STATEMENT OF JESSICA ROSENWORCEL COMMISSIONER FEDERAL COMMUNICATIONS COMMISSION BEFORE THE

SUBCOMMITTEE ON FINANCIAL SERVICES AND GENERAL GOVERNMENT COMMITTEE ON APPROPRIATIONS UNITED STATES HOUSE OF REPRESENTATIVES WASHINGTON, DC APRIL 3, 2019

Good afternoon, Chairman Quigley, Ranking Member Graves, and Members of the Subcommittee. Thank you for the opportunity to appear before you today.

At the start of this year, the Federal Communications Commission shuttered its doors for nearly a month—the longest shutdown of the agency in its history. Dedicated employees were sent home without pay. Consumer complaints and inquiries went unanswered. Testing and approval of next-generation technologies stopped. Robocalls went totally unchecked—and that's crazy.

Today our doors are open, but we are still catching up on what we missed. But what should be obvious—perhaps more than ever before—is that the work of this agency matters. Communications technologies power one-sixth of the nation's economy—and every American needs access to these technologies to have a fair shot at 21st century success.

That is why the budget request from the Administration before you today is so striking. It asks for less than the \$339,000,000 the agency is set to spend in the current fiscal year and is almost \$4,000,000 less than the budget level authorized by Congress. If adopted, it would result in the smallest payroll in decades—at a time when communications technologies loom larger than ever before in every aspect of civic and commercial life.

So many people think that Washington is rigged against them. It saddens me that with this budget and with the actions of the FCC during the past two years—it appears they are right. This agency is already mocked in the media, criticized by the public, and derided by consumers for failing to take their interests to heart. That is because too often the FCC has acted at the behest of the corporate forces that surround it, shortchanging the American people and undermining our digital future.

This is a problem that needs resources to fix. On top of this, Congress has entrusted the FCC with significant new work. This includes implementing the many requirements in RAY BAUM'S Act of 2018. We have major mergers to review in both wireless and media markets. We have an exponential increase in equipment authorizations with the growth of the Internet of Things and deployment of 5G mobile technologies. We are executing first-of-their kind spectrum and universal service auctions. We are trying to address the persistent problems of the digital divide—and expand the reach of broadband and wireless services to every school, library, business, and community. These are good and necessary things that require resources.

I believe budgets are not just about accounting. They are a statement of values. And I believe this budget falls short of what is needed to uphold essential values in our communications laws. I believe the most basic values in our laws—consumer protection, universal service, competition, and public safety—need refocus and attention.

Consumer Protection

Consumer protection is always in the public interest. It requires the FCC to be nimble, especially as the communication industry changes at a breakneck pace. But our efforts to stem the growing tide of robocalls have been anything but.

At the start of this Administration, American consumers received roughly 2 billion robocalls a month. That number now exceeds 5 billion a month. That is about two thousand robocalls a second every day. So if you think the problem has gotten worse, you're right. Consumers are complaining to this FCC that we're doing too little to stop this problem and they're right, too.

While I have supported the FCC's efforts to take on a handful of bad actors with enforcement fines, the *Wall Street Journal* reported last week that the agency has collected no more than a grand total of \$6,790. That's insane. It is clear the agency's current approach is not working. It's like trying to empty the ocean with a teaspoon.

We don't have time for that. So let me propose three things. First, it's time for the agency to require in its rules call authentication technology, known as STIR/SHAKEN that will help return trust to our communications networks. Second, I've written the major carriers calling for them to make free tools to avoid robocalls available to every consumer. It's time for my colleagues to join me in this quest. Third, it's time for the agency to create a new division in its Enforcement Bureau to focus strictly on robocalls. Robocalls are the largest single source of consumer complaints at this agency. It's time for the FCC to organize its work to reflect that.

Universal Service

Universal service is a cherished principle in communications law. As I said at the outset, no matter who you are or where you live in this country, you need access to modern communications to have a fair shot at 21st century success.

