

**Remarks of FCC Commissioner Mignon L. Clyburn**  
**(as prepared for delivery)**  
**Competitive Carriers Association**  
**Las Vegas, Nevada**  
**March 29, 2018**

Good morning everyone! As we near the end of Women's History Month, in typical Mignon fashion, I decided to celebrate in part, by exhausting my terrific staff, and accepting as many calendar engagements as possible. So naturally, returning to CCA, and catching up with your distinguished team and reconnecting with all of you, will always make my preferred list, so thank you Steve, for the invitation, and for that gracious introduction!

No doubt, I am not the first at this show, to refer to the collegiate basketball finals, but allow me to do so with a little twist.

The fact that this show is taking place in Las Vegas, at the same time as the NCAA men's and women's finals, is symbolic. Just as many here are known to accept long odds, the challenges CCA and its members face, in the commercial wireless market can also be daunting.

Players from little known, often under-resourced sports programs, take center stage against well-established basketball powerhouses, creating the most level playing field in sports. Much like those players from smaller institutions, you do not want the referees on the field of competition, to make the rules of the game more difficult for you, simply because some of you lack a national brand name or deep pockets enjoyed by more established players.

As CCA member companies know, advocating for policies and initiatives that help to address the interests of all consumers, has always been a top policy priority for me. With a keen eye on communities that face unique challenges, when it comes to access to robust, affordable communications services, competition remains one of the best ways to address those challenges. Getting there means, we must adopt and enforce rules, that give CCA members, a fair shot at competing with your larger counterparts.

Restoring interoperability in the lower 700 MHz band, Mobility Funds that incentivize deployment of mobile broadband to rural and underserved areas, targeted Lifeline reforms, that enable low income families to have mobile broadband service, rules that promote data roaming agreements, spectrum aggregation limits for the world's first ever incentive auction, pro-competition policies for the next generation of wireless services or 5G, and calling on the FCC to take a careful and detailed analytical approach to reviewing license transfer applications and prior to issuing its annual reports about the state of competition in the mobile wireless industry. . that is how we get there.

There are two reasons, I would like to provide a bit of detail, about the interoperability and Mobility Fund Phase II proceedings this morning. The first, is that both proceedings were important to bringing service to unserved and under-served rural areas. They both took several years to be resolved and are good examples, of the tireless advocacy undertaken by CCA and its members.

The second reason is that, in both cases, we could not have reached pro-competition and pro-consumer results, without a collaborative, voluntary industry solution.

With regard to the lack of interoperability in the 700 MHz band, back in 2011, this association, at the time known as the Rural Carriers Association, approached me about the technical problem you were facing in deploying valuable spectrum won in the 2008 auction. Since the very beginning of commercial mobile wireless services, the Commission had either mandated, or expected, that spectrum allocated or auctioned for these services, would be interoperable across each allocated band. In 2009, 3GPP, an industry setting body, made interoperability in the lower 700 MHz impossible. This meant that the valuable, beachfront spectrum smaller wireless companies acquired for millions at auction to compete against large companies, could not be deployed.

Steve and his advocacy team frequently met with me and my colleagues. Despite their persistence, their pleas did not seem to be gaining much traction.

Clearly, part of the reason was there was reluctance to get involved with industry standards, but the more I thought about this dilemma, the more I realized that this unprecedented development in the 700 MHz band, was greatly harming rural communities, by depriving them of the investment, innovation, and job creation that deployment of this spectrum could provide. Towards the end of 2011, an opportunity presented itself to unlock the regulatory doors at the Commission and we took it. The Commission was considering an application to approve AT&T's acquisition of Qualcomm spectrum in the 700 MHz band. And as you remember, one of the issues raised in that transaction was interoperability. Based on my request, Chairman Genachowski agreed to initiate a rulemaking proceeding on interoperability, starting in the Spring of 2012. Although it was my hope that we could wrap up that proceeding and adopt rules by the end of 2012, that was not to be.

Serving as Chairwoman from May through October 2013, gave me the opportunity to direct staff to work with CCA and the large nationwide carriers to craft a voluntary industry solution.

