regime has a one-size-fits-all construction. It is disproportionately burdensome on small entities and, when needed, diverts the resources from infrastructure investment to regulatory compliance.

Do you believe there is a need for a more efficient and expedited process that allows small entities to seek relief from these unnecessary regulations?

Mr. Pai. Congressman, I appreciate the question. And I do think, consistent with my views, that we should try to minimize the regulatory burdens on smaller providers, that that is an approach that has merit.

Mr. Latta. Thank you.

Commissioner O'Rielly, what are your thoughts?

Mr. O'Rielly. I agree. I think it has incredible merit.

Mr. Latta. Thank you.

Commissioner O'Rielly, in your statement on the Commission's adoption of the mid-band spectrum, NOI, you noted that the 6 gigahertz band is adjacent to the unlicensed 5 gigahertz band. Would you elaborate on the potential benefits if the 6 gigahertz band is made available on an unlicensed basis?

Mr. O'Rielly. So we have to deal with incumbency issues within 6 gigahertz, but I think that there will be tremendous benefit by combining it with 5 gigahertz. Wider channels provide opportunity for great speeds, latency reductions, and consumer experience will go

through the roof.

We have a shortage of WiFi spectrum or unlicensed spectrum going forward, and we need to address that. There are estimates, by 2025, we will need somewhere between 500 megahertz and 1 gigahertz of additional unlicensed spectrum. Six gigahertz makes a great platform for that solution.

Mr. Latta. So when you are talking about especially how badly congested that 2.4 to 5 gigahertz bands -- are already available to the unlicensed community. So the congestion is how bad, would you say?

Mr. O'Rielly. So I don't have an exact measurement, but when I talk to folks in the industry, they barely will use 2.4. Five gigahertz is obviously popular, but that is becoming extremely more popular, and so we are running out.

That is why I have spent a great deal of time on 5.9 and my colleague and I have worked really hard on 5.9. But then 6 gigahertz, being right next door, is a great platform.

Mr. Latta. Thank you.

Voice-activated virtual assistants, like Siri, Alexa, and Google Assistant, are becoming an increasingly popular consumer gateway to the internet. Someday soon, they might even become the consumer-preferred interface with the internet, leaving the age of the desktop Google search behind.

You get Yelp results in Siri, OpenTable in Google, TuneIn radio from Alexa. These interactions are occurring through private partnerships among these companies to have their apps interact.

However, it creates a situation where, by definition, the consumers' access to other internet content is limited or completely blocked. It is the question of who answers Siri's question when you ask Siri something.

Chairman Pai, can the FCC do anything about this?

Mr. Pai. Congressman, under our current internet regulations, we cannot. Those do not apply to edge providers.

Mr. Latta. And, Commissioners Clyburn and Rosenworcel, do you think this is a concern for the open internet?

Ms. Clyburn. Again, our jurisdiction is very limited. I think there is an impact, an influence, but, in terms of our ability, it is very limited to negligible.

Mr. Latta. Commissioner Rosenworcel?

Ms. Rosenworcel. I would agree with both my colleagues that our jurisdiction does not extend to that.

Mr. Latta. Thank you very much.

And, Madam Chair, I yield back the balance of my time.

Mrs. Blackburn. The gentleman yields back, but he is not in the running for a prize.

Okay. Ms. Eshoo, you are recognized.

Ms. Eshoo. Thank you, Madam Chairwoman.

And welcome to you, Mr. Chairman, and all of the Commissioners.

Commissioner Carr, congratulations to you.

Commissioner Clyburn, it is always an honor to have you here at the committee, get to know you.

Commissioner O'Rielly, terrific to have -- keep the Irishmen together here. You're a set of bookends.

And to Commissioner Rosenworcel, it is really terrific to have you back.

And I think that it all represents a win for the American people, hopefully.

Mr. Chairman, I have been debating something inside of myself, so I am just going to make a statement. I don't want to go on and on about it, but I need to say something. To bring together President Kennedy with Donald Trump I don't think is palatable. And I am just going to leave it there.

You know, Mr. Chairman, that I have raised deep concerns about RT. Our intelligence community has determined, with high confidence -- that is the highest level of agreement between all of the agencies -- that they interfered in our democracy. The intelligence community described them as the Kremlin's, quote, "principal international propaganda outlet."

I wrote to you May 8, urging you to consider applying broadcast transparency requirements to state-sponsored media outlets like RT so the American people would know whether foreign governments are behind the content they are reviewing. I found your response to be ambiguous, and, most frankly, I don't think you answered my questions. And it is curious that I get a response to my letters at about 6:30 in the evening the night before the day we are going to have a hearing with you.

I think that this is a very serious issue. The intelligence community and all of the Members of the House participated in that briefing. It was a classified briefing, but there was also an unclassified report that was put out, and that unclassified report was replete with RT.

Now, I don't know what I need to do to either impress upon you that this is a serious issue and that you take it seriously -- so I want to ask you, will you commit to us that you will apply or consider applying broadcast transparency requirements to state-sponsored media outlets like RT? And if not, why not?

Mr. Pai. Congresswoman, thank you for the question.

Ms. Eshoo. Well, you are welcome.

Mr. Pai. As I understand the law, there is no jurisdictional hook at this point, no transfer of a license, for example, that allows the FCC to assert jurisdiction. If --

Ms. Eshoo. But what about those that have a license and carry them? Doesn't the FCC have any say-so in that? Or is this -- as the intelligence community said, that they are a principal international propaganda outlet. So are they just going to operate in the United States no matter what?

Mr. Pai. Congresswoman, again, under the Communications Act and the Constitution, the First Amendment, we do not have, currently, a jurisdictional hook for doing an investigation of that kind.

If you are privy to, obviously, classified or unclassified information that suggests that there might be another agency that has

obviously a direct interest in the issue, we are obviously happy to work with them. But, at the current time, as I have been advised, neither under the First Amendment nor under the Communications Act do we have the ability to --

Ms. Eshoo. Well, the First Amendment applies to free speech in our country. It doesn't mean that the Kremlin can distribute propaganda in our country through our airwaves.

I don't know if you are looking hard enough. Maybe if Commissioner Carr were still the general counsel, he could advise you better. But I am not going to give this up.

I want to move to something else, and that is this issue on media consolidation. Three years ago, Mr. Chairman, the Commission voted unanimously to prohibit two stations in a market from jointly negotiating retransmission consent. And you were part of that unanimous vote.

Now, by eliminating the duopoly rule, which reports indicate you are preparing to do next month, you would permit two of the top four stations in a market to merge.

So how do you explain this?

Mr. Pai. Well, those reports are inaccurate. As I outlined in my opening statement and as you will see tomorrow when we publish in unprecedented fashion the actual text of this document, we were doing a case-by-case review in particular markets --

Ms. Eshoo. So this will apply to Sinclair?

Mr. Pai. It applies to any broadcaster that seeks to enter into

an agreement that otherwise would be in violation of the top-four prohibition. So some --

Ms. Eshoo. With 73-percent dominance of a market, how does that fit? Where does that fit?

Mr. Pai. So some had argued we should just get rid of the top-four prohibition --

Mrs. Blackburn. The gentlelady's time has expired.

Ms. Eshoo. Well, he can answer the question.

Mrs. Blackburn. Yes.

Mr. Pai. Some had argued that we simply get rid of the top-four prohibition. My recommendation to our staff was to draft it so that there would be a case-by-case review. We would not get rid of it. We would review, if there were particular facts that a particular broadcaster would bring to us and that presents a compelling case that that combination would be in the public interest, then we will take a look. But, otherwise, the prohibition applies.

Mrs. Blackburn. Time has expired.

Ms. Eshoo. I wish I had more time.

Mrs. Blackburn. Mr. Guthrie, 5 minutes.

Mr. Guthrie. Thank you, Madam Chairman.

Thank you, everyone, for being here.

And, Commissioner Carr, welcome.

And, Commissioner Rosenworcel, welcome back.

We look forward to working with you guys over the course of this term.

First, Chairman Pai and Commissioner O'Rielly, thanks for letting us know about the auctions and the inability for the financing fix that you need. I know that the chairman in the overall authorization bill is taking care of this. But also, yesterday, Congresswoman Matsui and I did drop a bill to specifically fix the issues so we can move forward, hopefully, on the auctions moving forward.

I had a question. In 2013 -- and I was one of the households affected by this -- there was a carriage dispute between CBS and Time Warner Cable, and CBS blocked Time Warner Cable internet customers from viewing its shows online through its cbs.com website. So I couldn't get any of CBS or Showtime or any of that on TV. If you went to the website, because Time Warner Cable was our cable provider and internet service provider, you couldn't go to cbs.com -- it was blocked -- or Showtime to watch any of those shows that were coming out. And that is when some new ones were coming out that August, so we were trying to find that.

But some Members of Congress did bring this up, and I think Chairwoman Clyburn was acting Chairwoman at the time and said that she didn't believe the agency had the jurisdiction to intervene in this situation.

And, Chairman Pai, do you think if it happened now, do you think the FCC would have the opportunity to intervene in a similar case?

Mr. Pai. Congressman, I think the legal authorities have not changed. To the extent that the FCC gets a complaint that a party is acting in bad faith in the context of a retransmission dispute, then

we would be able to adjudicate it. But absent such a complaint or additional authority from Congress, we couldn't take further action.

Mr. Guthrie. But, currently, the Title II open internet is still in effect. How would that affect it?

Mr. Pai. Oh, yes. To be clear, I should have added, as well, then, our internet regulations would not apply to that kind of content, to the extent you are talking about the blocking of online distribution of --

Mr. Guthrie. Because it only applies to the service provider, not to the content provider?

Mr. Pai. That is correct, sir.

