

**REMARKS OF COMMISSIONER MICHAEL J. COPPS**  
**NARUC CONVENTION**  
**ST. LOUIS, MISSOURI**  
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I am here today for one simple reason. That is to say “Thank you.” Thank you first to John Burke, for that warm and welcoming introduction, and more especially for all the great leadership you provide. One of the things I value most about my time at the Commission has been the opportunity to work with John and the friendship we have developed. To NARUC, thank you for all the really good things you do for consumers and for good telecom policy and more especially for all the help you’ve given me during my 10½ years at the Commission. I cannot begin to imagine how I would have done my job without the relationships I’ve been so fortunate to have with NARUC, with Brad Ramsay, Tony Clark and the talented team and with the many state regulatory commissions—both the commissioners and their expert staffs—folks who have stepped up and answered the call of public service with such distinction. You should be immensely proud of your work. I want to thank my colleagues and friends on the Joint Boards and the Joint Conference. I thank you for what you’ve taught me over the years and for your strong commitment to promoting competition and protecting consumers. You and I have worked hard all these years to realize the cooperative federal-state regulatory partnership that the Telecommunications Act of 1996 envisioned. It’s something we haven’t yet fully achieved—but it’s also something that, if we really keep plugging away at it, we can not only maintain but even build upon. It’s work truly worth doing.

When I arrived at the FCC in 2001, we were just at the dawn of the Twenty-first Century—talking about the potential of advanced communications to change our lives for the better, but only just beginning to realize their transformative power. Now most of us have seen that power first-hand; many of us have grown to depend upon these amazing services and technologies; and we understand that access to broadband—both fixed and mobile—is critically important to our lives. And we have come to realize that just as technologies take us to places we thought we would never go, so too must public policy evolve to make sure all of us can get there. Luckily we have a statute that lays out the vision and the mission for us: to bring the wonders of modern communications to each and every American, no matter who they are, where they live, or the particular circumstances of their individual lives. In this Digital Age, where opportunity really depends upon access to advanced communications, *every citizen* has a right—I call it a civil right—to the tools they need to create opportunity for themselves and thereby for the country.

You and I wouldn’t be gathered here this morning if we didn’t believe that both the FCC and the states have active roles to play in making this happen. It’s why together we have spent much of the last decade advocating for reform of our federal Universal Service system. Of course we realize and appreciate all the good things that were accomplished under Universal Service over the years in connecting the vast majority of Americans with Plain Old Telephone Service. Thanks to both high cost support and low

income assistance, we now have voice penetration rates in excess of 95% nationally, albeit with some embarrassing and costly exceptions such as in our Native lands. Yet no other infrastructure build-out in our nation's history has done more to bind the nation together.

But the old system, for all the good it accomplished, has outlived its time. It had strayed from what Congress intended and from what the consumers you serve in your states deserve. Inefficiencies and waste crept in where efficiency and vigilance should have prevented them. Legacy access rates too often encouraged carriers to maintain yesterday's technology instead of reaping the benefits of today's IP-based networks. Hidden manipulations of inter-carrier payments on the part of some cost consumers billions of dollars every year. In an era of shrinking budgets we reimbursed some carriers for whatsoever they chose to invest in, regardless of whether a lesser amount was all that was needed to provide service to their customers. In some areas of the country, we subsidize four or more wireless carriers based on the costs of a wireline network. The old saying is, "If it ain't broke, don't fix it." Well, you can't make that argument here. The system was broken—and we were left with no real option short of a major overhaul.

But the challenge went beyond inefficiencies and excesses. The deeper challenge was to reconfigure Universal Service to fit the advanced telecommunications world of broadband. Many voices in the states and on the Joint Board understood this early on. Back in 2007, I was pleased to join the Joint Board's recommendation that USF explicitly support broadband, both fixed and mobile. Last fall the Joint Board went on the record again to recommend USF support for networks supporting advanced services. These two Joint Board recommendations were foundational pieces of the Order the FCC adopted less than three weeks ago.

Now I know that not everyone here is satisfied with everything the Commission did three weeks ago. Neither am I. But I think we both made a difference. Your input *did* greatly inform the Commission's deliberations and its ultimate decisions—even though we had to make difficult choices that will change some legacy state responsibilities. But my goal in this proceeding was never to preserve a particular set of rules or a specific revenue stream or business model. It was to reorient our policies to focus on consumers—particularly the millions of Americans who don't have broadband at home today. And it was to strengthen the federal-state partnership so that together we can jump-start the information infrastructure build-out this country so desperately needs.

When we launched our USF and Intercarrier Compensation reform proceeding in February, I remarked that we'd all be asked to give up a little so that the country could gain a lot. That spirit of shared sacrifice is what made our Order possible. The Commission conducted a wide-ranging and I think generally inclusive process that provided opportunity for everyone to participate. I salute the hard work done by states, Joint Board members, many in industry, consumers, a multitude of other experts, and the hard-working FCC team Chairman Genachowski put together to work on these reforms. I also want to thank my friend and your former colleague, Ray Baum, for his magnificent

contributions to these discussions as a long-time NARUC leader and, more recently, Capitol Hill expert.

