Statement of
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Chairman
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I. INTRODUCTION

Chairman Walden, Ranking Member Eshoo, and Members of the Subcommittee, I appreciate the opportunity to join with my colleagues to appear before you regarding oversight of the Federal Communications Commission.

Since becoming FCC Chairman in November 2013, I have been clear that the agency should be focused on two over-arching priorities: first, facilitating dynamic technological change to enable economic growth and to promote U.S. leadership; and second, ensuring that our communications networks reflect certain core civic values – universal access, competition, public safety, and consumer protection.

I have also been clear from the outset that what the agency can accomplish depends on how we do our business. Accordingly, I have made improving agency operations and processes a top priority.

Thanks to the tireless efforts of the Commission's outstanding professional staff, the agency has posted a significant record of achievement in support of these goals. I look forward to discussing these accomplishments with the Subcommittee today and working with you and my fellow Commissioners to build on this progress and bring the benefits of broadband to all Americans.

II. PROMOTING ECONOMIC GROWTH AND U.S. LEADERSHIP

Broadband Internet – wired and wireless – is the indispensable infrastructure of our information economy. A vibrant broadband ecosystem is also critical to America's global economic competitiveness. Driven by innovative American companies and entrepreneurs, the U.S. is the clear global leaders in advanced wireless networks, devices, and applications. To enable economic growth and continued U.S. leadership, the Commission is focused on promoting fast, fair, and open broadband networks and unleashing spectrum to enable mobile innovation.

A. Fast, Fair, and Open Networks.

There are three simple keys to the broadband future. Broadband networks must be fast, fair, and open. Fast networks enable new products and services and remove bandwidth as a constraint on innovation. Fair networks ensure consumers have competitive choices. Open networks allow innovation without permission and freedom of expression. The FCC's challenge is to achieve the goal of networks that are fast, fair, and open for all Americans and the equally legitimate goal of preserving incentives for investment in broadband infrastructure.

Open Internet Order

In January 2014, most of the FCC's Open Internet rules were struck down and the case was remanded to us by the court, eliminating the Commission's ability to be a cop on the beat – be it through principles, rules, or otherwise – to effectively deter or punish harmful behavior by ISPs. The Commission acted immediately to begin a process to restore Open Internet protections. Over the past year, we received input from nearly 4 million Americans in the one of the most transparent proceedings this Commission has ever run. There was a 130-day public comment period. We held six roundtable discussions with experts on legal, technical, and market issues. We heard from and responded to over 140 members of Congress. Our team had dozens of meetings with Congressional staff. I spoke with – and listened to – hundreds of consumers, innovators, and entrepreneurs in meetings across the country.

On February 26, 2015, after a year-long process and a decade of debate, the FCC adopted bright line Open Internet protections that ban blocking, throttling, and paid prioritization. These rules will fully apply to fixed and mobile broadband. The Order also includes a general conduct rule that can be used to stop new and novel threats to the Internet. That means there will be basic ground rules to assure Internet openness and a referee on the field to enforce them.

The FCC's Open Internet Order should reassure consumers, innovators, and the financial markets about the broadband future of our nation.

Consumers now know that lawful content online will not – cannot – be blocked or their service throttled. Internet users can say what they want and go where they want, when they want – whether they access the Internet on their desktop computer or on their smartphones.

Innovators now know they will have open access to consumers without worrying about pay-for-preference fast lanes or gatekeepers. Entrepreneurs will be able to introduce new products and services without asking anyone's permission.

Financial markets now know that there will be common sense Open Internet protections in place that rely on a modernized regulatory approach that has already been demonstrated to work – not old-style utility regulation. The rules under which the wireless voice industry invested $300 billion to build a vibrant and growing business are the model for the rules the Commission adopted. That means no rate regulation, no tariffing, and no forced unbundling.

The new rules ensure ISPs continue to have the economic incentives to build fast and competitive broadband networks.