Mr. Guthrie. So I brought your name up there, Commissioner Clyburn, to comment on that. So, being an advocate for the Title II -- and I think Commissioner Rosenworcel, when she was on the Commission, as well -- should it be expanded, where it doesn't just affect internet service providers but you should also have jurisdiction on the content side as well? If it is good for one, should it be good for the other is my question.

Ms. Clyburn. Well, I am not in a position to comment at this time. I just know what is in front of me and what the rules of the roads are at this time.

Mr. Guthrie. Okay.

Same answer, I guess?

Ms. Rosenworcel. No. To be clear, that behavior was problematic. I mean, you know, from a consumer perspective, that

stinks, right?

Mr. Guthrie. Uh-huh. I was a consumer.

Ms. Rosenworcel. But I would point out that what we are talking about when we talk about telecommunications service and telecommunications under Title II is about the provision of service by a provider of broadband, and the jurisdiction does not extend to the content providers, as you described.

Mr. Guthrie. Yeah, that was my point. Yeah. Thanks a lot.

So I have some questions on spectrum. I am cochair with Congresswoman Matsui on the Spectrum Caucus. So Congresswoman Matsui and I sent a letter last summer -- this is to Commissioner Pai, Chairman Pai -- last summer regarding a pending license modification petition for the L band satellite-terrestrial network.

What is your ideal timeline for getting information from the other agencies you are working with? Do you think the end of the year is reasonable, or will you need more time?

Mr. Pai. Congressman, we don't have a specific timeframe in mind at this point. What I can say is that it is a matter that is under active consideration and that we are collaborating with other agencies and private stakeholders to see if we can reach a resolution.

Mr. Guthrie. Okay. Thanks.

And for all the Commission, given the efforts of the Spectrum Caucus, I strongly support a further deep dive by the committee on wireless issues. And so, just getting your opinion, going down the committee, for auctions, could you each give me what you think is the

top spectrum issue that we should be focusing on this upcoming calendar year for moving forward on auctions? What do you think is the top issue for the committee?

All of you can -- who would like to answer that. Commissioner Carr first.

Mr. Carr. Sure. Thanks.

Obviously, we have the hurdle right now in terms of our authority to conduct the auctions in terms of the money. And so the top focus that I have over the next year is going to be infrastructure deployment on the wireless side. I think we have a lot of progress that we can make there to help maintain our leadership.

Mr. Guthrie. Okay.

Ms. Clyburn. And for me, it is to ensure multiple providers, no matter what size, and if they have the ability to participate. So it would be contours, the size of the bidding areas.

Mr. Guthrie. Thank you. That is a good answer. Thank you.

Mr. Pai. In the tried and true tradition of pandering to my questioner, I think the Guthrie-Matsui legislation is the number-one issue. We cannot have any spectrum auctions, certainly of any significance, without that fix. It is a bottleneck for the agency.

Mr. Guthrie. Yeah, I think you may be about next, so that was a good pandering.

Commissioner O'Rielly, about 10 seconds.

Mr. O'Rielly. I agree with my colleagues there, infrastructure and freeing more spectrum.

Mr. Guthrie. Commissioner Rosenworcel?

Ms. Rosenworcel. All right. I agree with my colleagues there, but I also want to quickly read you a list: 470 to 512 megahertz, 3.5 gigahertz, 3.7 to 4.2 gigahertz, 6 gigahertz, 28, 37, 39, 24, 32, 42, 47, 50, 70, 80, and 95 gigahertz are all under consideration at the Commission right now.

What we need, instead of that blitz of spectrum, is a calendar that makes clear we have some bands that we are going to auction earlier than others so that the wireless ecosystem and financial markets can organize around it.

Mr. Guthrie. Thank you. That is helpful.

Thank you very much. I appreciate it.

I yield back.

Mrs. Blackburn. The gentleman yields back.

Mr. Pallone for 5 minutes.

Mr. Pallone. Thank you, Madam Chairman.

My questions are to Chairman Pai. And I want to discuss your reaction to the President's attacks on the press. And I have a number of questions, so if you could keep your answers to yes or no, I would appreciate it.

Mr. Chairman, are you aware that the President said, and I quote, "Network news has become so partisan, distorted, and fake that licenses must be challenged and, if appropriate, revoked"?

Mr. Pai. Is that -- I am sorry, Congressman -- from a tweet?

Mr. Pallone. That is a quote. Yes. The question is, are you

aware of that quote?

Mr. Pai. Yes. Yes.

Mr. Pallone. Okay. Thank you.

Mr. Chairman, are you aware that the President said, and again I quote, "It is frankly disgusting that press is able to write whatever it wants to write and that The New York Times, NBC News, ABC, CBS, and CNN are the enemy of the American people"? That he said that, are you aware?

Mr. Pai. Yes.

Mr. Pallone. Okay.

Now, do you think that these types of statements are appropriate for the President of the United States to make?

Mr. Pai. Congressman, I am going to speak to my own views and my own words. And my views are that I stand with the First Amendment. I am not going to characterize the views of anybody else.

Mr. Pallone. But, Mr. Chairman, you did say on another other occasion, and I quote, that the American people are being misled about President Obama's plan to regulate the internet, right? You said that.

Mr. Pai. Because that was a direct compromise of the agency's independence on a particular pending issue where the agency was already heading in a different direction.

Mr. Pallone. But if you are not shy about speaking out against President Obama, why would you -- would you condemn -- let me ask you this: Would you condemn attacks on the press if they had come from President Obama?

Mr. Pai. Congressman, I always focus on the facts and the law. That is our job, in terms of licensing --

Mr. Pallone. Well, I just think it is a double standard here. Before coming to the FCC, you worked for then-Senator Jeff Sessions, correct?

Mr. Pai. Yes, sir.

Mr. Pallone. Are you aware that, when asked if he would, and I quote, jail reporters for doing their job, he said he cannot make a blanket commitment to that effect?

Mr. Pai. I am not aware of that. I hadn't heard that.

Mr. Pallone. Well, he said it.

When you spoke at the Mercatus -- I don't know if I am pronouncing it -- Mercatus Center last week, did you say, and I quote, "Under the law, the FCC doesn't have the authority to revoke a license of a broadcast station based on the content of a particular newscast"?

Mr. Pai. Yes, I did.

Mr. Pallone. Okay. Do you understand why reporters might be concerned when the Attorney General and the Chairman of the FCC leave open the threat of punishment and even jail time?

Mr. Pai. Congressman, again, I wasn't familiar with General Sessions' statements, and I am certainly not familiar with the perceptions of journalists. All I will simply say is that this FCC stands on the side of the First Amendment, and that includes the ability of journalists to gather news as they see fit.

Mr. Pallone. But the problem is that the people raising this

issue, Mr. Chairman, are concerned that your silence or your overly lawyered responses contribute to a culture of intimidation that can chill free speech. And so, you know, that is why I am trying to clear the air, because I am concerned about the impact of, you know, either silence or an overly lawyered response.

At the Mercatus Center, you said that you would not act based on a particular newscast. Would you revoke a license based on multiple newscasts?

Mr. Pai. No.

Mr. Pallone. Okay.

Now, I have here a working paper -- I don't know if it is in the record, Madam Chairwoman, so I am going to have to ask if we can enter it into the record.

Mrs. Blackburn. So ordered.

[The information follows:]

***** COMMITTEE INSERT *****

Mr. Pallone. I have a working paper produced by the Mercatus Center. In this working paper, the Center suggests the FCC is able to threaten free speech through other mechanisms, like license transfers.

Do you commit that your Commission will not threaten broadcasters' license transfers based on the content of the reporting?

Mr. Pai. Absolutely.

Mr. Pallone. Okay. Do you commit that your Commission will not launch investigations into companies based on the content of the reporting?

Mr. Pai. Sorry. Can you repeat that?

Mr. Pallone. Do you commit that your Commission will not launch investigations into companies based on the content of the reporting?

Mr. Pai. Yes.

Mr. Pallone. Okay. Do you commit that your Commission will not take any acts of retribution against companies based on the content of the reporting?

Mr. Pai. Yes.

Mr. Pallone. Okay. And -- well, let me look. I appreciate, you know, working that out, because I think that is important.

So, finally, Chairman Pai, when you first took office, you committed to me that you would be responsive to Congress even if a request came from Democratic Members. Now, I have heard complaints from my colleagues that your responses to a number of their letters have also been nonsubstantive and evasive. You have even avoided

multiple times answering my questions about allegations involving your relationships with Sinclair Broadcasting, including refusing to even answer my letter.

So let me just say, we are going to look into your continued evasiveness on some of these important issues, including Sinclair. And, you know, I just want you to know that I am not happy, and I am not going to tolerate, you know, the agency not responding to us, because I don't really feel they have, with regard to Sinclair and so many other issues. That is just my opinion.

Thank you, Madam Chairman.

Mrs. Blackburn. The gentleman yields back.

Mr. Bilirakis, you are recognized for 5 minutes.

Mr. Bilirakis. Thank you, Madam Chair. I appreciate it very much.

Before I begin my questioning, Chairman Pai, I know you inherited a backlog of petitions related to the Telecommunication Consumer Protection Act. This is an area of real concern to many individuals across various industries. I look forward to your response and future action to this topic.

I will move on here.

Commissioner O'Rielly, during the last oversight hearing, I had a discussion with Chairman Pai regarding interference complaints and pirate radio operations. I know that this is an important area. I know you care about it, very much, to resolve it.

Can you share the differences between repercussions pirate radio

operators face as compared to robo-callers?

Mr. O'Rielly. So I will give you an example of a couple different items, enforcement actions that were taken by the Commission.

In terms of pirate radio, we just did one for -- and the NAL was \$144,000 for pirate radio operating in Florida. In terms of a robo-call, it was \$82 million. And in terms of a cramming call, cramming behavior and slamming, it was \$3.9 million. So \$3.9 million, \$82 million, \$144,000. The difference between the two -- or between the three is amazing.

