STATEMENT OF GEOFFREY STARKS COMMISSIONER, FEDERAL COMMUNICATIONS COMMISSION

BEFORE THE SUBCOMMITTEE ON COMMUNICATIONS AND TECHNOLOGY COMMITTEE ON ENERGY & COMMERCE UNITED STATES HOUSE OF REPRESENTATIVES

"ACCOUNTABILITY AND OVERSIGHT OF THE FEDERAL COMMUNICATIONS COMMISSION"

WASHINGTON, DC

MAY 15, 2019

Good morning, Chairman Doyle, Ranking Member Latta, Chairman Pallone, Ranking Member Walden, and Members of the Subcommittee. It is a privilege to appear before you for the first time today.

"The future is already here, it's just not evenly distributed." Wise words that I recently read, and ones that could not better frame the state of our digital divide. I was sworn in as a Commissioner about 100 days ago, and I am excited to see and participate in the development of the fifth generation of wireless technology, or 5G, and the deployment of fiber networks that offer gigabit speeds and more. Those networks will offer lightning-fast speeds that will further open the floodgates of innovation and could turn today's cutting-edge tech into tomorrow's everyday tools, including autonomous vehicles, virtual and augmented reality, advanced telehealth, precision agriculture, and artificial intelligence.

But at the same time, the future has not come to over 24 million Americans who do not have access to affordable, high-speed broadband. While I am committed to "winning the race to 5G," I am equally committed to the far too many communities with "no-G." There cannot be two Americas – one where those with much get even more, and another for those who are left

behind. It is absolutely imperative that we make sure that quality, affordable broadband is available to all Americans.

Whenever I step outside of Washington, passionate citizens, business owners and officials tell me how broadband issues impact them. I'll briefly share two stories. I sat down for a town hall with a panel of folks in Blue Springs, Missouri, including Chris Chinn, the Director of Agriculture for the state. She told me about how the state of Missouri ranks 41st in terms of internet access, and how that severely limits the ability of farmers in the state—including her family feed mill and hog farm—to upload their livestock or crop data to maximize the efficiency of their operations. But she spoke even more pointedly about the pangs she feels as a fifth-generation farmer, and how difficult it is to convince the next generation to stay in the community without high-speed internet. And I know that a lot of rural communities share that same worry.

I also had the privilege of visiting with Corie Nieto, the director of telehealth services at the Nevada Health Center Clinic in Amargosa Valley, Nevada – population about 1,500. They take all patients—whether you have insurance or not—in one of the most geographically isolated parts of the state. While there, Ms. Nieto demonstrated how telehealth technology connects doctors from distant urban centers with rural patients in the community. But the connection deteriorated significantly at times over the course of the demonstration, and Ms. Nieto also noted that when they make a video connection for a patient, which they do many times a day, the rest of the clinic's internet services become unusable. We must do better.

But the problem of broadband access isn't strictly limited to rural America. An "internet inequality" exists even in relatively well-connected urban areas where the quality and cost of service too often depends on which part of town you live in. The unfortunate reality is that your

access to quality broadband too often depends on your economic status. That's why the Lifeline program is so critical. By providing low-income Americans the opportunity to access a no-frills phone and internet service, we allow them to stay connected with their loved ones, their doctors, and their employers. But rather than recognize the affordability problem and do more to address it, this Commission has proposed drastic changes that would undermine the only program we have that confronts this barrier.

The fundamental question is this: does the FCC know who has broadband and who doesn't? Unfortunately, this Commission has fallen down on this issue, and the problem begins with the data. Just two weeks ago, this Commission admitted that its draft Broadband Deployment Report relied in part on data self-reported by a new provider that inflated its broadband coverage data by nearly 62 million persons. And the error was caught not by the FCC, but a diligent public interest group. We need to take a hard look at ourselves when the FCC doesn't have data management practices sound enough to detect a new entrant that comes out of nowhere, and incorrectly states that it covers a whopping 20 percent of the entire US population.

The stakes only get higher – we manage billions of dollars of support in our Universal Service Fund but we don't even know the right places to send the money. Mobility Fund Phase II is one of our most important initiatives to expand mobile broadband coverage – over \$4.5 billion in planned support over 10 years to deploy 4G to primarily rural areas. But the Commission suspended the program indefinitely in December to investigate yet another set of data problems. In this case, the issues were so bad that the data and mapping problems eliminated any confidence in the process to determine where the subsidies would go. Six months later, we have made no discernable progress in the investigation into the causes of this data issue and the MF II proceeding remains mothballed. Meanwhile, the people who still have no service, and communities that submitted accurate broadband coverage information at tremendous effort and expense must wait. We can't have good money chasing bad data. We must correct course and we must do so now – these communities cannot keep waiting, and they shouldn't have to.

Even as we do this important work to close the digital divide, our work does not end there. Once we get folks online, they must remain safe and secure. Revelations over the last few years have alarmed every American concerned about issues of privacy and data security. These concerns will only grow as we interact with an increasing number of connected devices. For example, over the last year, news reports have exposed schemes that exploited wireless carriers' customer data systems and practices that allowed bad actors to "pay-to-track" anyone in real time with only their phone number and a few hundred dollars. I wrote a piece about this in the New York Times, bringing attention to this critical issue of mass public safety and calling for a speedy disposition to keep us safe and hold any wrongdoers accountable.

Let me tell you what I believe is at stake. As a former federal prosecutor, I have personally petitioned the court for restraining orders to protect survivors of domestic abuse. And I am shocked to think that an abuser could illegally track a survivor's phone to a safehouse or a shelter. In this case, which is yet another investigation that seems to be languishing, the Commission has been looking into the sale of geolocation information in pay-to-track schemes for over a year and we still don't have any resolution. After publication of my New York Times piece, I have heard from many members of the public who share my sense of outrage.

Security problems aren't limited to our phones – the entire telecommunications network is at stake. Experts indicate that our networks have serious vulnerabilities that allow bad actors to impersonate other people, obtain access to sensitive communications, and even cause networks to crash. The Commission is <u>the</u> expert agency when it comes to telecommunications. The situation could not be more urgent – 5G networks will connect our utilities, our financial system, our transportation system, our health care system, and much more. A security breach could be catastrophic. As the leadership of this Committee recently affirmed, and as I recently demanded, we need to take our statutory responsibility seriously and get to work to ensure that all our communications have the best possible protections.

Security is not the only challenge posed by our next-generation networks. Those networks will enable technological changes that will create tremendous opportunities for innovation and investment, but could also cost millions of Americans their jobs, particularly the automation of repetitive and routinized, low-skilled tasks. But the same technology that may displace people can also help them find new opportunities. Affordable broadband connections will enable people to use online education to reskill and retrain for new occupations, to start new small businesses, and to compete for new jobs by working remotely. I will be a voice for those who would otherwise be left behind by the coming technological revolution.

Finally, I would like to thank this Subcommittee for its hard work in passing legislation regarding net neutrality. Millions of Americans have spoken with the same voice – that they want the internet to remain open and unfettered – and the Save the Internet Act has given action to that voice. I will continue to champion this issue.

There's a lot to do, and I look forward to working with my colleagues to address these challenges and many more. Thank you for having me here today. I look forward to answering your questions.