Community Broadband Petitions

Last year, the leaders of Chattanooga, Tennessee and Wilson, North Carolina petitioned the FCC asking the agency to preempt laws enacted by state legislatures that prohibit them from expanding their successful community-owned broadband networks.

The Commission respects the important role of state governments in our federal system, and we do not take the step of preempting state laws lightly. But it is a well-established principle that state laws that directly conflict with federal laws and policy may be subject to preemption in appropriate circumstances.

Congress instructed the FCC to encourage the expansion of broadband throughout the nation. Consistent with this statutory mandate, the Commission voted to preempt restrictive state laws in North Carolina and Tennessee that hamper investment and deployment of broadband networks in areas where consumers would benefit from greater levels of broadband service.

The Commission's action will get rid of state-level red tape, which served as nothing more than a barrier to broadband competition, and allow communities to determine their own broadband future.

Broadband Progress Report

Section 706 of the Communications Act instructs the Commission to "determine whether advanced telecommunications capability is being deployed to all Americans in a reasonable and timely fashion" and report to Congress annually. Since 2010, the benchmark for advanced communications has been 4 megabits per second (Mbps) down, 1 Mbps up. Four Mbps is less than the recommended capacity to stream a single HD video. Now consider that the average connected household has seven Internet-connected devices including televisions, desktops, laptops, tablets, and smartphones. If you were to look at the ISPs marketing materials, they recommend speeds of 25 Mbps or higher if you plan on using multiple connected devices at the same time.

In January, the Commission established a new definition for advanced telecommunications capability as 25 Mbps down, 3 Mbps up. This new standard already holds for 83 percent of U.S. homes. But we have a problem when 17 percent of U.S. households can't access broadband at this new standard, with rural and Tribal areas disproportionately left behind. This new standard is an impetus for meaningful improvements in the availability of true high-speed networks for all Americans and also an invitation to innovation that is enabled by increased throughput.

Removing Barriers to Broadband Deployment

The private sector must play the leading role in extending fast, fair, and open broadband networks to every American. That's why the FCC is committed to removing barriers to

investment and to lowering the costs of broadband build-out. We have made great strides in this area in the past year, and there is more to come. Last August, we substantially reformed tower lighting and marking requirements, which greatly eased compliance burdens for tower owners without any adverse impact on aviation safety. In October, we adopted changes to facilitate the process — at the federal and state level — for deploying small-cell wireless systems and other installations that have no impact on historic properties.

Looking ahead, we have launched an effort to streamline further the federal review for deployments of the small cell and distributed antenna systems that will power wireless broadband in the future. We have committed to wrapping up this effort by mid-2016, which is an aggressive schedule considering the wide consultation we are required to pursue with all stakeholders, including the Advisory Council on Historic Preservation, Tribal Nations, and State historic preservation offices.

We have also been working closely with industry and other stakeholders to craft an approach to bring into compliance towers that may have been built without the historic preservation reviews required by statute. Once complete, this will open up thousands of towers for collocations, eliminating the need for new construction and excavation in many cases. The tower industry is working directly with us on this initiative, and they have committed to providing us with information about these towers by early June.

In addition, we have launched a project to modernize the Tribal Nation consultation by establishing clear parameters for the information tower constructors must provide and the deadlines that apply to any responses or objections from Tribal Nations.

Finally, we recognize that industry can face greater expense and delay when a project's federal funding or physical location requires them to work with disparate federal agencies to gain approval. To address this, we are taking the lead with our federal agency partners – including FirstNet, the Rural Utility Service, and the Federal Railway Administration – to clarify and simplify the federal review process in cases of overlapping jurisdiction.

B. Spectrum

No sector holds more promise for new innovations that will grow our economy, create jobs, and improve our quality of life than mobile broadband. Consider that the "app economy" didn't exist until 2008, and it is already sustains more than 600,000 U.S. jobs. Mobile is also an essential pathway to the Internet, accounting for more than 60 percent of Internet usage. Spectrum is the oxygen that sustains our mobile networks, and more spectrum is needed to meet the increasing demand for mobile broadband. In 2014, the spectrum pipeline re-opened, and the Commission is working to make sure more spectrum can and will be made available on terms that promote competition and consumer choice.