Mr. Bilirakis. Wow. Wow.

Okay. Related to this topic, again, for you, Commissioner, do you or any of the Commissioners here on the panel know of any instances where pirate radio operators interfere with public safety or military use frequencies?

We will start off with you, Commissioner O'Rielly.

Mr. O'Rielly. So, technically, it wouldn't be pirate radio because that is someone operating within the AM or FM band, but they have violated the sanctity of public safety. Just recently, we had an enforcement action of someone in New York that was violating the New York public safety system, and they were fined, or they had an enforcement action against them. You know, they were actually -- they are still in prison at the time, but we will see if we get that money.

Mr. Bilirakis. Anyone else?

Okay. I will go on to the next question.

Chairman Pai, I regularly advocate for seniors and, again,

improved quality of life for seniors. I think you know that. 5G technology promises great benefits for our growing elderly population.

What can the FCC do to advance specific telehealth technologies like remote patient monitoring to allow seniors to remain independent and age in place?

Mr. Pai. That is a great question, Congressman, and it is a growing need as our population ages. I don't want to steal her thunder, but Commissioner Clyburn has been the leader on this issue in pioneering the Connect2Health Initiative, but I --

Mr. Bilirakis. Oh, I would like to give her an opportunity as well.

Mr. Pai. And I don't want to throw it in her lap, but she has been a leader on it.

Ms. Clyburn. Thank you so very much, Mr. Chairman.

Mr. Bilirakis. Okay.

Ms. Clyburn. You know, one of the things that we are proud of, as the Chairman has endorsed, is the Connect2Health Task Force, as he mentioned. And one of the things that it is doing is looking at that intersection of broadband, technology, and health.

And another thing that it is doing is very helpful. It has developed a broadband mapping tool that looks at what is going on on a county-by-county basis in the United States and looking at where broadband is available, where healthcare providers are or are not, and is informing communities as to how best to approach, you know, different business models, different initiatives that might be needed in

particular areas.

And so we are really on -- as quiet as it is kept, even though people in the ecosystem know about it, we are front and center on providing a means for people to be informed so they can make better critical decisions.

And this will help us also on our Healthcare Connect Fund, which we need to talk about enhancing that. Because, in order to make all of these things more ubiquitous, allowing people to age in place and address their needs, connectivity is key, affordability is key. And I am looking forward to working with you as we progress.

Mr. Bilirakis. I, too.

Everyone on board with this? Anyone want to make a comment?

Mr. O'Rielly. Well, just to the last point maybe, that, you know, we have to balance all those things with all our budget overall. And so, we talk about expanding services; we have to figure out how we can pay for all of that. And that gets --

Mr. Bilirakis. Of course.

Mr. O'Rielly. -- back to the conversation on contributions.

Mr. Bilirakis. Absolutely.

Chairman Pai?

Mr. Pai. I will simply add to Commission Clyburn's able disquisition on the issue that I think the importance of remote monitoring, in particular, cannot be overstated. If you are an older person who has difficulty coming into a hospital or you have just had surgery and you have just returned home, the worst thing that can happen

for you is to get an infection or some sort of illness that will require you to come back.

And so I have seen for myself in Staunton, Virginia, how a hospital center is using remote monitoring, as I said earlier in response to a question, to decrease the sepsis rate by 34 percent, disproportionately, I think, among older individuals. And that is something, if you can intervene quickly, thanks to this technology --

Mr. Bilirakis. Absolutely.

Mr. Pai. -- everyone is better off. The healthcare system is better off because you are not spending money on an in-hospital regimen of treatment.

And so it is something that I am really excited about. And I am glad that Commissioner Clyburn has been a pioneer on this issue.

Mr. Bilirakis. Wonderful. Wonderful. Thank you very much.

I yield back, Madam Chair.

Mrs. Blackburn. The gentleman yields back.

Mrs. Dingell, 5 minutes.

Mrs. Dingell. Thank you, Madam Chair. I have no voice. Too much talking.

It is great to have all of you here. The Dingell names have a long connection with the FCC, sometimes good, sometimes not. But I want to first start on the important topic of privacy and how it relates to the ATSC 3.0.

I am really worried about privacy, and I think you all need to be too. This new broadcast standard allows for interactive TV,

personalized ad placements, and for granular collection of data about who is watching what.

Chairman Pai, if someone is looking to take advantage of this personalized content, they would like to give up information about themselves, would they not?

Mr. Pai. So, sorry, would they be --

Mrs. Dingell. So, if someone wants to use it, they are going to have to tell the provider what personal information about themselves?

Mr. Pai. The individual consumers?

Mrs. Dingell. Yes, the consumer.

Mr. Pai. Well, it depends on the particular -- I mean, these are nascent services. I don't know --

Mrs. Dingell. Yeah, the personalized content. I mean, so, as we are looking at this ATSC 3.0, it has going to be more personalized content.

Mr. Pai. Right. That is -- yeah. I see where you are -- yeah.

Mrs. Dingell. So how is the FCC considering privacy concerns as the Commission is looking at this new standard?

Mr. Pai. A great question, Congresswoman.

Right now, we are looking at just the technical standard, should we be able to proceed with this new next-generation TV standard and, if so, what should the technical parameters be. I would imagine that, as those privacy concerns and others like that come to the fore, that the agency is going to be looking at that too.

Mrs. Dingell. I think it is really important.

My staff wouldn't let me ask some of the other questions I wanted to ask today. But I don't think people realize that, when we will have televisions watching us, that there is reverse, as people are using all of these great new gadgets, how much information is being collected about them.

And who has responsibility for letting people know that kind of data is being collected?

Mr. Pai. Right. I think, in the first instance, the Federal Trade Commission has generally been the cop on the beat of privacy --

Mrs. Dingell. They have, but so much of this is with the FCC. I think you all have a responsibility to really look at some of this.

And do you think that this new data that is generated will be kept in house by the provider, or do you think it is going to be sold to third parties?

Mr. Pai. Again, here, it is a nascent -- the standard hasn't even been adopted, so we are not sure how any particular service --

Mrs. Dingell. But should this be part of looking at a standard?

Mr. Pai. As the services materialize, Congresswoman, we will certainly be monitoring all those kinds of concerns.

Mrs. Dingell. Okay.

The last time you were here, in July, you agreed to follow up with this committee on the steps you were taking to mitigate DDOS attacks. What updates can you share with us?

Mr. Pai. Congresswoman, we have provided a detailed response to the committee, and I would be happy to provide that to you with some

of the particulars in that regard.

But what I can say is that our IT staff is always vigilant to make sure that we have the protocols in place to make sure that our IT systems are up and running. And I have appreciated the chance to work with this committee, as well as our appropriators, to get the funding to make sure that continues to be the case.

Mrs. Dingell. Let me go to -- I will leave you off the hook and ask Commissioner Rosenworcel, do you think that the public-interest standard requires that you look at the effect of Commission actions on small businesses and consumers?

Ms. Rosenworcel. Absolutely. Small businesses create two-thirds of the new jobs in the economy. The Commission should always be thinking about the impact on small business, and I think the public-interest standard incorporates that.

Mrs. Dingell. Thank you.

A lot of us have already asked this question, so I am just going to make an observation and see if you all agree or disagree with me.

Mergers of the scale of the Sinclair-Tribune are not always popular, but I can't ever remember when everybody was so opposed to the idea. Can any of you think of a merger that has met this type of united opposition?

Ms. Rosenworcel. No.

Mrs. Dingell. Commissioner Clyburn?

Ms. Clyburn. I can say that, within my last 8-plus years, this is the most energized that I have seen diverse parties.

RPTR ALLDRIDGE

EDTR ZAMORA

[4:18 p.m.]

Mrs. Dingell. And anybody else that wants to say something.

Mr. O'Rielly. I will jump in here. I used the word "energize." But I would say that I have seen it before, and that is the reason we have a 39 percent cap. That was the instance -- it was a result of a transaction that caused a lot of uprest between the relationship between the network and an affiliate. And that is the reason the Congress stepped in at the time and addressed it.

So in terms of the excitement or energized, I have seen the energy level far beyond what it is today in that --

Mrs. Dingell. But the broad spectrum of people opposing is unusual.

I may yield back my 9 seconds, Madam Chair.

Mrs. Blackburn. The gentlelady yields back.

Mr. Johnson for 5 minutes.

Mr. Johnson. Thank you, Madam Chair. And I thank the commissioners for being here today.

You know, I have listened -- I have heard some buzzwords that caught my attention. Former Chairman -- or full Chairman Walden talked about the complexity of the telecom environment and how difficult your job is, and I agree with that. Commissioner Clyburn talked about how the technology is necessary to create opportunities

for Americans, particularly in rural America. And it kind of took me back a little bit, and I have been thinking about this for the last several months, how important your job is.

You know, if look at the hundred years of American history, from 1868 to roughly 1970, we started out in 1868 at the most divided point that our Nation has ever been in, at the end of a brutal and bloody Civil War. We healed our internal wounds to go in to and fight off tyranny in Europe in two world wars, mobilizing from scratch both times, practically. Did the same thing in Korea. And at the same time in that hundred-year period, from 1868 to 1970, we saw one of the most explosive, innovative periods in human history: the light bulb, the -- and all of it born right here -- the light bulb, the combustion engine, the automobile, the mass production of automobiles, the assembly line process, the industrialization of Western cultures, the airplane, powered flights, space travel, landing a man on the Moon, organ transplants, telecommunications and computing technologies, nuclear power. That, I think, could arguably -- the case could be made that that was one of the most innovative periods in human history.