The new system retains vital roles for states. I think most of you know I feel very strongly about federal-state partnering. I never would have—or could have—supported the Commission’s actions last month if they undermined that commitment. We incorporated numerous ideas from the state Joint Board members’ comments, such as imposing significant reporting requirements on USF recipients and requiring all reporting data to be jointly provided to the FCC and state Commissions. We maintained state authority to protect consumers through the establishment and enforcement of carrier-of-last-resort obligations and also state designation of eligible telecommunications carriers for USF support. States can perform many functions better than the federal government—and by “many functions” I mean *a whole lot* of them. And I am looking for ways to *expand the state role* under the reformed systems. I invite your suggestions for ways to make this happen and hope you will make it a NARUC priority. Speaking of the importance of the states, I might as well say this, too, although I’ve said it before: nothing undermines this kind of substantive state role more than those few carriers who run to state legislatures lobbying for laws that effectively put state public service commissions out of the business of public interest oversight and consumer protection. That mocks the law. It mocks good telecommunications policy. And it mocks consumers.

I have no illusions about what perils await the new Order, but I do want to suggest how much better off we will all be if our efforts going forward focus on working together to implement these new frameworks, and working constructively to make changes where they may be called for, rather than spending precious time that the country does not have on litigation or legislative end-runs that seek to advantage factional interests at the expense of the greater public good. There is a lot about the current state of our telecom world – especially the dearth of competition over these past 10 years – that I don’t like. There are parts of this reform that I don’t like. But at some point we need to move ahead and try to make it work rather than spend another decade in court. You know, I will be gone from the FCC very soon, but I don’t plan on getting a case of post-FCC lock-jaw. In fact, I’m thinking about conferring my own special award on the first party who takes these decisions to court – I’m calling it the “Great Courthouse Cop-Out” – and it might be accompanied by a stocking full of coal if it happens around the holidays. That’s how strongly I feel about it. I contest no one’s right to take us to court, of course, but America just doesn’t have time to waste watching warring parties duke it out in courts that themselves often disagree while millions of citizens go unserved. While I’m at it, I think another example of time wasted would be for carriers to file frivolous waiver requests to lock in legacy support that is not really needed to ensure that consumers have a landline voice provider. All that accomplishes is the diversion of precious resources away from carriers who really do need a safety net.

What I am trying to say is America doesn’t have time for “telecom as usual.” Right now, your country and mine confronts challenges that rival in severity some of the worst in our history. Our economy founders, our global competitiveness has lost its edge,

nearly a fifth of the workforce is jobless or under-employed, our education lags, our teachers suffer as much as our kids, our dependence on foreign energy saps our domestic energy, and 50 million Americans have no health insurance. Yet right here in the communications sector where you and I work we have an amazing opportunity to help turn things around—broadband technology that intersects with, and can help resolve, every one of these problems. Let’s just get at it! America works best when people pull together toward an important goal.

One final point—I just wish I had longer to make it. I have devoted a large part of my time at the Commission toward ensuring that in this new digital age, every American has access to the news and information they need to participate in our civic dialogue. Broadband is critical to this, but the point often gets lost as we debate these other issues I have mentioned today. The Internet can provide us with a wonderful new town-square of democracy, paved with inviting broadband bricks, *if we give the media dimensions of broadband the attention they cry out for*. The future holds tremendous digital promise. Barriers to entry are low, links are ubiquitous, and we can all be participants. Interesting innovation and entrepreneurship are obviously taking place, but, let’s be candid—the promise of new media is not close to being realized.

This should concern you both as public servants and as citizens. Years of mega-media company consolidation, coupled with more than a generation of FCC back-sliding from its public interest oversight responsibility, have left us with a news and information infrastructure wherein hundreds of newsrooms have been closed, where thousands of reporters are walking the street in search of a job rather than walking the beat in search of a story, where investigative journalism is on the endangered species list, and where our civic dialogue has been too often dumbed-down to opinions substituting for facts when, in truth, we won’t make it—on any of the challenges I’ve enumerated—unless we get back to facts, back to accountability journalism, back to a news and information infrastructure that promotes an informed small “d” democratic dialogue. We have to be a news-literate society, understanding and engaged with the substance of public issues if we are going to keep this self-governing experiment of ours afloat. If we don’t have a media that can dig for facts and cover the beats, that can separate fact from opinion and hold the powerful accountable, then tell me please how in the world are we going to meet and master all these challenges that jeopardize our country’s future? How will we ever overcome? To me, getting our media right—both traditional media and our new Internet media—is Step Number One in getting our democracy right. My greatest regret after a decade at the Commission is that we are not getting this job done.

This is communications, too. This is the heart and soul of communications. And it’s what self-government is about. It’s not Mike Copps telling you that. History tells us that. George Washington, Thomas Jefferson, James Madison tell us that. They brought forth a new nation on the belief that only informed citizens could keep alive the bold experiment in self-government they fought so hard to establish. It was an open question if we’d make it. They wrote a First Amendment to ensure that citizens would be informed. They went on—these very same people—to build post roads and to subsidize the costs of distributing newspapers—all kinds of newspapers—so that citizens across the

new land would have the news and information they needed to make good decisions for the future of their fragile young nation. They were news and information infrastructure builders. Now it's our time to be information infrastructure builders—to ensure that we have the tools and the resources we need to sustain and grow our country. The technologies change over the generations, to be sure—but the democratic challenge persists. It's up to you and me to meet it as successfully as our forebears did.

So I close, but it's not to say good-bye. It's to say I intend to keep speaking out on these issues, not as policy-maker or rules-implementer but as just plain American citizen—and that remains, when all is said and done, the highest title of all. Thank you again for your wise counsel, your wonderful friendship, and your exemplary good citizenship over these years. I look forward to enjoying our continuing conversations and friendships in the years ahead.