But I realized that if we mandated rules outright, one of the nation-wide carriers would just go to court and not only would we risk the rules being overturned, the possible years leading up to a legal decision would be expensive and contentious. So we started by holding a meeting between all relevant stakeholders, that turned out to be about 30 different entities. We listened carefully to everyone, looked for common ground, and held even more meetings. By September 2013, AT&T agreed to an approach that would resolve the problem by 2015. Interoperable smartphones actually arrived a year earlier than expected and this resulted in a win-win-win situation for consumers; smaller wireless companies, large companies and regulators.

Yes, it took four years to resolve, but that is short compared to the effort it has taken to hold a Mobility Fund Phase II auction. That proceeding, which the Commission first proposed in its 2011 Connect America Fund Reform Order, remains ongoing. For many of us, going without that smartphone, tablet, or access to the internet for any length of time is a temporary

inconvenience. But what many do not realize, is that millions of Americans still wish they had that problem, because they lack access to any mobile broadband service.

This is why I have been an outspoken supporter for a Mobility Fund, that provides ongoing support to companies, like CCA members, who understood, well before the Commission did, the importance of mobile broadband in areas where service would be unavailable absent federal support. Last year, we ultimately voted on a Phase II budget of \$4.53 billion in support available over 10 years, to primarily rural areas nationwide, excluding Alaska, that lack unsubsidized 4G Long Term Evolution (LTE) service. This substantial support is necessary because although the universal service budget for fixed services exceeds the budget for mobile services, more Americans have access to mobile coverage than have access to residential fixed broadband. And we would not have finally arrived at that important decision to go forward with a Mobility Fund Phase II auction, had it not been for CCA's advocacy.

Your continued advocacy to ensure that there not be a disruptive flash cut of legacy support for wireless carriers and for securing a challenge process as part of the Mobility Fund II auction, should not be taken for granted, because the challenge process is important to improve the data, the FCC uses, to make critical policy decisions.

Importantly, in August 2017, we adopted an industry consensus proposal, to undertake a new, one-time data collection on deployment of 4G LTE, to prepare for this auction. This was a watershed decision, because lack of good data, prolongs the time it takes to deliver on the Mobility Fund's stated objective, of bringing connectivity to unserved communities. And we have restructured an admittedly complex process, to minimize the burdens on challengers, including small providers who just want to bring connectivity to more communities. And until the Commission holds the Mobility Fund auction, I will remain vigilant of claims of inaccurate data.

I make that promise because I believe the lessons we learned in the interoperability and Mobility Fund proceedings, should also be applied to at least one more rulemaking -- the Commission's Lifeline proceeding. The rule changes that this Commission proposed, late last year, threaten, for the first time in the program's history, our goal to make modern, essential communications services accessible and affordable for low-income Americans, veterans, seniors, and others.

For example, the proposal to limit Lifeline subsidies to only consumers receiving service from facilities based service providers, would be particularly harmful. Wireless resellers provide service to 70 percent of citizens who are eligible for the monthly Lifeline subsidy so, if that proposed rule and others go into effect, they would have a devastating impact on millions who rely on wireless resellers, whose low rates, together with the \$9.25 subsidy, is the only way those families can afford wireless services.

The good news, is that the vast majority of the commercial wireless industry, came together to raise concerns about those proposals. With regard to excluding wireless resellers, as one commenter eloquently put it, "Everyone from AARP to Verizon opposes this proposal."

The industry also criticized the proposals, to impose a “maximum discount level,” and to impose a \$820 million per year cap on the Lifeline program. I hope the commercial wireless industry can also collaborate to propose voluntary solutions, that can address any legitimate concerns with the Lifeline program, without the devastating, punitive effect that the proposal by the Commission’s majority, would have on low-income communities.

As with interoperability in the lower 700 MHz band and Mobility Fund Phase II, industry consensus will be vital to ensuring all communities have access to mobile broadband services.

Thank you again for the invitation and for allowing me to present these remarks. You have my commitment to remain a partner in our effort to promote competition and robust, affordable, communications services for all Americans.