AWS-3 Auction

Auctions are one of the Commission's tools to meet the nation's demand for wireless broadband. This January, we closed bidding on The AWS-3 auction (Auction 97), which was a huge success. It marked a new era in spectrum policy, where a collaborative and unprecedented effort resulted in new commercial access to federal spectrum bands. A bipartisan group of leaders in Congress, federal agencies – especially NTIA and DoD, industry, and the team at the FCC all came together to help meet the Nation's demand for wireless broadband.

The AWS-3 auction made available an additional 65 megahertz of spectrum to improve wireless connectivity across the country and accelerate the mobile revolution that is driving economic growth and improving the lives of the American people. It also generated more than $41 billion in net bids. In particular, this auction will fully fund $7 billion for FirstNet's nationwide public safety broadband network. It will also deliver $300 million to public safety; $115 million in grants for 911, E911, and NextGen 911 implementation; and more than $20 billion for deficit reduction; all while paying for the spectrum relocation efforts of DoD and other Federal agencies.

H-Block

The spectrum spigot was re-opened in February 2014, when the Commission auctioned the 10 megahertz H-Block. This was the first major auction of mobile broadband spectrum since 2008. The H-Block auction succeeded in putting this spectrum to work in the marketplace and raised more than $1.5 billion, much of which served as a down payment on the deployment of FirstNet's public safety network.

Incentive Auction

All eyes are now on the upcoming Incentive Auction. Such attention is warranted. This first-in-the-world auction could revolutionize how spectrum is allocated. By marrying the economics of demand with the economics of current spectrum holders, the Incentive Auction will allow market forces to determine the highest and best use of spectrum, while providing a potentially game-changing financial opportunity to America's broadcasters.

The FCC staff has been working tirelessly to design the auction ever since Congress authorized it in February 2012. In May 2014, the Commission adopted a Report and Order that set out the ground rules for the auction.

This past December, we initiated a public comment period, making detailed proposals about how key aspects of the auction will work.

We realize that broadcasters' participation is critical to the success of the Incentive Auction, and we are continuing our broadcaster outreach and education efforts. In February 2015, the Incentive Auction Task Force released an updated information packet, which, for the first time, has opening bid prices, based on the proposals in the Commission's December Public Notice.

The Task Force has also started holding its field visits in every region of the Continental U.S., including both larger and smaller television markets.

Thanks to these efforts, we are on track to conduct an Incentive Auction in the first quarter of 2016. We are confident that there will be high demand for this valuable low-band spectrum, which will help ensure a successful auction.

Mobile Spectrum Holdings

The Commission is not only committed to making available more spectrum for mobile broadband, it is also committed to promoting competition in the mobile marketplace. In May 2014, the Commission adopted a reasonable, balanced Report and Order updating our mobile spectrum holding policies to ensure a healthy mobile marketplace with clear rules of the road for spectrum aggregation. In particular, the Order will help ensure competitive access to "low-band" spectrum that we will make available in the Incentive Auction, which is best suited for transmitting wireless communications over long distances and through walls. Such low-band spectrum is critical to companies' ability to compete in today's wireless marketplace.

Unlicensed Use (5 GHz)

The Commission is working to make available not only licensed spectrum, but also unlicensed spectrum, which has enabled breakthrough innovations like Wi-Fi and Bluetooth. In March 2014, the Commission adopted an Order to take 100 MHz of unlicensed spectrum at 5 GHz that was barely usable – and not usable at all outdoors – and transform it into spectrum that is fully usable for Wi-Fi. This was a big win for consumers, who will be able to enjoy faster connections and less congestion, as more spectrum will be available to handle Wi-Fi traffic. But we cannot stop there. We have been and will continue work with our federal partners and the transportation industry to find technical solutions that will enable the use of an additional 195 megahertz of spectrum for shared unlicensed use in the 5 GHz band.