I talk about that a lot to people that I represent back in Ohio, because then I follow it with a question. What have we done since 1970? You know what answer I get most often? The internet, telecom. And why is that the case? I believe that is the case because it is the one area that the Federal Government couldn't figure out how to regulate. If you go back to the 1970s, that is when the EPA came into being, that is when the Department of Energy came into being, that is

when the Department of Education came into being. All of a sudden back in the 1970s, Washington kind of thought that the American people had it wrong for all that time.

Instead of telling the American people what we should be innovating on and how -- and what we should be focused on to create opportunities for the American people, Washington started talking about how to innovate, where to innovate, when to innovate, why to innovate, and in many cases, picking the winners and losers and determining who should be able to innovate.

So I throw that out there just as a thought provoker to you folks. Your job is so vitally important. We can't throw water on the campfire of American innovation and ingenuity. And I would submit that if we really want to create opportunities, if we would just look at our own Nation's history and realize that if Washington would just get out of the way, in many regards that the American people are more than capable of creating their own opportunities through innovation and ingenuity. And I think that is an important thing to -- for you folks to remember. And I see the attitude of the Commission today, and I think that is what you are trying to do. So I applaud that.

Let me ask you one quick question here, and it is a yes or no question, so it will be easy, especially for Commissioner O'Rielly. He is good at this. In 2013, it was reported that the Justice Department had spied extensively on Fox News reporter James Rosen in 2010, collecting his phone records, 2 days' worth of his personal emails, and tracking his movements to and from the State Department.

So in the 32 seconds that I have remaining, each of you, starting with Mr. Carr, Commissioner Carr, did this raise First Amendment concerns for you at that time? Yes or no.

Mr. Carr. I think what I said is that, you know, it reenforces --

Mr. Johnson. Come on now, follow Mr. O'Rielly.

Mr. Carr. -- the importance of the Commission, as everyone has said, being committed to the First Amendment in everything that we do at this agency.

Mr. Johnson. Okay.

Ms. Clyburn. That is an interesting question. I will say it raised personal and privacy and other concerns.

Mr. Johnson. Okay. All right.

Mr. Pai. I agree with Commissioner Carr.

Mr. Johnson. Okay.

Mr. O'Rielly. Yes.

Mr. Johnson. You are good.

Ms. Rosenworcel. That is a disturbing tale. Yes.

Mr. Johnson. Okay. Thank you.

Madam Chair, I yield back.

Mrs. Blackburn. The gentleman yields back.

Ms. Matsui for 5 minutes.

Ms. Matsui. Thank you very much, Madam Chair.

First of all, welcome. I am glad to see all of you here, and I especially want to welcome back Commissioner Rosenworcel and welcome Commissioner Carr.

Mr. Carr. Thank you.

Ms. Matsui. As co-chair of the Congressional Spectrum Caucus with my good friend, Representative Guthrie, we are very focused on the opportunity to unleash new spectrum that will help us get to 5G. We have introduced legislation that provides financial incentives to Federal agencies to reallocate unused or underutilized spectrum holdings.

Commissioner O'Rielly, will you commit to working with us to try to strike an appropriate balance for the 3.5 gigahertz band that will be the foundation for 5G deployment?

Mr. O'Rielly. Well, I am not in charge of the 3.5. The chairman was nice enough to have me take some of the lead. But, I mean, we are going to work as an agency to dispose of our item that we adopted yesterday. So I will work with, of course, the committee in any capacity and take its views into account in terms of my vote.

But in terms to your point that you raised, which is the incentives for Federal agencies to clear bands, I have also made the point that it is not just incentives; it is also going to -- we need the carrot and the stick. So we need some more of the stick. And so I think that those two pieces have to go hand in glove. And I would be happy to work with you on putting some of the stick into your legislation.

Ms. Matsui. Okay. Commissioner Rosenworcel, so I think we talked about this before. Would you like to add a comment or two?

Ms. Rosenworcel. Yes. I believe carrots work better than sticks. And I think when it comes to spectrum policy, what we need

to do is make Federal users internalize the cost of their holdings. They need to be able to report at some level what the value of what they have today is, and then we need to figure out how to give them incentives so that they see gain and not just loss from reallocation.

Ms. Matsui. Okay. I can see a carrot and a stick here working very well together. So thank you.

Today, everyone needs a broadband connection, we all know that, in every part of the country. And I have over 20,000 constituents utilizing the Lifeline program to obtain access to broadband. This is a real program that is helping low-income families access communications that are essential in our digital academy. The National Lifeline Eligibility Verifier will be a significant step towards this goal, but will not be fully up and running until 2019. Now, in August, I wrote to the Commission to request steps that the FCC is taking to implement the verifier.

Chairman Pai, I received your response last night. Could you give me an update on getting the National Verifier fully up and running, and commit to providing me and the committee with regular updates in the future?

Mr. Pai. Congresswoman, I will take the second piece first. Yes, the quarterly reports will be forthcoming, and I think our staffs have talked about that going forward.

In terms of the first point, which is the update, we are on track. I have been advised to, in December of 2017, for what is called a soft launch of the National Verifier, with a full launch in early 2018. The

first States that will be considered for the National Verifier, there are six of them, it is Colorado, Mississippi, Montana, New Mexico, Utah, and Wyoming. And in 2018, USAC will roll out at least an additional 19 States in the National Verifier. And USAC has been working with other stakeholders under our oversight, with your consumers groups and carriers and others, to make sure that that verifier works and actually serves consumers' needs.

And so we would be happy to work with you continuously on this issue. And I thank you for flagging it for our attention.

Ms. Matsui. Okay. I appreciate that.

Commissioner Clyburn, can you talk about what is needed at the FCC to ensure the Lifeline program remains an option for low-income households to access the communications or broadband moving forward?

Ms. Clyburn. We need to have the mechanism to encourage providers to get involved and get -- to provide more opportunity. If you know, back in February, we stopped nine providers that did nothing wrong from gaining access and for offering opportunities. And some of them had to even discontinue service. So we need to give the States the power and the ability they need to include to have Lifeline providers particularly for broadband. And we need to get out of the way. The FCC is not getting out of the way and allowing these reforms that have been -- the contours that have been laid out to happen. So we are in the way of Lifeline becoming a phenomenal program.

Ms. Matsui. Okay. Well, at this point.

Thank you very much. And I will yield back some of this time,

Madam Chair.

Mrs. Blackburn. Awesome. Not in the running for the prize, but getting close.

Mr. Flores, 5 minutes.

Mr. Flores. Thank you, Madam Chair. And I want to welcome Commissioner Carr, Commissioner Rosenworcel to the Commission. It is great to have you here for your first testimony today.

We all know that reliance on mobile networks is growing at a breakneck pace. My question is this: What more does the FCC and Congress need to be doing to ensure that we keep up with consumer and business demands for mobile?

So I will start with you, Commissioner Carr.

Mr. Carr. Thanks for the question.

Mr. Flores. Just short answers, if you can.

Mr. Carr. Yeah. My principal focus right now is infrastructure deployment. We have to streamline the rules. The current regime, we have relatively few small cell deployments. We are going to need to get to millions of cell sites pretty quickly here, so we have got to streamline the process.

Mr. Flores. Okay. Commissioner Clyburn.

Ms. Clyburn. We need to focus on the areas where we have 2 and 3G service. That is why I was pushing so much for the Mobility Fund Phase II. And we need to talk about affordability, which is why I am pushing for a Lifeline program.

Mr. Flores. Okay. Chairman Pai.

Mr. Pai. I agree with my colleagues. I would also add that spectrum, of course, is a critical input from 600 megahertz all the way up to 95 gigahertz.

Mr. Flores. Okay. And I think Commissioner Rosenworcel went through that list, although I couldn't write that fast.

Commissioner O'Rielly.

Mr. O'Rielly. Three things. Infrastructure, which means preemption. Two, it is spectrum, which we have talked about. And, three, it means deciding what to do on those hardest-to-reach individuals we don't have a plan for today.

Mr. Flores. Okay. Commissioner Rosenworcel.

Ms. Rosenworcel. I will give you one thing, which is we should set a time for auctioning the 28 gigahertz band, make it our first millimeter wave band so that we can lead the world in 5G and millimeter waves.

Mr. Flores. And so the first priority is that auction. Is that correct?

Ms. Rosenworcel. I believe so, yes.

Mr. Flores. Okay. Thank you.

I want to go back to the First Amendment conversations we have had today. Yes or no answers will be appropriate for this one. In 2013, the Justice Department revealed that they had been secretly combing through the work, home, and cell phone records of almost 100 Associated Press reporters and editors in what appeared to be a fishing expedition for sources of leaks, as well as an effort to frighten off

whistleblowers. Did this action raise First Amendment concerns for you, Commissioner Carr?

Mr. Carr. This is what drives some of the importance of us committing to the First Amendment and always acting consistent.

Mr. Flores. Okay. That is a yes.

Commissioner Clyburn.

Ms. Clyburn. Not sure how to answer that at this point.

Mr. Flores. Yes or no would be easy.

Ms. Clyburn. Yes or no. I'm sorry.

Mr. Flores. Chairman Pai.

Mr. Pai. Yes.

Mr. Flores. Okay.

Mr. O'Rielly. Yes.

Ms. Rosenworcel. That sounds troubling.

Mr. Flores. All right. I appreciate the work you all have been doing for AM revitalization, particularly your orders from February and September. Let's continue along that line for a minute. In general, what is the status of your efforts to revitalize AM radio?

We will start with you, Chairman Pai.

Mr. Pai. Thanks for the question, Congressman. So the translator window has been a success. A great many folks have applied for an FM translator, and we are in the process of processing those. I would anticipate by the end of the year we will have several hundred of those that will be processed. And going forward, we are thinking about some of the bigger-picture issues that are of interest to -- and

broadcasters. And we are trying to sort through the record and see if we can find a consensus on some of those issues.