But the fact of the matter is that too many Americans lack access to broadband. According to the FCC's last-published report, 24 million Americans lack access to high-speed internet service, with 19 million in rural areas. That's troubling. But the digital divide may be a lot wider than we think. One study has found that 162 million people across the country do not use internet service at broadband speeds. That turns our digital divide into a yawning chasm.

We have to figure out what is going on. It is becoming clear that the FCC does not have an accurate picture of just where service is and is not all across the country. This is unacceptable. It is time to fix this mess with accurate and honest broadband and wireless maps. This is essential because we will never be able to manage problems that we do not measure.

I am not the only one who feels this way. In a congressional hearing during the month before last, a cabinet official called the FCC's maps "fake news." While this is a loaded term, I think it's obvious we need to do better. Our wired maps have serious inaccuracies. Our wireless maps are so suspect they are now the subject of an ongoing investigation—and I appreciate that the Chairman has acknowledged as much.

Getting this right matters. If we don't have proper maps, we will not be able to target policy solutions effectively. The FCC distributes billions of dollars each year to help accelerate the build out of broadband, so we can connect all our communities. It's wasteful and irresponsible for the agency to do so without having a truly accurate picture of where those resources should go. I believe it is time to press the FCC to identify with precision where service is and is not, the total cost of reaching every household, and the plan the agency has to make it happen.

Competition

Competition is fundamental. It yields lower prices and higher quality services. But there is a troubling trend in the state of competition. Right now, too few American consumers have a choice for high-speed broadband service. I know this personally, because I'm one of them. But I also know this professionally, because the FCC's data show that half the households in this country have no choice of broadband provider.

This is one of the reasons why the FCC adopted net neutrality rules in 2015. With net neutrality in place, your broadband provider does not have the right to block websites, throttle online services, or censor online content. That sounds good to me—and to American consumers everywhere. In fact, a study from the University of Maryland found that 86 percent of the public support net neutrality. And yet, the FCC—over my objection—stripped net neutrality from our rules. I believe this put the agency on the wrong side the law, the wrong side of history, and the wrong side of the American public.

A few weeks ago, I was the only FCC Commissioner to sit through the oral argument at the court reviewing the FCC decision to eradicate net neutrality. What was obvious to me is that some part of our decision—if not all of it—will be returned to us. When that happens, I don't think this agency should be allowed to waste another dime of taxpayer money to sustain its flawed rollback with additional appeals to the courts. In other words, it's time to halt the agency's efforts to roll back net neutrality.

Public Safety

Finally, public safety is paramount. In the very first sentence of the Communications Act, Congress instructed the Commission to make available, "to all the people of the United States . . . a rapid, efficient, Nation-wide, and world-wide radio and communication service" in order to promote the "safety of life and property."

To this end, I believe the FCC has to update our policies to reflect new cybersecurity challenges, modernize our emergency alerting capabilities, and improve the location accuracy of every 911 call. All of this requires resources. I am concerned this budget may fall short of providing what is needed to address each of these significant public safety matters.

Let me close with a quick note about 911 operators. Before a blue and red-light flashes, before a whistle on a fire station blows, or an air horn blares—on the front line of public safety are the men and women who answer our 911 calls. They are first responders who play an essential role in keeping us safe.

I know this from the dozens of 911 call centers across the country that I have visited—from Alaska to Alabama, California to Colorado, Virginia to Vermont, and many more places in between. But I also know that in Washington these professionals do not always get the recognition they deserve. So I want to acknowledge my support for Congresswoman Torres' bipartisan work to give 911 call takers the regulatory classification they deserve. Right now, the Office of Management and Budget classifies 911 professionals as clerical workers. This is outdated. It is not right. It's time to classify them as protective service professionals. I've spoken at length on this topic and I sincerely hope we will be able to fix this error and make it right.

Chairman Quigley, Ranking Member Graves, and Members of the Subcommittee, thank you once again for holding this hearing. Thank you for providing me with the opportunity to offer my views. I look forward to any questions you may have and to working with you and your staff in the days ahead.