TESTIMONY OF FCC COMMISSIONER MICHAEL J. COPPS U.S. HOUSE COMMITTEE ON ENERGY AND COMMERCE SUBCOMMITTEE ON TELECOMMUNICATIONS AND THE INTERNET OVERSIGHT OF THE FEDERAL COMMUNICATIONS COMMISSION – PART 2 JULY 24, 2007

Chairman Markey, Congressman Upton, Members of the Subcommittee: Thank you for the invitation to return here this morning. In this brief statement, I will focus on the same three priorities I discussed with you last time we gathered together—public safety, media, and broadband. They just don't go away.

First, public safety. Before us now is the 700 MHz auction. It raises many difficult issues, but the most important by far is how we use it to enhance the safety of the people. We have here a once-in-a-lifetime opportunity to provide the nation's first responders with access to a nationwide, interoperable broadband network. My first preference—by a long shot—would have been a dedicated, federally-funded network reserved solely for first responders. At this late date, that is apparently not to be. Given this reality, I believe that pursuing a shared publicprivate model becomes the right choice. The challenge is to make sure that this network *actually* works for public safety. To me, this means it is built to public safety standards and that its effectiveness cannot be curtailed by commercial decisions. And it means strong, ongoing FCC involvement all along the way. I want to make one thing clear at the outset. I can support public safety negotiating a network sharing agreement with a commercial licensee. But if that agreement is not sufficiently protective of public safety's interest, I believe the Commission must retain the right to reject it. I would rather go back to the drawing board—whatever the political consequences for doing so—than approve an arrangement that would compromise our nation's first responders. In my visits with many of you, I have shared my belief that the FCC was less proactive and aggressive than it should have been following 9/11. Chairman Martin, to his

credit, is working to reverse that, and I am working with him, and all of my colleagues, to make sure we get this particular proceeding right. *We cannot—we simply cannot—fail.*

Second, media. This is so important to me because it is so important to our democracy. Whatever great issues confront us—war and peace, health care, the education of our children, you name it—are filtered through the media. And Americans are rightly concerned when they feel that more and more of the information they receive is filtered for them by fewer and fewer big media giants.

The good news is that the world has changed since the Commission's misguided media ownership proceeding three years ago. We can aim higher now. We still need to be vigilant about stopping bad *new* rules from being adopted, but I think there is an opportunity now—and a real hunger out there—to go back and change some of the bad *old* rules that helped get us in this mess in the first place. With apologies to one past FCC Chairman, television is *not* a "toaster with pictures" and it's high time we cast that 1980's world-view aside and get to work creating a public interest standard for the 21st century.

We can start with the FCC licensing process. Let's get back to an honest-to-goodness licensing system that doesn't grant slam-dunk renewals, but looks at whether a licensee is really doing its job to serve the local community. Did the station air programs on local civic affairs? Did it meet with local citizens to receive feedback? Is its children's programming really educational? And let's put that information up on the Web, so citizens can know how their airwaves are being used. Of course many broadcasters want to serve their local communities. But the pressures of consolidation and the unforgiving expectations of Wall Street have made that difficult. Just as bad, the FCC's lax licensing process doesn't provide any incentive for broadcasters to do the right thing. Those that serve their local communities and those that do

nothing receive the same rubber-stamp renewal. It's time to end the free ride and require that *all* broadcasters meet certain minimum public interest obligations.

The other media issue desperately requiring our attention is the DTV transition. This one should keep us up at night. Huge and potentially very disruptive changes are on their way to TV consumers—yet a survey earlier this year found that 61% of consumers still have *no idea* that the transition is coming and what's in it for them. The first message consumers hear cannot be about how to get a converter box for a transition they've never heard of. We first need to explain to them why the transition is happening and how it benefits them. To the extent consumers feel that this is something the government is doing *to* them rather than *for* them, we will face a very messy backlash.

So we had better do outreach in a more serious way. Web sites and pamphlets are fine, but they're not going to get the job done. The best way to reach analog television viewers is through analog television programming. I want to thank Chairman Dingell and Chairman Markey for their suggestion that we consider mandatory public service announcements by broadcast licensees. I hope that the Commission will act quickly on this suggestion, among others they made, and that this Committee will maintain its extremely beneficial oversight of the Commission's DTV consumer education efforts.

Third, broadband. My view of how we are doing has not changed much in the last four months. Our biggest infrastructure challenge as a nation is bringing broadband to all of our citizens and we're not doing a very good job. Since we last convened, the OECD ranked the United States 15th in broadband penetration, down from 12th in 2006. But if you don't like that study, there are many others conducted by international organizations, industry associations, think tanks and business analysts that have us at 21st, 11th, 12th, or 24th. By any measure, we're

getting too little broadband at too high a price. The 700 MHz auction could help turn this around. *If we get it right*, this auction offers the prospect of new competition, innovation and consumer choice—perhaps even a third broadband pipe. Here's another huge step we could take: include broadband as part of comprehensive Universal Service Fund reform to keep our nation competitive in the global economy.

I'll end where I ended last time—the closed meeting rule. Think about this: today is probably the only time before we vote that the five Commissioners will be in the same room to talk about the 700 MHz auction with all its far-reaching implications. Wouldn't it be better if we had some opportunity for full and frank discussion of these important proposals? So I respectfully suggest that you consider modifying the closed meeting rule so that more than two of us can meet and talk at one time.

Thank you for your attention and I look forward to our conversation this morning.