Citizen's Broadband Service (3.5 GHz)

Spectrum sharing is another Commission policy with potential to transform spectrum management. In April 2014, the Commission took a significant step toward turning the spectrum sharing concept into reality, adopting a Further Notice of Proposed Rulemaking to enable innovative spectrum sharing techniques in the 3.5 GHz band. Our three-tiered spectrum access model, which includes federal and non-federal incumbents, priority access licensees, and general authorized access users, could make up to 150 MHz of spectrum available for wireless broadband use. I plan to present an Order establishing final rules for this band to my fellow Commissioners in the near future.

"5G" Spectrum Frontiers

An effective spectrum strategy requires an all-of-the-above approach. This means making more spectrum available for not only licensed but unlicensed uses; for both exclusive use and sharing. It also means exploring entirely new spectrum opportunities. In October, the Commission adopted a Notice of Inquiry to explore the possibility of facilitating the use of a huge amount of spectrum in higher frequency bands, those above 24 GHz, which could be used strategically to help meet the growing demand for wireless broadband. Some in the industry are referring to the use of these bands in the context of so-called "5G." The NOI is about encouraging next-generation wireless services, and is also designed to develop a record about how these technologies fit into our existing regulatory structures, including how they can be authorized, to make sure we are facilitating and not unduly burdening their further development.

III. PROTECTING CORE VALUES

Changes in technology may occasion reviews of our rules, but they do not change the rights of users or the responsibilities of network providers. The Commission must protect the core values people have come to expect from their networks: universal access, competition, consumer protection, and public safety and national security.

A. Universal Access

Universal access to communications has been at the core of the FCC's mission since the agency was established 80 years ago. Considering access to broadband is increasingly necessary for full participation in our economy and democracy, connectivity for all is more important than ever. Our universal service programs promote access to technology at home, at work, in schools or libraries, or when seeking assistance from a rural healthcare clinic. The Commission must ensure that our programs keep up with the changing technologies, are well- managed and efficient, while limiting waste, fraud, and abuse. Above all, we must make sure that the infrastructure supported by the Commission is available to ALL, including low-income Americans, individuals living on Tribal lands, and individuals with disabilities.

Connect America Fund

While the private sector must play the leading role in extending broadband networks to every American, there are some areas where it doesn't make financial sense for private companies to build. That's why the Commission modernized our Universal Service Fund to focus on broadband, establishing the Connect America Fund. Already, the Connect America Fund (CAF) has made investments that will make broadband available to 1.6 million previously unserved Americans.

In December 2014, the Commission approved an Order to move forward with Phase II of the Connect America Fund, putting us on the path to potentially bring broadband networks and services to over 5 million rural Americans.

The long-term success of the Fund will be measured not just by the number of newly-served

Americans, but by the quality of the networks that are being deployed. That's why the December Order increased the minimum download speed required as a condition of high-cost support to 10 megabits per second, up from 4 megabits per second.

Rural Broadband Experiments

Fulfilling our statutory mission to deliver on the promise of universal service in rural America challenges us to think anew, and act anew. In January 2014, the FCC initiated an experiment to inform our policies to build next-generation networks in rural America. We invited American enterprises, communities and groups to tell the FCC whether there is interest in constructing high-bandwidth networks in high-cost areas, and to tell us how it could be done with Connect America Fund support.

In July, we adopted an Order establishing a $100 million budget for the rural broadband experiments, criteria for what we expect from applicants, and an objective, clear-cut methodology for selecting winning applications. These experiments will allow us to explore how to structure the CAF Phase II competitive bidding process in price-cap areas and to gather valuable information about deploying next-generation networks in high-cost areas.

E-Rate Modernization

E-rate – America's largest education technology program – has helped to ensure that almost every school and library in America has the most basic level of Internet connectivity. In the 18 years since E-rate was established, technology has evolved, the needs of students and teachers have changed, and basic connectivity has become inadequate.