Mr. Flores. Okay. And what can -- you answered my second question in that regard as well.

What can this committee do to be helpful to encourage a revitalization of AM radio?

Mr. Pai. Certainly, we will take all the support from whatever corridor we can get it. I can tell you, as my colleagues will probably agree, that I have never been shy about the issue of AM revitalization. So you don't need to encourage me. But I will say that it is important to talk about the importance of the work that AM broadcasters do in their communities every day. And I know you visited some of these stations. I have too. And to me they are not just call signs. You know, WRDN and KZPA and KKOW. I mean, these are folks who really are keeping the lights on and keeping their communities informed.

Mr. Flores. You know, in my community it is WTAW and KWTX. I assume the entire Commission's on board with that?

Okay. Everybody shook their heads yes. That is good.

Mr. Pai. That is across the board, I hope.

Mr. Flores. Across the board. That is what I meant. It seemed to me like that was one area where we had good cohesiveness among the Commission.

For all of you, I understand that other countries are moving rapidly to make mid-band spectrum available for 5G services. Particularly China, Japan, and South Korea are all making spectrum

available to win the global race to 5G. My question is this, for each of you -- two questions. One is, in the United States, are we risking falling behind those other countries if we don't catch up on making mid-band spectrum available for 5G?

Commissioner Carr?

Mr. Carr. I think we are in good shape right now with the high-band spectrum that we have opened up. But as your point says, we have got to keep the pedal down and keep moving forward. And we have a number of proceedings right now that the chairman has teed up that will let us do that. So I am confident about where we stand right now.

Mr. Flores. Okay. Commissioner Clyburn.

Ms. Clyburn. I agree. And our spectrum management policies have to be all of the above to make sure we get the optimal use with the optimal players.

Mr. Flores. Okay. Chairman Pai.

Mr. Pai. Yes.

Mr. Flores. Okay.

Mr. O'Rielly. High-band spectrum is great and it is part of the equation, but we have to address the mid-bands. 3.5, 3.7 to 4.2, 3.1 to 3.5, we have to take action on those going forward.

Ms. Rosenworcel. I am not the only one with a list.

Mr. Flores. That is right. That is good.

Ms. Rosenworcel. I think we are at risk of falling behind. And I think we need something simple. We need a calendar for which bands

are moving at what time.

Mr. Flores. Okay. I would like to work with you on that some more, if we can, on the calendar.

So thank you. I yield back.

Mrs. Blackburn. The gentleman yields back.

Ms. Clarke for 5 minutes.

Ms. Clarke. Thank you very much, Madam Chair. And I thank our Ranking Member Doyle. I thank our commissioners, Chairman Pai. And Commissioner Carr, welcome.

Mr. Carr. Thank you.

Ms. Clarke. Commissioner Rosenworcel --

Ms. Rosenworcel. Perfect.

Ms. Clarke. -- welcome back. Of course, it is good to see you, Commissioner Clyburn.

I wanted to just talk about how important today's hearing is. There is so many pressing matters and changes happening under the FCC's authority, on a daily basis it seems. And I can say that it has been quite instructive and interesting just listening to today's proceedings and your answers regarding these issues and the significance in facilitating announced changes.

So I want to talk about a couple of things that are currently on my mind. And as co-chair of the Multicultural Media Caucus with colleagues Rep. Cardenas and Rep. Chu, we are extremely interested in the recent media ownership changes.

As you have indicated, Chairman Pai, the Commission is poised to

take up an item to modify the local TV ownership rule at the next Commission meeting. This important rule provides for diversity of voices and ownership at the local level by limiting ownership of more than one TV station to the largest markets. So hypothetically, Commissioner Pai, if the Commission were to modify the local TV ownership rule next month by adopting a case-by-case approach, who do you think should have the burden of proof? Those seeking more consolidation or those seeking to maintain diversity of ownership?

Mr. Pai. Congresswoman, as always is the case, if a prohibition remains and the party is seeking a relaxation of that prohibition on a case-by-case bases, the petitioner would bear the burden of proof that that application was in the public interest.

Ms. Clarke. So let me ask Commissioner Clyburn and Rosenworcel. Do you have any substantive or process concerns with the potential modification of local TV ownership rules?

Ms. Clyburn. Well, one of the things that we were demonized for was trying to look at the media ecosystem. I don't think we have the tools and the data needed to make these wholesale changes. Looking at -- there are 67 women-owned broadcast stations, 12 African-American-owned stations. Clearly, our policies must be out of sync because that is not diversity and inclusion in any stretch of the way.

Ms. Rosenworcel. Thank you for the question.

Listen, media ownership matters. What we see on the screen says so much about who we are as individuals, as communities, and as a Nation.

And right now, when you look at the ownership structure, it does not reflect the full diversity of this country. I am worried that with more consolidation, that is not going to get better; it is going to get worse.

Ms. Clarke. Okay.

Mr. O'Rielly. Can I just comment and say --

Ms. Clarke. Certainly.

Mr. O'Rielly. -- the situation we have today is under our current rules, and those rules have been in place for so long, they haven't worked. We ought to try something new.

Ms. Clarke. Here's the question: You are saying that it hasn't changed. We are not certain whether what you are proposing will make it even worser.

Mr. O'Rielly. It is really hard to get much worser.

Ms. Clarke. You think so? I know that that is not the case.

Mr. O'Rielly. The numbers are so low. I mean, 12. The numbers are really low, and it has been --

Ms. Clarke. Right.

Mr. O'Rielly. And there are a lot of reasons why, you know, they are going to go even lower, because --

Ms. Clarke. And what you are saying is your new proposal is going to transform that?

Mr. O'Rielly. No. I am saying that the current --

Ms. Clarke. No. What I am asking you is your new proposal is going to transform that?

Mr. O'Rielly. I think it is given --

Ms. Clarke. Is that what you are saying?

Mr. O'Rielly. I am saying --

Ms. Clarke. Are you saying here today that this new proposal is going to transform that? Yes or no.

Mr. O'Rielly. Well, it is not my proposal and --

Ms. Clarke. I am just asking.

Mr. O'Rielly. But, in general, I am hopeful that it provides a better opportunity --

Ms. Clarke. You are hopeful. Okay.

Mr. O'Rielly. Because the current situation isn't working.

Ms. Clarke. Commissioner Pai.

Mr. Pai. Yes. The answer is yes.

Ms. Clarke. You think it will?

Mr. Pai. Absolutely. Part of the reason why we don't have more diversity is because the Commission, several years ago, the prior majority, rejected my suggestion for an incubator program and other diversity proposals. Part of the reason why we don't have diversity is because the prior administration let the diversity committee lapse, so we haven't had input from stakeholders. I reconstituted that diversity committee several months ago, and specifically tasked one of the working groups with promoting more diversity in the broadcast business. Part of the reason we don't have more diversity is because the prior administration outlawed JSAs.

I have met with Pervis Parker --

Ms. Clarke. So are you saying -- hold on. Are you saying that this is going to be a pilot project or is this going to be a wholesale change?

Mr. Pai. We are seeking comment on the scope of the incubator program, but we will --

Ms. Clarke. Are you saying this is going to be a wholesale change or a pilot program?

Mr. Pai. The incubator program?

Ms. Clarke. Yes.

Mr. Pai. If we get the public input we need, this is going to be a real program.

Ms. Clarke. Okay. Let me move on to my next question, because I only have 18 seconds left. And I would like to ask -- and we can talk about that further.

I have been working with Congresswoman Plaskett with respect to the U.S. Virgin Islands. And specifically, is the FCC engaged to assist Puerto Rico and the U.S. Virgin Islands regain the telecom capabilities in the wake of last month's hurricane season? And what must we learn from these hurricanes and their impact on existing communications infrastructure?

Mr. Pai. Yes, Congresswoman, is the answer to your question. I have personally called the Congresswoman's office and offered our assistance as well. In addition, I make sure that I have talked to some of the stakeholders, just as I have in Puerto Rico, stakeholders, tower companies, wireless companies and others, who might have had

infrastructure affected in the U.S. Virgin Islands. Also conveyed to FEMA and to others that, to the extent there are power issues in the U.S. Virgin Islands, we would love for those communications power requirements to be elevated in terms of getting that infrastructure onto the island. And, obviously, there are hospitals and schools and other things that are competing for attention, but communications networks are critical too. So we are working on it.

Ms. Clyburn. And as the chairman would also tell you that we forwarded a universal service -- we green-lit universal service money so people get build -- have hard dollars to rebuild their telecommunication systems.

Mr. Pai. And we just did the same -- or I proposed just yesterday doing something similar for E-rate, for schools and libraries to be able to help those in need.

Ms. Clarke. Madam Chair, I yield back. And thank you.

Mrs. Blackburn. You are welcome.

Mrs. Walters, 5 minutes.

Mrs. Walters. Thank you, Madam Chair.

I would like to thank the witnesses for being here today, and welcome the two newest FCC commissioners.

5G deployment is important to my district where the majority of the residents have multiple wireless devices and are increasingly using IoT technology. Further, investment in 5G deployment has the potential to create over 2,300 jobs in my district. A recently released survey found that 5G will improve business operations and

competitiveness, which further demonstrates the need to deploy this technology.

Since joining the subcommittee at the beginning of the year, I have focused on issues related to the sitings of 5G infrastructure. Earlier this month, the Governor of California vetoed a bill that would have established uniform standards across the State for the installation of 5G equipment. The bill would have limited the ability of local governments to block antenna placement. It would have also capped installation rates on public properties such as traffic lights. But California isn't the only State where siting is an issue. I would like to get your thoughts on some of the issues 5G deployment is facing.

Chairman Pai, can the FCC take immediate action to work with States and localities to streamline the siting process? And if so, could you briefly discuss what the Commission can do to address these issues?

