

**STATEMENT OF
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**BEFORE THE
SUBCOMMITTEE ON FINANCIAL
SERVICES AND GENERAL GOVERNMENT
COMMITTEE ON APPROPRIATIONS
UNITED STATES SENATE**

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Chairman Van Hollen, Ranking Member Hagerty and Members of the Financial Services and General Government Subcommittee, thank you for this opportunity to appear before you today.

I want to start by thanking the Subcommittee for its decision to provide full funding for the Federal Communications Commission in your Fiscal Year 2024 FSGG bill.

The work of the Commission matters. Communications technologies power one-sixth of the nation's economy—and everyone needs access to these technologies to have a fair shot at 21st Century success. As a fee-funded agency, the Commission has worked hard to develop a reasonable budget that maximizes benefits to consumers, while remaining fair to the industries responsible for funding our requested \$410,743,000 appropriation. Your support will go a long way toward ensuring that the Commission meets its statutory mandates and upholds the core values of our laws—consumer protection, universal service, competition, national security, and public safety—all while keeping pace with ever-changing and advancing technologies.

Although this is not my first hearing before the Financial Services and General Government Subcommittee, it is my first presentation of the budget as Chairwoman, and the first woman to permanently lead the agency in our Nation's history. I'd like to highlight some of the Commission's recent work, made possible by your support of our budget, under my leadership.

First, the Commission's Affordable Connectivity Program, the largest broadband affordability program in our nation's history, now helps 21 million households pay for high-speed internet service. Across the country, I have met with people who have been able to get online and stay online thanks to this program for work, school, healthcare, and more. Our current projections indicate that the appropriated funds provided through the Infrastructure Investment and Jobs Act to keep these households connected will run out as early as April of next year. I strongly support identifying a way to fund the Affordable Connectivity Program into the future to help more families get and stay connected to the high-speed internet they need to participate in modern life.

In addition to the Affordable Connectivity Program, I want to note the work the agency did with the Emergency Connectivity Fund, a program Senator Van Hollen championed. This one-time effort developed during the early days of the pandemic was designed to assist students and library patrons with access to connections and devices. To date, more than 18 million students have benefited from Emergency Connectivity Fund support. It has helped close the Homework Gap, ensuring that kids everywhere have the ability to get online for schoolwork both in the classroom and at home.

Second, we are doing our part to keep pace with rapid development of the satellite sector and the growing importance of space-based communications. I want to thank the Subcommittee for supporting our ability to do this by approving the Commission’s request earlier this year to establish the Space Bureau. The space industry has entered an era of unprecedented growth, which is fueling an increase in both the complexity and the number of applications for space services before the Commission. The Space Bureau is up and running and already hard at work. The Commission is preparing for the coming convergence of satellite and terrestrial convergence—we call it Single Network Future. And later this week, the Commission will vote on new rules to streamline our satellite policies and expedite the processing of space and earth station applications as well as a new licensing framework for commercial space launches.

Third, the Commission made the regulatory fees that support our work more transparent and more fair. In August, we unanimously adopted a long-overdue, comprehensive review of our internal regulatory fee process that aligns the assessment of regulatory fees more closely with the burden of the work being performed by Commission employees in each category.

Fourth, the agency’s work to create the National Broadband Map—the most accurate broadband map ever created—will help close the digital divide. For decades, the Commission produced broadband maps based on Census blocks. In practice, this meant that if there was high-speed internet service in a single location in a Census block, the agency assumed there was service throughout the area. Needless to say, this methodology overstated service nationwide. Following the Broadband DATA Act, in November 2022, thanks to the appropriated funds you provided—\$98 million total—the FCC developed its first location-based broadband map to paint a more accurate picture of where broadband is and is not available across the United States. This new map identifies every household and small business in the country that should have access to high-speed internet service. For context, on how much more granular this is than what came before, in our current mapping effort the Commission identified over 114 million locations where fixed broadband could be installed compared to data from just 8.1 million Census blocks in our prior maps. We will keep iterating and improving this map and look forward to using this data to help efforts all over this country to bring broadband to everyone, everywhere. Given the time, effort and money that went into starting it up, we need to make certain that we have the resources to continue to update and maintain our maps well into the future.

Fifth, we implemented the Pirate Act and enhanced our protections of licensed broadcasters from pirate radio. We did this with a \$5 million budget increase to our base appropriation to support this resource-intensive, on-the-ground work. In addition to tougher fines on those who violate the spectrum rights of broadcasters, the law requires the FCC to conduct periodic enforcement sweeps, and grants the Commission authority to take enforcement action against landlords and property owners that knowingly permit illegal pirate radio activity on their properties. In March, we proposed over \$2 million in fines against violators. And in 2023 so far, we’ve issued 24 notices to property owners warning them of apparent pirate radio broadcasts from their property. At the current spending level approved by this Subcommittee, we will be able to continue this important work.

Sixth, the Commission is working to connect the most vulnerable. This past February, the Commission took steps to implement the Safe Connections Act. Under this new law, the Commission now has authority to help survivors of domestic abuse to swiftly and securely separate from communications contracts like family plans and receive emergency communications support from Lifeline or the Affordable Connectivity Program for up to six months.