This past July, the Commission approved the first major modification of E-rate in the program's 18-year history. The overhaul accomplished three overarching objectives:

First, for the first time, the Commission set specific, ambitious speed targets for the broadband capacity delivered to schools and libraries: a minimum throughput of 100 Mbps per 1,000 students and a pathway to 1 Gbps per 1,000 students.

Second, we refocused the program away from funding 20th century technologies like pagers and dial-up phone service toward supporting 21st century high-speed broadband connectivity. In the process, we moved to close the Wi-Fi gap by ensuring that over the next two years an additional 20 million students will have Internet access at their school or library desk.

Third, we took steps to improve the cost-effectiveness of E-rate spending through greater pricing transparency and through enabling bulk purchasing to drive down costs and give Americans who contribute to E-rate on their monthly bills the most bang for their buck.

In December, we took the final major step in rebooting how we connect our students to 21st century educational opportunity by increasing the level of annual E-rate investment. The increase is justified by data showing 63% of American schools – and higher percentages in low-income and rural areas – do not currently have an Internet connection capable of supporting modern digital learning.

Enhanced Closed Captioning

Reliable and consistent access to news and information for deaf and hard-of-hearing communities is not a luxury, it is a right. In February 2014, the Commission adopted rules to provide standards for better quality closed captioning on TV programming. Members of the deaf and hard-of-hearing community, alongside industry—NCTA, NAB, and MPAA—stepped up to the plate to help craft a set of rules that moves us toward improving captioning quality, while also assuring that vital news and other types of programming provide captioning. Building on this progress, we adopted an Order in July that requires captioning for video clips that are posted online.

B. Competition

The central underpinning of broadband policy today is that competition is the most effective tool for driving innovation, investment, and consumer and economic benefits. Our competition policy is simple. Where competition does exist, we will protect it. Where competition can exist, we will incent it. And where competition cannot be expected to exist, we must shoulder the responsibility of filling that void. Many of the actions already highlighted in my testimony, such as approval of the two community broadband petitions and the Connect America Fund's investments to bring broadband to unserved areas, are consistent with these principles.

Multichannel Video Programming Distribution Services (MVPD)

Some new entrants have alleged that their efforts to develop competitive services have faltered because they could not get access to programming content that was owned by cable networks or broadcasters. Last December, the Commission moved to give video providers who operate over the Internet – or any other method of transmission – the same access to programming that cable and satellite operators have.

More specifically, we adopted an NPRM that proposes updating our interpretation of the definition of a multichannel video programming distributor (MVPD) to make it technology-neutral. Under our proposal, any providers that make multiple linear streams of video programming available for purchase would be considered MVPDs, regardless of the technology used to deliver the programming. The effect of this change will be to improve the availability of programming that over-the-top providers need and consumers want. By facilitating access to such content, we expect Internet-based linear programming services to develop as a competitor to cable and satellite. Consumers should have more opportunities to buy the channels they want instead of having to pay for channels they don't want.

Access to Last Mile Connections

Small and medium-sized businesses, schools, hospitals, and other government institutions often rely on services delivered by competitive broadband and phone providers. But competitive providers may no longer be able to reach customers if incumbent carriers withdraw certain "last mile" services. Last November, the Commission adopted an NPRM that tentatively

concludes that carriers seeking to discontinue a service used as a wholesale input should be required to provide competitive carriers equivalent wholesale access going forward. The NPRM also proposes to update the FCC's rules so that competitive carriers receive sufficient notice of when copper networks are being shut off, so that they can continue to serve their customers effectively.

Joint Sales Agreements

In March 2014, the Commission closed a loophole in our attribution rules for TV Joint Sales Agreements (JSAs) that had been exploited by some to circumvent our local TV ownership limitations. By prohibiting arrangements that have the full effect of common ownership – by stations' own admission in their SEC filings – we will protect viewpoint diversity and competition goals. We have also been clear to point out, however, that where we find that an agreement serves the public interest, we will waive our rule and do so through an expedited process.