Mr. Pai. Thank you for the question, Congresswoman. The answer is yes. And we teed up earlier this year in our wireless infrastructure proceeding a number of different tools that we could use to help streamline that approval process. And I am hopeful that together we can move on that relatively soon.

Mrs. Walters. All right. Great.

And, Commissioner Carr, congratulations on your confirmation.

Mr. Carr. Thank you.

Mrs. Walters. Your testimony mentioned the importance of 5G and the need for infrastructure to deploy this technology. Are you

concerned that local zoning requirements throughout the country, not just in California, are impeding the deployment of the infrastructure necessary for 5G services?

Mr. Carr. I am concerned. I was disappointed to see the veto of that small cell bill. Again, we are going to see a massive new deployment of small cells. The current regime is not tailored to support that type of deployment. If we are going to get 5G across the finish line, this could be the real bottleneck is these infrastructure deployment rules. So I am glad that we actually have a number of steps teed up at the Commission, and I look forward to working with my colleagues to get them across the finish line.

Mrs. Walters. Okay. Thank you.

And this third question I have, and you just touched a bit on it just a few minutes ago. But, Chairman Pai, as you know, wireless networks in Puerto Rico were devastated by Hurricane Maria. Networks in east Texas and Florida were impacted by Hurricanes Irma and Harvey. And the fires in my home State have damaged wireless infrastructure in California. And I commend you for speeding the availability of USF funds to carriers in Puerto Rico to accelerate rebuilding of these critical communication networks.

Will the FCC contemplate similar efforts to support reconstruction in other States impacted by this fall's natural disasters?

Mr. Pai. We are certainly open to hearing that case and to taking action if appropriate.

Mrs. Walters. Okay. All right. Thank you.

And I yield back the balance of my time.

Mrs. Blackburn. And the winner is. All right. Way to go, Mimi.

All right. Mr. Welch, you are recognized for 5 minutes.

Mr. Welch. Thank you very much. Welcome to the full Commission. It is really tremendous to see you at full strength. Congratulations on your confirmation.

Mr. Carr. Thank you.

Mr. Welch. It is very good to have you back, Commissioner. It wasn't a swift process, but it had an end result.

And, Mr. Chairman, congratulations to you as well.

Mr. Pai. Thank you.

Mr. Welch. Net neutrality we have talked about some. And we know the debate here, in my view, was that the actions of the previous Commission made a lot of sense. But my understanding is that your Commission is going -- is opening that up. You have heard millions of comments. And the question I have is if -- the apprehension among the industry has largely been that there may be a new Commission at some point that is overbearing, but they won't necessarily agree to put in a statute. There are assurances that they give privately and publicly that they won't do anything to interfere with net neutrality. So there is a skepticism on their part about the durability of the current practice, which worked well.

But isn't it fair for consumers to have some skepticism that when CEOs change in these companies, when shareholders start demanding a

bigger return, that there won't be the pressure to do things that advantage the company at the expense of the folks who need solid net neutrality?

Chairman Pai?

Mr. Pai. I appreciate the question, Congressman. Obviously, we are now engaged in the question of what is the regulatory framework best calibrated to preserve the free and open internet --

Mr. Welch. But why not -- here's my question, though. Why not have it be embodied in a statute? They are saying to us, as I assume they are saying to you, that they want to maintain that neutrality. But that is who is in those executive offices now. There will be other people there later. So do you consider that to be a valid concern on the part of those of us who want to make certain that we preserve net neutrality?

Mr. Pai. Congressman, all I can say is what I said in the wake of the 2014 D.C. Circuit Court decision myself, which is that the proper course, I think, is for Congress to ultimately decide what the rules of the road are going to be. That is obviously --

Mr. Welch. I don't have a lot of time.

So, Commissioner O'Rielly, you looked like you wanted to say something. Quickly.

Mr. O'Rielly. Well, I think, if I heard you correctly, you said embody it into statute. And I would say, yes, that is the law, and you have an opportunity in this committee to craft a law and then decide whether we should go forward. And I think that is what members of this

committee were contemplating for a number of months.

Mr. Welch. But we haven't seen the statute. I mean, the majority has to act on that.

Commissioner Rosenworcel.

Ms. Rosenworcel. I support net neutrality. Our internet economy is the envy of the world. It is built on a foundation of openness. I think our current rules support that openness. They have been sustained in courts, and they are wildly popular. I am at a loss that we would decide to take them away.

Mr. Welch. Okay. Thank you. A lot of us are from rural America, Republicans and Democrats up here. In fact, Mr. Latta and I started a rural broadband caucus. A real concern we have is not only deployment. We are so lagging behind. It is the speed. And there has been some movement towards reducing what is considered to be the adequate speed. That would be very damaging to us in rural America.

Commissioner Clyburn, do you want to comment on that?

Ms. Clyburn. I think any talk about slowing things down -- do something -- sub 253 is problematic. It is problematic for keeping and ensuring that rural America catches up. You haven't caught up, and that is problematic. So that is why this talk of loosening these standards, of lowering speeds is just very problematic to me, and that is not the direction we need to go.

Mr. Welch. Commissioner Rosenworcel, you were in Burlington, Vermont, I appreciate your visit, talking about the homework gap. Burlington is not where we have the issue. That is an urban area. They

have high speed. But a lot of Vermont is much like a lot of rural America; it is slow. And rural America in rural Vermont is on its heels economically. We have to have this tool to have any shot at getting back in the game. Your view on it slowing the -- or lowering the standards.

Ms. Rosenworcel. Oh, I think lowering the standard is crazy. I believe you have to set audacious goals if you want to do big things. And deciding that we can get 100 megabit speed to everyone in this country is worth the effort, including rural America.

Mr. Welch. Okay. Chairman Pai, you have got a real history of rural America, so --

Mr. Pai. Yeah.

Mr. Welch. I am hoping that you are not going to be in favor of changing the definition for rural America.

Mr. Pai. A few different points, Congressman. First, the actual proposal is to maintain the 253 standard. There is no proposal other than that. Secondly, I am a little puzzled by the criticism, because when the prior majority actually had the pen and had the ability to do something for folks in rural America, in December of 2014, they decided to allocate billions of dollars of funding for 10 megabit per seconds connectivity in rural America. According to them now, that is not broadband.

Last year, when we revitalized the -- reformed the Lifeline program, I specifically suggested that we increase the speeds to 25 megabits per second to say, well, if the FCC is saying this is broadband,

poor consumers should get broadband. The prior majority specifically rejected that suggestion. And so I think it is a little hollow now to somehow just be grandstanding on this issue --

Mr. Welch. My time is up. I won't argue with you about that, but you are in the chair now.

Mr. Pai. That is why a proposal is to maintain the 253 standard.

Mr. Welch. So does that give us assurance that there is not going to be any suggestion to lower that standard?

Mr. Pai. We have to -- Congress charged us with taking a look at what is connectivity. And as a part of that, we have to seek comment on what is the impact of mobile broadband? What do consumers use the internet for? Are there some applications that they require 10 megabits per second or some other standard? That is basically what we are trying to do. But the lead proposal is to maintain that standard.

Mr. Welch. Okay. Thank you, Madam Chair.

Mrs. Blackburn. The gentleman yields back.

Mr. Olson, 5 minutes.

Mr. Olson. I thank the chair, and welcome to our witnesses. And a special welcome, Commissioner Rosenworcel. I spent a few weeks with my dad in ICU. It is not a pleasant time to have a loved one, a parent, in the hospital, so thank you so much for coming. We are praying for you.

Ms. Rosenworcel. Thank you.

Mr. Olson. My first question and comments are for Chairman Pai.

Thank you so much for coming down to Houston to see the devastation of Hurricane Harvey firsthand. You saw it with your own eyes. I mean, hit us twice, came back. Fifty inches of rain in parts of the district, parts of the county. We did very well, but we can do much better.

I would just like to ask you, what do you see with respect to forwards of communication networks throughout the region during Hurricane Harvey? What are the steps the FCC is taking to support the restoration and recovery efforts back home?

Mr. Pai. I appreciate the question, Congressman, and your leadership on this issue. I know you have been active in trying to inform your constituents about where they could get help.

A few different things. Number one, the FCC is working very proactively to make sure that we assist State and local partners in Texas. And I personally, as you mentioned, visited and offered my assistance.

A few different things that we could do going forward. First, I think, I was quite taken by a point that I learned at the Harris County 911 center, which is that part of the reason why the networks were relatively reliable compared to, say, Florida and Puerto Rico was because -- despite the fact that 33 trillion gallons of water, as you know, were dumped on the Houston surrounding area, was because of the backhaul they had that was fiber-based as opposed to copper-based. And despite the fact that there was a huge amount of weight placed on those networks, because they were fiber, they were relatively more resilient. If it had been copper, it might have degraded or just disintegrated

altogether.

The second thing is that we all need to work together. We are all in this together. And I heard time after time that State and local partners and the industry relied on our disaster information reporting service, which was very helpful. And they also found it useful to have a point of contact at the FCC that they knew could provide assistance. So a lot of things that we are excited about going forward in terms of our disaster response. And we are going to apply some of that in Puerto Rico, and have already.

Mr. Olson. And thank you.

How about what is called the network resiliency framework? That, as you know, is the wireless industry initiative to better prepare and respond for times of emergency. Do you think this framework helped restore coverage faster than other recent natural disasters?

Mr. Pai. There is no question. I think I heard -- I heard firsthand from wireless providers when I was in Texas about how useful that had been. The other piece that I should mention that was very useful is that, as I understand it, the Governor's office, Governor Abbott's office, provided some of these wireless companies with information as to where the flooding was. And some of the companies were able to overlay that information on where they saw their cell networks up or down. And they were able to target in some places, okay, we see there is huge flooding here, but there are people actually on the network. We need to get help there. And so that overlay is the kind of serendipitous, I think, benefit that, going forward, we will

be able to take advantage of in other jurisdictions.