We are also implementing the Martha Wright-Reed Just and Reasonable Communications Act. We are going to use this new law and the expanded authority it provides to ensure the rates for prison phone calls—both interstate and intrastate—are just and reasonable. We are going to use it to address advanced communications services like video. And we are going to use it to ensure access to these communications by those with disabilities.

In addition, in June, we took steps to make the video conferencing services that have become ubiquitous more accessible to people with disabilities.

Seventh, we are doubling down on our efforts to stop scam robocalls and robotexts. Robocalls and robotexts aren't just exasperating, they are a pathway for fraudsters to harm consumers. So, we have been attacking them from all angles—cutting off bad actors from our networks, requiring providers to block unwanted calls, and mandating technology to stop call spoofing. Some of our efforts are beginning to bear fruit. After we identified the companies behind the auto warranty robocall scam, we told the rest of the industry to cut them off and auto warranty calls fell by over 90 percent. We used the same method to reduce student loan scam calls by 88 percent. And because this is problem that requires coordination among law enforcement, we now have a memorandum of understanding with Attorneys General from 47 states.

Eighth, the Commission is helping connect people to emergency services. This past July was the first anniversary of 988—the three-digit, easy-to-remember number you can dial to reach the Suicide and Crisis Lifeline. Thanks in part to the Commission's work, if you text or dial 988, you will now be connected to professional, compassionate support for mental health emergencies.

Ninth, the Commission is doing more than ever before to keep your communications more resilient and secure. For example, we have updated our rules to improve the reliability and resiliency of wireless networks during emergencies. We launched the Mandatory Disaster Response Initiative, which promotes service continuity through coordination, assistance, and information sharing during emergencies and disasters. And we opened up our Network Outage Reporting Systems and Disaster Information Reporting System for sharing with Federal, state, Tribal and territory access. Sharing this information will enhance the ability of these agencies to respond more rapidly to outages and help save lives.

And under my strategy of “deter, defend, develop”: deter bad actors, defend against untrusted vendors, and develop a market for trustworthy innovation, the Commission has taken a number of actions to protect our networks from national security threats. For the first time in history, we have revoked the authorization to provide telecommunications services for four Chinese communications providers. In addition, the Commission adopted my proposal to regularly review foreign companies' authorizations to provide telecommunications services in the United

States. On top of this, we have launched the Secure and Trusted Communications Networks Reimbursement Program to remove Huawei and ZTE equipment in our communications networks. This is important for our domestic security and also sends a signal to the world that going forward we will not support insecure equipment in essential infrastructure. However, the \$1.9 billion previously appropriated to operate the Secure and Trusted Communications Networks Reimbursement Program is not going to be enough to secure our networks. After receiving and reviewing applications, we currently face a more than \$3.08 billion shortfall to fully reimburse participating carriers for removal, replacement and disposal of the problematic equipment. The Commission has received its first reimbursement requests from participants and, unless a further funding source is identified, will only be able provide forty cents on the dollar to those companies in reimbursement.

And tenth, we are finding more ways to use spectrum to support wireless communications into the future. We are working to free up more spectrum to serve as a launching pad for new technologies. We have already identified the 7-16 GHz band as prime mid-band airwaves for 5G, 6G and beyond. That is why I proposed making 550 megahertz of spectrum in the 12.7-13.25 GHz band available for new commercial mobile use. And we're not stopping there, the FCC is already looking to what a 6G future could look like including its impact on the digital divide, machine learning, how it could make life easier and more efficient for consumers, and new ways to connect industries, technology, and communities. Those communities include Tribal communities, and as a result of our work in the 2.5 GHz band, today more than 80 percent of Federally-recognized Tribes have licensed spectrum. That is real change—and real opportunity.

But as we plan for the future, we also need to be mindful of the spectrum demands in the present. And one thing that absolutely needs to happen is the restoration of the FCC's spectrum auction authority. For three decades the FCC has had the authority to auction off airwaves to commercial actors to use to deploy, create, and innovate. But on March 9 of this year, that authority expired for the first time. As this Committee knows, if this is not corrected, it could have a tremendous impact. Over the past three decades, the FCC has held 100 spectrum auctions and, in the process, raised more than \$233 billion for the United States Treasury.

Restoring this authority will provide the United States with the strongest foundation to compete in a global economy, counter our adversaries' technology ambitions, and safeguard our national security. Most importantly, we cannot afford to wait. The global wireless community is convening for the World Radiocommunication Conference at the end of this year. It is where we set the future of spectrum policy. Restoring the FCC's auction authority is the first step in doing that, and it is my hope we can do it soon.

So that's ten things the FCC is doing to bring high-speed connectivity to everyone, everywhere that is secure, resilient, and ready for the future. The budget that this Subcommittee has provided in its FY2024 FSGG bill will help to support these critical efforts into the future. Thank you for the opportunity to join you today to share these details about the Commission's ongoing work. I look forward to your questions.