REMARKS OF FCC CHAIRMAN AJIT PAI TO THE HISPANIC TECHNOLOGY AND TELECOMMUNICATIONS PARTNERSHIP DIGITAL INCLUSION SUMMIT

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Hello everybody! Thank you to Alejandro and everyone at the Hispanic Telecom and Technology Partnership for inviting me to be a part of your first Digital Inclusion Summit. I look forward to today's question and answer session. But before we get to that, I've been asked to deliver some brief remarks. I'd like to start off with a story.

In November 2017, I visited Puerto Rico to survey the damage from Hurricanes Irma and Maria. Although nearly two months had passed since the historic storms, the devastation was still unlike anything I had ever seen. There were remnants from mudslides, downed power lines, and debris everywhere. I specifically remember seeing a huge concrete pole used for stringing power lines that had been bent over 120 degrees. 47% of the cell sites on the island were still out of service, which was actually tremendous progress from the 95% of sites that were out immediately after the storm.

The FCC acted quickly to help with the initial restoration efforts, providing an immediate infusion of about \$66 million from the Universal Service Fund to assist carriers in Puerto Rico and the U.S. Virgin Islands. The FCC later set up the Uniendo a Puerto Rico Fund and Connect USVI Fund, which in their first stages provided an extra \$130 million in funding for network restoration in Puerto Rico and the U.S. Virgin Islands.

While I'm gratified that the FCC moved quickly to provide immediate relief, I'm particularly proud that we didn't stop there. In March 2018, I made a return visit to Puerto Rico, and it was clear that the island faced many connectivity challenges that preceded these historic storms. Accordingly, the FCC approved up to \$950 million in additional investments through a second stage of funding for the Uniendo a Puerto Rico Fund and Connect USVI Fund.

The goal of this funding goes far beyond simply recovering from the devastation of Irma and Maria. It is more about connecting everyone in Puerto Rico to the opportunities of the Internet age and ensuring that hardened networks would withstand the next storm. It is about bringing broadband connectivity to people and places in Puerto Rico that have never had broadband access. This is not a plan to return Puerto Rico to the way things were, but a plan to move Puerto Rico forward into the digital future.

I tell this story because it applies directly to our current crisis.

If there's one positive to come out of the pandemic, it is that it's ended, once and for all, any debate about the need for universal access to high-speed broadband. If you don't have broadband, you can't work from home. Your children can't attend online classes. You can't see a health care provider remotely. You can't FaceTime with your parents who are staying at home. I could go on, but I'm sure that you get the point.

At the onset of the pandemic, the Commission decided that our top priority was to make sure that as many Americans as possible would have Internet access and that no American would lose service because of the disruptions caused by the COVID-19 pandemic.

To meet that priority, among other things, in mid-March we called on broadband and telephone service providers to sign onto what we called our Keep Americans Connected Pledge. The pledge had three core commitments: no consumer would lose service over the next 60 days due to an inability to pay a bill because of the disruptions associated with the pandemic; no one would be charged late fees because of the pandemic; and Wi-Fi hotspots would be opened up to anyone who needed them. Ultimately, almost 800 companies agreed to the Pledge, and it was extended through the end of June.

COVID-19 has raised awareness about the importance of closing the digital divide. And the Keep Americans Connected pledge proved to be an effective solution to the immediate connectivity challenges highlighted by the pandemic. But our nation had connectivity gaps before the pandemic that will still be a challenge in the years ahead. COVID-19 isn't the reason that 23% of Hispanic households with school age children lack access to home broadband.

That's why the FCC has pursued and will continue to pursue an aggressive strategy to connect all Americans.

In the United States, we primarily rely on roughly about \$80 billion a year in private investment to upgrade and expand our wired and wireless networks. That is why bridging the digital divide requires reducing the cost of broadband buildout, which in turn requires reducing the regulatory burden on buildout.

Across the board, the FCC has been working hard to modernize its regulations and clear unnecessary roadblocks to network investment. The details of this work can sound deathly boring—easing access to utility poles; making it easier for companies to transition from copper lines to fiber networks; abolishing rules developed in the 1930s to heavily regulate the Internet like a slow-moving utility; and more. But the results certainly are not.

Millions more Americans have access to the Internet today than in 2016. In 2018 and then again in 2019, the United States set records for annual fiber deployment. The number of new cell sites in the United States has skyrocketed. Average download speeds for fixed broadband have doubled since the end of 2017. The number of Americans enjoying more than two options for standard fixed terrestrial broadband service has increased by 52%. And a <u>new study</u> came out recently showing that, compared to 2015, today's average consumer is paying 28% less for broadband in real terms while enjoying faster speeds.

So we've made a lot of progress, but we still have work to do.

Here's the bottom line. On my first day as FCC Chairman, I said that my number one priority would be closing the digital divide and bringing the benefits of the Internet age to all Americans. We've made a lot of progress toward that goal over the past three-plus years, but we're showing no signs of letting up. The FCC is committed to working with the Hispanic Telecom and Technology Partnership and other dedicated advocates like you to finish the job of closing America's connectivity gap.