Mr. Olson. Any lessons learned -- anything we could learn from Harvey? Anybody want to comment on those? I know he was down there. He saw it firsthand, but --

Ms. Rosenworcel. I would just want to mention, the network -- the wireless network resiliency that you cited was the industry coming together in the aftermath of Hurricane Sandy. And, in fact, we have it in place because we learned from that past disaster. And it is my hope that we will learn comparably from this one.

Mr. Olson. Great. Well, I am about out of time here.

Commissioner Carr, I believe you are going to Texas, Houston, see for yourself?

Mr. Carr. Yes. On Friday I will in Houston meeting with broadcasters to hear about what the FCC can continue to do to support the recovery efforts down there.

Mr. Olson. Great. They are thrilled to hear that.

One thing I have to warn you about. Can you say y'all?

Mr. Carr. I will work on it.

Mr. Olson. And can you say "beat L.A."?

Mr. Carr. Yes.

Mr. Olson. Well played.

And, Commissioner Pai, I know you are a baseball fan, a huge baseball fan of pro baseball. And as I sort of alluded to, the L.A. Dodgers are playing my Houston Astros in the World Series. Yesterday, we had a rough day. Didn't quite do as well as I wanted. But that

morning, all over Capitol Hill, signs popped up about that game, especially one -- this sign popped up on the door of the majority leader from California.

In having jurisdiction over Federal communications, let's make sure that is not some Federal offense you are looking at. I neither confirm nor deny my involvement in those operations. And one thing too, Commissioner Pai, just what is your prediction? Astros in five, six, or seven games?

Mr. Pai. Well, Congressman, first I want to reiterate. I stand in favor of the First Amendment and your right to plaster everybody --

Mrs. Blackburn. And the gentleman's time has expired.

Mr. Olson. I like the word "plaster."

Mrs. Blackburn. Mrs. Brooks, 5 minutes.

Mrs. Brooks. Thank you, Madam Chairman. And thank you and congratulations to all of those who have recently gotten confirmed.

Just recently, I joined with my colleague across the aisle, Debbie Dingell, to form a 5G caucus. And we had our first briefing with congressional staff yesterday, led by CTIA. And I am learning more and more about 5G. This is not something that I think is commonly understood among the citizens of our country. And I would be -- and a slide was put up during the presentation that talked about the global race being on for 5G. And, quite frankly, because we have often been the leaders in innovation and technology in the world, I was a bit surprised to see it appears that China and Europe and others may be further along in 5G deployment than in the United States.

And I am curious whether or not -- and -- now, obviously, some of those countries, particularly China, for instance, don't have the division in governments between Federal, State, and local jurisdictions the way that our great democracy does. But how are we taking that into account, and what should our role be in Congress? And what can the FCC and our role in Congress do to better partner with our State and local governments? Because I think we are struggling, quite frankly, particularly in State legislatures, either educating or understanding what this race is about and what we are -- how we are, I think, falling behind.

Chairman Pai, would you like to start as to what we could be doing differently and better? Because I think we all, from what I can tell from your responses today, we are in agreement here that we all need to do a lot more and a lot better. But what does it mean for us, A, to fall behind, and what should we be doing? And I am pleased, Indianapolis, that I represent the northern part of, is a 5G test site, you know. But I think we are way behind these other countries.

Chairman Pai.

Mr. Pai. I have an answer, Congresswoman. And before I start, thanks for the hospitality you showed me in Noblesville back in the district.

With respect to the first, I think there is a significant opportunity cost that attaches to American inertia on this issue. If we don't lead, there are plenty of other continents and countries that are more than happy to take that lead. And one of the things I have

learned in this role as I liaise with my counterparts in other countries, is that they are quite eager to capitalize on what they see is a lesson of the 4G revolution, which is that America was forward-thinking in terms of spectrum and infrastructure. And as a result, that not long ago, we had 4 percent of the world's population and 50 percent of the world's 4G LT subscriptions. Europe and China, among others, have noticed that -- they don't want that to happen with 5G. And so they are trying to be very aggressive in terms of spectrum and, in some cases, infrastructure as well.

I think it is important for the FCC, but not just the FCC, to think very creatively about this issue. Working with Congress and with State and local governments, as Commissioner Carr first pointed out in his testimony, we really need to have a serious conversation about what is the appropriate regulatory framework for 5G. Is it this trifurcated or even quadfurcated system of regulation, or is there a more streamlined approach that we need to consider? I recognize the equities are difficult here. But at the end of the day, if national competitiveness in the wireless world is our priority, then we have to make some very difficult decisions.

Mrs. Brooks. And I appreciate the need for a calendar, the need for the discussions with State legislatures. But what is the FCC doing -- and I'm sorry that I might have missed part of that -- relative to educating State legislatures and local communities? Because in our State, which did pass some legislation this last session, it was a fight between local jurisdictions and the State legislature. And so what

can we and the FCC be doing, I think, to maybe educate, in large part, or have these really tough discussions? I don't know if Commissioner Carr --

Mr. Carr. Sure. There is a number of steps that the FCC is taking and can continue to take on this. We have an advisory committee where we have representatives from local government on that that we can help have these discussions. But to your broader point, this is critically important. You know, the U.S., that we heard, led the world in 4G. The regulatory structures we have right now are going to be the bottleneck that hold us back. But I am confident that, right now at the Commission, we have the momentum to move forward to try to streamline some of those, and it is going to make a real difference. As I have said in my testimony, we can shift entire communities from being uneconomical for the private sector to deploy to to becoming economical simply by streamlining the deployment rules.

Mrs. Brooks. Can, briefly, someone say why it is important that we win this? Anyone?

Mr. Pai. Well, risk capital is fickle. It will go to any country in the world where it thinks that innovation will find a home and that an investment will yield a return. And that doesn't necessarily have to be the United States in the 21st century.

Ms. Clyburn. I think if our policies are flexible that we include the needs of all communities, the voices of all communities, that we will win this race.

Mrs. Brooks. Thank you. I yield back.

Mrs. Blackburn. The gentlelady yields back.

Mr. Doyle for --

Mr. Doyle. Madam Chair, can I ask unanimous consent to waive Mr. Tonko onto the committee today?

Mrs. Blackburn. Mr. Tonko. So ordered.

Mr. Tonko. Thank you. Thank you, Chair Blackburn and Ranker Doyle, for you conducting what I think is a very important hearing. And welcome to all of our commissioners, and thank you for your service on what are very critical issues for the growth of our economy.

Commissioner Rosenworcel, I recently introduced the Access Broadband Act to create an office of internet connectivity and growth within the National Telecommunications and Information Administration. Under this bipartisan legislation, that office would coordinate broadband deployment programs across our governments, amongst other things, to make sure we are all working together, pulling in the same direction.

In your time at the FCC, do you believe that our agencies could do better coordinating with the various programs that serve broadband interests?

Ms. Rosenworcel. Thank you for the question.

Yes, more coordination is always going to make scarce dollars go further. And I think that is particularly true with respect to the FCC and the folks who are just up the road from us at the Agriculture Department, at the Rural Utilities Service, which runs grant and loan programs for rural broadband too. The more coordination, the better.

Mr. Tonko. Thank you.

Any other comments from any of our commissioners?

Commissioner Clyburn.

Ms. Clyburn. And also, when we are green-lighting those devices, you know, we need to work, you know, closely with other agencies, in particular when we talk about telehealth and telemedicines. There are so many synergies that can be realized if we leverage those relationships we have inside of government.

Mr. Tonko. Thank you. I appreciate that.

Anyone else?

If not, my bill would also task this office with tracking just how many consumers each of these programs serve so that we have a better sense of how many people are being connected, the cost of these programs, and where the consumers live.

So, Chairman Pai, today, does the FCC know definitively how many Americans it helps to serve through the Connect American Fund?

Mr. Pai. We have an estimate, but it is not as definitive as the metric that I think your legislation contemplates.

Mr. Tonko. Right. Is there any way you can commit to providing my office or this subcommittee, the committee in general, with that information before the end of the year?

Mr. Pai. So that information being the number?

Mr. Tonko. Right.

Mr. Pai. We would be more than happy to provide any information that we have that bears on that question.

Mr. Tonko. Thank you.

And, Commissioner Rosenworcel, if put in the right context, do you believe that the information would be valuable for policymakers, not just as it relates to the Connect America Fund but for all of the government's broadband programs?

Ms. Rosenworcel. Absolutely. We can't manage what we don't measure. And if we get better broadband data, that can inform all of our communications policy. But as Commissioner Clyburn has acknowledged, it can inform things like healthcare policy too. So I think it is imperative.

Mr. Tonko. Right. Thank you.

I have found that sometimes people without high-speed broadband at their homes may not understand all the benefits that broadband can bring, and so education becomes important. That is why the Access Broadband Act includes educational components to help people learn what broadband can do for them and the difference it can make in a community, and what it means toward a stronger bit of economic recovery.

So, Commissioner Clyburn, do you believe that there is value in the educational component of what we are attempting to do here?

Ms. Clyburn. You talk about the educational component in terms of us, you know --

Mr. Tonko. Broadband awareness and what it provides.

Ms. Clyburn. Absolutely. Again, you know, the commissioner talks about, you know, not measuring, you know, what -- you can't -- whatever you said is true. But sincerely, you know, people

don't -- if you don't have the exposure, you don't know what is possible. You don't know what is possible for you to better age in place if you have connectivity, if you are not aware of the options and opportunities that you have. So there are so many things from an educational standpoint. We mentioned health. In terms of keeping in touch and knowing what is going on in government in real time. You know, those are the types of things that can better empower individuals only with connectivity, only with the awareness. And I think, you know, all of us have a role to play in ensuring that the public is informed so they can be better enabled to live those lives more fully.

