

**Chairman John Boozman Opening Statement
Committee on Appropriations Subcommittee on Financial Services
and General Government**

**Hearing to review to Review the FY2017 Budget Request & Budget Justification
for the Federal Communications Commission**

April 5, 2016

(As prepared for delivery)

Today the subcommittee will consider the FY 2017 budget request for the Federal Communications Commission. I would like to welcome our witnesses, FCC Chairman Tom Wheeler and Commissioner Ajit Pai.

We look forward to hearing from you both about the details of the FCC's budget request and the work you are doing to carry out the agency's mission.

For fiscal year 2017, the Commission has requested a total of \$358 million. In a disappointing move, the FCC's budget once again proposes to transfer additional funds from the Universal Service Fund to augment the FCC's operating budget.

The Universal Service Fund is intended to help ensure that all Americans have access to telecommunications service. It is not intended to be a reserve fund to pay for the FCC's operating expenses.

Many people in Arkansas think the FCC has forgotten about rural America. I think that view is shared by a number of my colleagues. Transferring money away from broadband deployment to offset agency spending in DC aggravates that all-too-real perception. Congress rightfully rejected this same request last year.

While the FCC's funding is offset by fees, that does not minimize our duty to ensure that the agency is operating effectively and the funds are being spent responsibly. This is especially important since these fees are directly passed on to American consumers.

As members of this committee we have an obligation to ensure that decisions about federal funding and policy are made with taxpayers in mind. Recent FCC actions remind us of the need for vigilant congressional oversight.

Regulatory independence and transparency are critical to the functioning and credibility of the FCC. The agency's policies and actions have an enormous impact on our country's economic growth and potential.

The FCC should promote economic growth, reduce regulatory burdens, and increase transparency, predictability, and accountability in the regulatory process.

Unfortunately as we saw with the FCC's embrace of the President's plan for Internet regulation, the Commission is moving farther away from independence, transparency, and regulatory certainty.

However, independence does not mean that the FCC is free to ignore clear congressional direction nor does it shield the agency from the responsibility to be responsive to congressional questions.

It has been troubling to see what appears to be an obvious disregard of the intent of language on Joint Sales Agreements included in last years' Omnibus appropriations bill.

At no time was I or my staff informed that the FCC planned to evade the specific language of that provision through the operation of a merger or acquisition. Your agency knew of the significant bipartisan support of this language, including that of the Vice Chair of the Appropriations Committee. Yet, the FCC consciously found a way to write its way out of it. Does Congress need to again work in a bipartisan fashion to close every conceivable J.S.A. loophole or are you convinced of the need to follow congressional intent?

Independence and transparency are not furthered by less than forthright responses to congressional questions.

Last year there was an effort to codify what you had stated publically and repeatedly, including in our hearing -- that the Commission would not regulate rates for broadband service. However, since that time your staff has reiterated that either you didn't mean what you said or what you said didn't mean what the members clearly heard. Again neither the FCC, consumers nor those you regulate are well-served by continued efforts to sidestep straight forward inquiries.

Independence also does not mean independence from dissent or the input of other members of the Commission. The FCC has repeatedly taken action to effectively silence the minority members of your panel. You tweet and blog about matters before the Commission, but your fellow commissioners are barred from speaking out, under the pretense that the Agency has not made the proposed rules public.

As we consider your request for the next fiscal year, we are mindful of the ongoing need to clear the way for economic opportunity and for international competitiveness. The FCC has a responsibility to play an important and positive role in ensuring that the United States continues to lead the world in innovation and communication.

Thank you. I will now turn to ranking member Senator Coons for his opening statement.

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