Merger Reviews

Congress has directed the Commission to review transactions (involving licenses and authorizations) under the Communications Act and to determine whether the proposed transaction would serve "the public interest, convenience, and necessity." While I can't comment on the specific transactions currently before the Commission, I would note that the "public interest" standard encompasses the broad aims of the Communications Act, which include, among other things, a deeply rooted preference for preserving and enhancing competition in relevant markets, accelerating private-sector deployment of services, and ensuring a diversity of information sources and services to the public.

C. Public Safety

Public Safety is one of the primary and essential missions of the Commission, and it cannot be left behind in this technological revolution. Consumers rightfully expect to be able to reach emergency responders, and those responders need to be able to locate those in need, as well as be able to communicate between themselves. The Commission has taken steps toward these goals.

Text-to-911

In certain circumstances, such as domestic violence or kidnapping situations, texting 911 may be the only practical way to get help. In almost all circumstances for people who are deaf or hard-of-hearing, texting is the primary means for reaching out for emergency assistance. But most Americans still can't reach 911 via text. Last August, the Commission adopted an Order that required all wireless carriers and certain IP-based text messaging providers to support text-to-911 by the end of 2014. Now, if a 911 call center requests text-to-911, text messaging providers have six months to deploy the service in that area.

E-911/Location Accuracy

Our E-911 location accuracy rules were written when wireless phones were a secondary means of communication, and were mostly used outside. Today, more and more consumers use wireless phones as their primary means of communication, and more and more 911 calls are coming from wireless phones, from indoors. This January, the Commission updated its E-911 rules to include requirements focused on indoor location accuracy. The new rules are intended to help first responders locate Americans calling for help from indoors, including challenging environments such as large multi-story buildings. They establish clear and measureable timelines for wireless providers to meet indoor location accuracy benchmarks, both for horizontal and vertical location information. The new rules were an important step forward, but by no means are we done. We established a floor, but so long as private app developers can locate consumers more accurately than a 911 call-taker can, we still have work to do.

Network Reliability

The transition to IP-based networks presents potential new vulnerabilities to 911 service. The process of routing and completing a 911 call now often involves multiple companies, sometimes geographically remote from where the call is placed. And in 2014 we saw a trend of large-scale "sunny day" 911 outages – that is, outages not due to storms or disasters but instead caused by software and database errors. As evidenced by yesterday's consent decree with one carrier, we are taking affirmative steps to ensure that providers comply with our existing 911 service rules to ensure the reliability and resiliency of emergency communications. Just as importantly, however, we are taking steps to make our rules stronger. In November, the Commission adopted an NPRM proposing a 911 governance structure that would ensure that technology transitions are managed in a way that maximizes the availability, reliability, and resiliency of 911 networks, as well as the accountability of all participants in the 911-call completion process. That same month, the Commission adopted a separate NPRM regarding the transition to all-IP networks, which calls for an examination of potential strategies for providing back-up power during lengthy commercial power failures.

D. Consumer Protection

Consumers must be able to depend on fast, open, and fair communications networks without being subject to discriminatory or predatory behavior. I have often stated that the best consumer protection is competitive choice. I also believe a multi-stakeholder process where industry rapidly adopts processes and procedures can be faster and more nimble than the regulatory process. But, at certain points, having regulation is necessary.

Record-Breaking Enforcement Actions

2014 was a record-breaking year for enforcement actions on behalf of consumers. In August, the Commission fined Time Warner Cable $1.1 million for failure to comply with our network

outage requirements. In September, our Enforcement Bureau reached a $7.4 million settlement with Verizon to resolve an investigation into the company's use of personal consumer information for marketing purposes. In October, the Commission announced a $105 million settlement with AT&T Mobility to resolve an investigation into allegations that the company billed customers millions of dollars in unauthorized third-party subscriptions and premium text messaging services – the largest enforcement action in FCC history. Later in October, the Bureau proposed fining TerraCom, Inc. and YourTel America, Inc. $10 million for storing the personal information of up to 305,000 customers online in a format accessible through a routine Internet search. In December, the Commission announced a settlement of at least $90 million with T-Mobile to resolve an investigation into cramming allegations.

