

PREPARED STATEMENT OF FCC CHAIRMAN JULIUS GENACHOWSKI
HEARING ON THE OVERSIGHT OF
THE FEDERAL COMMUNICATIONS COMMISSION

JULY 10, 2012

Chairman Walden, Ranking Member Eshoo, members of the committee, thank you for the opportunity to be here today.

I'm pleased to be joined by a full complement of Commissioners, including my newest colleagues – Commissioners Rosenworcel and Pai. I'm certain that members of this Committee will find them to be excellent additions to the Commission, as I have.

This is my 7th time testifying before this Committee. And I've been fortunate to meet with many of you individually.

So by now, most of you know that that my primary focus as FCC Chairman has been promoting innovation, investment, competition, and consumers empowerment in the ICT sector. We've focused the agency on harnessing wired and wireless broadband to grow our economy, create jobs, enhance U.S. competitiveness, and foster improvements in areas like education, health care, and public safety.

I'd like to provide a brief overview of some recent developments since I last testified before you five months ago.

First, we continue to receive good news for the U.S. from across the broadband sector.

The U.S. has regained global leadership, particularly in mobile. The U.S. leads the world in 3G subscribers by a wide margin, and we are leading the world in deploying 4G mobile broadband at scale. The apps economy continues to grow, and U.S. firms and developers continue to lead the way.

In the last three years, the percentage of smartphones globally with U.S. operating systems has grown from 25% to more than 80%. And in the last three years we've gone from less than 20 percent of our population living in areas with broadband infrastructure capable of delivering 100+ megabits per second to approximately 80 percent, putting us at or near the top of the world.

Of course, in this fast-moving sector there are many challenges ahead, and our global competitors remain focused on broadband opportunities. So at the FCC, we continue to work to help drive our broadband economy.

We continue our efforts to spur broadband buildout, including by removing barriers to deployment.

Just last month, the President issued an Executive Order implementing recommendations of the FCC's National Broadband Plan, the agency's Technological Advisory Council, and members of this Committee. The Executive Order took steps to ease access to federal roads, lands and buildings for broadband infrastructure. It also directed the Department of Transportation to develop "Dig Once" policies so that carriers can deploy broadband when roads are under construction.

As part of our Mobile Action Plan, we've taken several recent actions to spur mobile innovation and investment, and free up spectrum.

In March, we launched a rulemaking on a proposal to remove barriers to flexible spectrum use in the proposed AWS-4 band. We are close to completing our work to free up 25 MHz of spectrum in the WCS band.

In May, we removed outdated rules on spectrum use in the 800 MHz band, which will help accelerate the rollout of LTE. And in August I expect that we will continue our ongoing efforts to remove unnecessary rules hindering the deployment of wireless backhaul.

We're making progress on other pieces of our Mobile Action Plan.

The Commission is working with NTIA to facilitate industry tests of LTE sharing in the 1755-1780 MHz band, which could allow us to make available valuable paired spectrum in the next three years.

Of course, we're also hard at work designing the world's first incentive auctions to implement the important recently enacted law – a complex task affecting major parts of our economy and involving many challenging questions of economics and engineering. I expect the Commission will put forward proposals by the fall, and seek broad public comment.

We're also on track to fulfill our obligations under the recent law that relate to the new national mobile broadband public safety network.

And we continue our work on a full range of public safety communication issues.

I am concerned about 911 and other communications outages during the recent storm in the D.C. area. This is something we are investigating, and take seriously.

On other matters, we're moving forward with implementation of our unanimously approved, comprehensive reform of the Universal Service Fund (USF). These reforms will finally bring broadband to millions of unserved people in rural America, while putting the fund on a fiscally responsible budget.

We recently announced the availability of the first rounds of funding under the Connect America Fund (CAF) and Mobility Fund. Just yesterday, Frontier announced that it will be deploying

broadband to approximately 200,000 unserved Americans as result of the new Connect America Fund.

The Commission is also helping to tackle threats to our broadband economy.

As the result of an FCC-led process on cybersecurity, ISPs serving 90% of all U.S. residential broadband subscribers have committed to adopting voluntary, concrete measures to combat three major threats: botnets, IP route hijacking and domain name fraud.

Working with the nation's police chiefs, we reached an agreement with the major mobile carriers to create a database of stolen phones, which will help crack down on the growing problem of smartphone theft.

And I continue to speak both publicly and privately with my international counterparts about the vital importance of preserving Internet freedom and the multistakeholder model of international Internet governance.

I'd like to commend this Committee for its bipartisan resolution re-affirming the United States' unequivocal support for the successful multistakeholder model.

On top of all of these efforts, we continue working to make the agency more open, efficient, and effective.

I have previously reported on the many concrete steps we have taken to reduce backlogs and speed decisions. I am pleased to report today that over the past six months we have made additional significant reductions in our backlog, including a more than 20 percent reduction in items pending more than six months in the Wireline Bureau, and an across the board 20 percent reduction in license applications and renewals pending more than six months.

We have also cut the average number of days required to review routine wireless transactions in 2012 by more than half.

I appreciate the opportunity to be here today. I look forward to continuing to work with this Committee to identify other opportunities to unleash communications technologies to benefit our economy and the American people. Thank you.