Mr. Tonko. Thank you very much. And finally, I know that there was some exchange with our colleague from Vermont. But the Commission is considering lowering its definition of broadband, or could. To be honest, it is hard to make sense of this proposal when I receive calls from my constituents day in and day out asking for faster broadband speeds. They don't want the FCC to lower the definition of broadband. They want a faster internet access.

So while we did hear some of that exchange, are there other comments you would want to make about that definition of broadband to speed, definition?

Mr. Pai. Two different points, Congressman. First, as I said, the proposal is to maintain the 253 standard. The second point I will add is that if you look at some of the decisions we have made in terms of our Universal Service Fund, we have been always trying to push the envelop. And that is why in the very first vote that happened as I

became chairman -- after I became chairman was to deliver \$170 million in funding to unserved parts of upstate New York so that they can have the connectivity that folks in big cities often take for granted.

Mr. Tonko. Anyone else?

With that, I will yield back. Thank you very much.

Mrs. Blackburn. The gentleman yields back.

Mr. Engel for 5 minutes.

Mr. Engel. Thank you, Madam Chair. I want to start with funding for the repack. I understand that the FCC has reduced its total cost estimate for the repacking process downward, from approximately \$2.1 billion to \$1.86 billion. Many have told me, though, that they think the amount is likely higher.

So, Chairman Pai, do you think that Congress should provide additional funding for the repacking process?

Mr. Pai. Thanks for the question, Congressman. And that number could fluctuate up or down. It is not set in stone at this point.

What I said to the other committees on the Senate side was that, to the extent that we don't have any -- the ability to be on the \$1.75 billion that is in the relocation fund, that additional funding from Congress will be necessary in order to meet that gap that, otherwise, broadcasters would have to pay out of their own pocket in order to fill.

Mr. Engel. Let me also ask you this, Mr. Chairman. If Congress provides additional funding, do you believe that low-power TV stations and TV translators should also be eligible for that funding?

Mr. Pai. That is obviously a decision for Congress to make in the Spectrum Act. Congress decided not to give those entities rights in terms of reimbursements. So if Congress changes that determination, then certainly the FCC would be duty-bound and would happily administer it.

Mr. Engel. So you don't personally have a position on that?

Mr. Pai. Well, I personally think -- I have been talking to a lot of these low powers and translators, and they are in a tough situation. And so I can tell you I have been pushing for them since September 28 of 2012, when we issued the notice of proposed rulemaking on this issue that whatever consideration the FCC can give them, and Congress too, would be welcome.

Mr. Engel. Because there is another group that we have heard from, FM radio stations, who are impacted by the transition, but not included --

Mr. Pai. Correct.

Mr. Engel. -- in the initial reimbursement fund.

Mr. Pai. And we have heard those concerns too that, under the Act, they aren't entitled. But to the extent they are piggybacking, essentially, on infrastructure that is owned by the television broadcaster, then here too Congress, I think, could step in and provide some relief.

Mr. Engel. Thank you.

Let me ask Commissioner Clyburn, how important is it to ensure that there is money for consumer education in this transition?

Ms. Clyburn. Oh, my goodness. It is just so obvious, you know, in terms of, you know, looking at what impact, if any. Hopefully, negligible that would happen in this -- as we move toward relocating and making our ecosystem more efficient. The public needs to be aware that the low power -- the stations and those of -- those who are not protected but impacted, they need to be informed. And we need to continue to do what we can to protect them to make sure they don't have to do, you know, relocation twice. All of these things are very important, you know, for us to be at the forefront of ensuring that the transition is smooth as possible.

Mr. Engel. Yeah. I don't think anybody would really disagree.

Let me talk a bit about cybersecurity. And, Commissioner Rosenworcel, I am going to ask you a question. We have seen from high-profile data breaches at companies like Equifax and Yahoo, that consumers are having everything exposed, from social security numbers to login names and passwords. So do you think that the FCC has the necessary authority to address cybersecurity?

Ms. Rosenworcel. Thank you for the question.

I do. I believe the very first sentence of the Communications Act references our obligation to make sure that we make available communications for the purposes of national defense and for the protection of safety of life and property. I believe that encompasses what is modern, which is cybersecurity. At the same time, I recognize that our cyber aggressors will always move faster than any regulation. And so the task is can we bring people together so that we can come

up with good best practices and implement them widely to make sure our networks are more secure.

Mr. Engel. Did the Congressional Review Act rescinding the FCC's broadband privacy rules have any effect on the FCC's cybersecurity authority?

Ms. Rosenworcel. That is a good question. I think the primary problem right now with cybersecurity is that my colleagues don't agree with me. In addition, I think there is the fact that our Communications Security, Reliability, Interoperability Council used to be tasked with coming together and identifying good practices for cybersecurity. But in its current iteration, that is not part of their agenda.

Mr. Engel. And finally, how did the CRA impact the security of consumers' private information?

Ms. Rosenworcel. I think we are going to -- only time will tell. But I am worried about that as well.

Mr. Engel. Okay. Thank you.

Ms. Clyburn. Let the record reflect I cosigned.

Mr. Engel. Thank you.

Thank you, Madam Chair.

Mrs. Blackburn. The gentleman yields back.

For everyone's awareness, they are going to call votes in about 15 minutes. Mrs. McMorris Rodgers is seeking to be UC'd to the committee for the purpose of asking a question. Without objection, so ordered.

You are recognized.

Mrs. McMorris Rodgers. Thank you, Chairman Blackburn, for giving me the opportunity to join you today.

The internet has revolutionized the lives of millions of Americans and is vital to an individual's economic potential in the 21st century. Unfortunately, many in eastern Washington live with a digital divide that is limiting employment, educational, health, and economic opportunities.

Ensuring that hardworking families in eastern Washington have reliable access to broadband technology is a top priority of mine, and we must use every tool in the toolbox to provide greater opportunity. That is why I am excited in the opportunity the build-out from the broadcast incentive auction can provide to rural America. Many individuals and families in the most rural parts of my district struggle to get a signal for a cell phone, let alone connect to the internet. I am encouraged by the commitment the private sector has made in purchasing this spectrum and the practical effect it will have in eastern Washington.

Deployment of infrastructure and technology as a result of the auction will support millions of jobs and generate billions in economic opportunity in rural America. An increased broadband will help the U.S. continue its leadership in technology and innovation by providing an on-ramp for 5G network deployments. That is why I led a letter with Congresswoman Eshoo and a bipartisan group of 54 of our colleagues urging the FCC to continue supporting the current timeline for the repack resulting from the auction. This issue is too important.

Ensuring that the repack remains on schedule will mean that many in eastern Washington will gain reliable broadband access in a matter of months, not years.

I want to thank the FCC for putting a renewed emphasis on closing the digital divide, and I am encouraged by the engagement of the Commission in looking for new innovative ways to deliver broadband to the 35 million Americans without access. I believe we have a great opportunity working together in a bipartisan manner to provide every American the opportunity they deserve, regardless of where they live. So I look forward to you making that a reality.

So at this time, I would like to submit to the committee this letter that Congresswoman Eshoo and I lead with the 54 colleagues.

Mrs. Blackburn. So ordered.

[The information follows:]

***** INSERT 3-1 *****

Mrs. McMorris Rodgers. Before I go, I would also like to ask you, Chairman Pai, on Title II, until the last FCC chairman acted late in the previous administration to upend really decades of bipartisan work in fostering broadband infrastructure, providers of this service were subject to a light regulatory touch. As you have made the rounds throughout the country, are you concerned about achieving the level of broadband investment necessary to deploy broadband deeper into rural areas if the U.S. does not go back to the light regulatory touch model? And can you tell us what is on the horizon to remove this uncertainty over investment for folks that just want fast and reliable internet service?

Mr. Pai. Thank you for the question, Congresswoman, and for the way you captured, I think, both the peril and the promise of bringing connectivity to folks in eastern Washington.

We are, as I mentioned earlier, engaged in open proceeding to figure out what is the best regulatory framework that is calibrated to both promote the free and open internet and preserve as much infrastructure investment as possible, especially in parts of the country that don't have it. And so we have taken a fair amount of public comments at this point, and we are studying the record and trying to figure out the appropriate way forward.

And what I can tell you is that we want to make sure, not just in this proceeding, but in every proceeding, that we have first and foremost in our minds closing the digital divide. There are far too many Americans, as you pointed out, who are on the wrong side of that

divide. Those are individuals who don't have the opportunities that others have. Those are families that don't have the chance to thrive. Those are communities that are increasingly going to wither on the vine. And ultimately, it is the country that is weaker as a result of leaving human capital on the shelf. And that is why the first day I was in office I said this would be our top priority. And it is going to remain so, so long as I draw a paycheck at the FCC.

Mrs. McMorris Rodgers. Great. Well, I thank you for that commitment.

And with that, I will yield back.

Mrs. Blackburn. The gentlelady yields back.

There being no further members wishing to ask questions of the panel, you all have been generous with your time for the over past 3 hours, and I thank you all for being here today.

As we conclude, I ask unanimous consent to enter the following letters into the record: The five documents offered by Mr. Doyle, Mercatus Center paper offered by Mr. Pallone, the letter from the LPTV Coalition, and the McMorris-Eshoo repack letter. Without objection, so ordered.

[The information follows:]

***** INSERT 3-2 *****

Mrs. Blackburn. Pursuant to committee rules, I remind members that they have 10 business days to submit additional questions for the record. And I ask that witnesses submit their responses within 10 business days upon receipt of the questions.

Seeing no further business before the subcommittee today, without objection, the subcommittee is adjourned.

[Whereupon, at 5:16 p.m., the subcommittee was adjourned.]