Sports Blackout Repeal

In September, the Commission repealed its sports blackout rules, which prohibited cable and satellite operators from airing any sports event that had been blacked out on a local broadcast station. The sports blackout rules are a relic from the days when gate receipts were the National Football League's principal source of revenue and most games didn't sell out. The FCC will no longer be complicit in preventing sports fans from watching their favorite teams on TV.

Cell Phone Unlocking

Consumers who fulfill the obligations of their mobile phone contracts should be able to take device to a network of their choosing without fear of criminal liability. One month after I became Chairman, the FCC secured an industry commitment to adopt voluntary industry principles for consumers' unlocking of mobile phones and tablets. This February, the country's major carriers confirmed that they have fulfilled their commitment. I also applaud Congress for passing legislation last summer to make cell phone unlocking the law of the land.

Tech Transitions

As part of our November NPRM facilitating the transition from copper networks to IP networks, we proposed greater transparency, consumer protection, and opportunities for consumer input when carriers are planning to shut down (or "retire") their existing copper networks. We also set in motion a process to ensure that new services meet the needs of consumers before carriers are allowed to remove legacy services from the marketplace.

Retransmission Consent

Congress created the retransmission consent regime over 20 years ago. Congress intended TV stations would negotiate retransmission consent agreements on their own. Increasingly, though, stations in a local market that are separately owned have banded together to negotiate for retransmission consent fees, even though they otherwise would compete against each other for those fees. In March 2014, the Commission adopted new rules to prohibit joint retransmission consent negotiations by same-market TV stations that are both ranked in the

Top 4 in order to level the playing field and to potentially keep such agreements from unfairly increasing cable rates for consumers. This step preceded Congress's expansion of the ban on retransmission consent to any two same-market TV stations.

IV. MODERNIZING THE COMMISSION

It's not enough for the FCC to put in place policies that help foster the communications networks of the 21st century; the Commission itself must become more agile and business-like in order to become more effective, efficient, and transparent.

Early last year, a Staff Working Group presented a Process Reform Report to the Commission as an important first step, and we sought comment from the public on the recommendations that were identified within that Report.

Guided by this Report, we have been moving forward with changes to streamline how the Commission functions so we are better able to serve the entities we regulate, as well as the American public. For example, we now use a Consent Agenda at Commission meetings to facilitate quick action on non-controversial items that require a Commission vote, and we have made significant progress toward all-electronic filing and distribution of documents.

Every Bureau and Office with responsibility for responding to requests from external petitioners and licensees has developed a backlog reduction plan. And last year, we also closed more than 1,500 dormant dockets.

In early 2015, we launched a new online Consumer Help Center, which will make the FCC more user-friendly, accessible, and transparent to consumers. The new tool replaces the Commission's previous complaint system with an easier-to-use, more consumer-friendly portal for filing and monitoring complaints. In addition to being easier to use for consumers, the information collected will be smoothly integrated with our policymaking and enforcement processes.

The Commission's efforts to modernize operations have been hamstrung by level appropriations since 2013. In particular, we need to upgrade our IT infrastructure; we have more than 200 relic IT systems that are costing the agency more to service than they would to replace over the long term. I believe these investments are essential and will payback in dividends with the increased efficiency gained.

I am aware of this Committee's interest and efforts with respect to modernizing our processes, including consolidating some of our reporting requirements, and will be happy to be of assistance, if requested.

V. CONCLUSION

The Commission has focused on harnessing the power of communications technology to grow our economy and enhance U.S. leadership, while preserving timeless values like universal service. As my testimony reflects, we have made significant progress toward these goals to the benefit of the public.

I recognize and appreciate the ongoing Congressional interest in Commission actions and process reforms. I pledge transparency and cooperation, as well as assistance, where requested, and look forward to working with Members of this Subcommittee to maximize the benefits of communications technology for the American people.