Remarks of
Commissioner Geoffrey Starks
Next Century Cities
Opportunities for Bipartisan Tech Policy 2020

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Thank you for that introduction. And congratulations to Francella and everyone at Next Century Cities for putting together such an important program. As I'm sure you'll hear from speakers throughout today's events, closing the digital divide and bringing the benefits of broadband to all Americans are goals we can all agree on. Next Century Cities brings people together across partisan and ideological lines to meet those goals. That's a model we could use more of in Washington.

I'm looking forward to having a conversation with some of your member municipalities; but, before we sit down together, I wanted to take a few minutes to tell you about my priorities for the coming year at the FCC. In 2020 and beyond, my principal focus will be ensuring that our communications networks and technologies support security, privacy, and our democratic values.

I don't need to tell you—especially the local officials in the audience working to connect their communities—that broadband hasn't reached all Americans. It has been 25 years since the phrase "digital divide" was first introduced. Clearly, we are not talking about a temporary condition. Internet inequality is a persistent problem that is only growing in urgency. Low-income people, people of color, and people in rural areas either aren't getting online or are making great sacrifices to get connected. For example, according to a Pew Research study, only 45 percent of adults with incomes under $30,000 have broadband at home. That means driving to the library to fill out job applications and joining the waitlist for a Wi-Fi hotspot. There is a striking loss of dignity that manifests when an individual has to work a lot harder for a critical necessity that others take for granted.

Solving this problem is a moral imperative. But it is also essential to our global competitiveness going forward. Other countries are making enormous investments to get their citizens connected to high-speed, quality broadband. China, for example, plans to deploy fiber-optic connections to 80 percent of the homes in that country. If we leave millions of our fellow Americans behind, our country will fall behind.

At the FCC, we have a vehicle for tackling this problem. Through the Universal Service Fund, we have distributed millions of dollars to bring broadband into unserved communities. But the problem persists. I think we need to make some important changes to USF if we're going to finish the job of bringing access to all Americans.

First, we have to fix the FCC's data on where broadband is and is not. There is a nearly universal agreement that our data collection systems don't work. And, yet, we still continue to make funding decisions based on mapping data that doesn't reflect the reality of where there is broadband service and where there isn't. *Second*, we haven't done enough to ensure that once broadband is available, families can actually afford it. The average family spends $2,700 per

year on internet, phone, and cable service. For many working families dealing with increasing expenses and nearly flat incomes, that's just too much. I think the FCC can do much more to promote affordability, including—at the very minimum—gathering and studying price information so we can have an accurate picture of the marketplace consumers are facing. *Finally*, we need to envision the connectivity needs of the future—and build toward them. For too long, we've subsidized networks that are obsolete by the time they are built. That's why I've called for the FCC to conduct a data-driven 10-year look-back on how our high cost programming has performed. Universal Service dollars are too scarce and too badly needed to be spent building the networks of the best.

It's increasingly urgent that we get everyone connected because the faster and more ubiquitous networks on the horizon will enable new applications like driverless cars, virtual reality, and robotic surgery. It will also enable smart cities that drive advancements in the structure of our city living with improved transportation, more efficient use of public utilities, and greater traffic management. Everyone should have access to those innovations and a say in how they shape our country and our culture.

Constant connectivity will create unprecedented amounts of data recording where we go, what we do, and who we're with—a "data big bang" that will significantly change how we interact with the world around us. This is a critical moment. We must undertake, right now and continuously, the thorough examination of all these new capabilities to decide now how we will ensure that they are all poised to serve a future that creates opportunities instead of reinforcing existing inequalities. A lot could go wrong, and it will be on us to ensure that it doesn't happen on our watch.

We're already seeing early warning signs that some big data uses may be creating a culture we won't want to live in. A recent study concluded that low-income communities in the digital age exist as both hyper-visible and invisible, over-included and excluded. For example, these communities are disproportionately targeted by biased artificial intelligence systems yet at the same time they are not captured by hiring algorithms that scour the internet to make determinations about job candidates.

Communities of color face similar challenges. Researchers at the National Institute of Standards and Technology Found that most facial recognition algorithms misidentify people of color more often than white men. In the study, Asian and African American people were up to 100 times more likely to be misidentified than white men. Native Americans had the highest false-positive rate of all ethnicities. Women were more likely to be falsely identified than men.

While some of these biases may be corrected through greater transparency and scrutiny, the many Americans without access to technology or broadband may remain vulnerable. As artificial intelligence increasingly determines who sees opportunities for housing, education and employment, people on the wrong side of the digital divide may be rendered effectively invisible. Those in data deserts may never hear about the good job or the affordable mortgage, exacerbating growing inequality in this country.

Additionally, as we work to connect all Americans to modern communications networks, I also remain mindful of the need to secure those networks against threats like unlawful surveillance

and attacks on our security. We know our current networks and all who use them are vulnerable. That's why I have been working over the last year on a framework for removing untrustworthy equipment, particularly equipment from Huawei and ZTE, from our communications networks. Policymakers have good reason to be concerned. The Financial Times reported in 2017 that Chinese government-supplied Huawei servers at the African Union Headquarters in Ethiopia had been transferring sensitive information to servers in Shanghai every night, from midnight to 2 a.m., *for five years*.

Finding the untrustworthy equipment in our systems, fixing the problem by replacing it with more secure equipment (since no remedy short of that is sufficient), and funding such replacements is a big job that will take extensive coordination within and between government and industry. I remain committed to getting the job done, as thoroughly and quickly as possible. The rising tide of data created by new applications and technologies makes improving data security an urgent necessity, not a mere convenience.

I also remain committed to ensuring that security isn't just a luxury for the wealthy. As many of you know, our Lifeline program subsidizes broadband and voice services for low-income people. Many providers that participate in Lifeline offer a free or inexpensive phone as part of the package. Earlier this month, an intelligence analyst at Malwarebytes Labs reported that at least one Lifeline carrier is offering a discounted phone that includes pre-installed apps to collect user data, create backdoors for future access, and enable auto-installers for other apps. This all occurs without the user's knowledge and leaves them vulnerable to malware and other intrusions on their privacy and security. I'm investigating this practice and will be exploring ways the FCC can better protect low-income consumers. Right now, the FCC doesn't have a great track record on these kinds of issues. As I wrote over a year ago in an editorial in the New York Times, the FCC has known that wireless carriers were allowing location data from their users to be sold to bounty hunters and others—without telling their customers—and we still haven't taken action. We must do better. One thing should be completely clear: People shouldn't have to trade their privacy and security to have a mobile phone.

Looking ahead, I am optimistic that technological developments, especially 5G standards, will support our efforts to improve network and data security. 5G offers a variety of features—from virtualization to the expanded use of encryption—that will make these new networks more secure than their 3G and 4G predecessors. But those features will only be effective if they are rigorously and consistently implemented. In the coming months, I intend to continue meeting with leaders in our major communications providers and equipment manufacturers to ask about their plans to take advantage of these benefits and about any other vulnerabilities we must be prepared to defend against.

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In closing, though I have outlined a number of big challenges, I want to emphasize how optimistic I am about our ability to meet those challenges. I am heartened to see leaders like you working together to bring access to all Americans. If we work together, we can build a future that is more advanced, more secure and more prosperous, and more equitable for all. Thank you again for having me today.