

**Wireline Competition Bureau Presentation to Commissioners**

**January 13, 2021 Open Meeting**

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Good morning Chairman Pai, Commissioner Carr, Commissioner Rosenworcel, Commissioner Starks, and Commissioner Simington, and thank you Mr. Chairman for that kind introduction.

The Wireline Competition Bureau has had an exciting, fulfilling, and extraordinarily meaningful four years working for the American public and helping to achieve the Commission's top strategic goals of closing the digital divide, promoting innovation, protecting consumers and public safety, and reforming the FCC's processes. We have worked aggressively to achieve these objectives from the beginning of your Chairmanship and, when the COVID-19 pandemic struck, took on additional responsibilities to quickly implement Congressional directives and provide relief in a number of significant ways. Our achievements are too many to cover adequately here, so I will use this opportunity to highlight just a few key examples of the Bureau's tremendous work. And I want to note that many of these achievements were collaborative efforts with our colleagues from other Bureaus and Offices, a hallmark of the Commission's processes and culture.

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Before turning to the highlights, however, a quick snapshot of the Bureau. The Wireline Competition Bureau's mission is to ensure that all Americans have access to robust, affordable broadband and voice services; and to protect consumers and foster competition. We work to achieve our mission through a Front Office and three Divisions – the Competition Policy, Pricing Policy, and Telecommunications Access Policy Divisions. We also oversee three important Federal Advisory Committees – the North American Numbering Council, the Broadband Deployment Advisory Committee, and the Precision Agriculture Connectivity Task Force.

We are 157 employees strong!

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Under Chairman Pai's leadership, the Commission's number one priority has been closing the digital divide and bringing the benefits of the Internet age to all Americans. The Bureau, through our work on universal service and our work to remove regulatory barriers, played an integral role.:

- Our universal service support helped to expand broadband in high-cost areas to more than 2.5 million homes and businesses between 2017 and 2019, and we secured commitments to expand broadband to approximately 8.2 million additional locations.
- We awarded funding through the Uniendo a Puerto Rico Fund and Connect USVI Fund to expand, improve, and harden broadband networks in Puerto Rico and the U.S. Virgin Islands—areas that have suffered so much devastation to communications infrastructure in recent years.
- We further strengthened universal service and enhanced programmatic efficiency and accountability for all of the USF programs, for instance by implementing performance measures for high-cost recipients, promoting the deployment of Wi-Fi for schools and libraries, boosting funding for rural health care providers, and launching the National Lifeline Eligibility Verifier in all states and territories including Washington, DC.
- We promoted broadband deployment and competition with One-Touch Make-Ready and pole attachment reform by speeding up the attachment process, reducing costs, and increasing transparency.
- And, we removed regulatory barriers to upgrading networks and transitioning to next-generation technologies by streamlining discontinuance rules and eliminating unnecessary network change rules.
- As a result of our efforts, the digital divide has narrowed considerably. For example, since 2016, the number of rural Americans lacking access to broadband with speeds of at least 25/3 Mbps has fallen by more than 46%.

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To promote investment, innovation, and broadband deployment, the Bureau led the Commission in one of its most significant achievements — Restoring Internet Freedom. In doing so, the Commission returned to the longstanding, bipartisan light-touch regulatory framework that had fostered rapid Internet growth, openness, and freedom for nearly 20 years. This decision reversed heavy-handed, utility-style regulation on broadband providers; and, since adoption, average fixed broadband download speeds in the United States have more than doubled and service providers have invested billions in their networks and set records for fiber deployment. The D.C. Circuit upheld the vast majority of the Commission’s decision, remanding three discrete issues, which the Bureau teed up for the Commission’s consideration this past October. The Commission then adopted an Order concluding in each case that there was no basis on which to alter the conclusions in the Commission’s original decision.

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We are also committed to protecting consumers and public safety. Here, for example, we:

- Strengthened the nation’s security by ending Universal Service Fund support for any company posing a national security threat to the integrity of communications networks or the communications supply chain. Specifically, in coordination with the Public Safety and Homeland Security Bureau, we designated Huawei and ZTE as threats to our national security and began the process of removing and replacing their equipment in our networks.
- We combated Caller ID Spoofing by implementing the TRACED Act and mandating the implementation of the SHAKEN/STIR caller ID authentication framework.
- We assisted incarcerated individuals and their families by reforming rates, charges, and practices for inmate calling services.
- We helped Americans in crisis by designating 988 to become the nationwide suicide prevention and mental health crisis hotline number beginning July 16, 2022. During the transition to 988, Americans who need help should continue to contact the National Suicide Prevention Lifeline by calling 1-800-273-8255 (1-800-273-TALK).

- And we saved consumers money by eliminating wasteful arbitrage schemes that exploit the system of intercarrier compensation between local and long-distance service providers.

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At the same time, the Bureau did not lose sight of the need to make the Commission more efficient by reforming processes, modernizing our regulations, and removing regulatory burdens. Among many efforts, the Bureau has:

- Modernized outdated network unbundling obligations by granting incumbent local exchange carriers relief from 1996-era regulatory obligations where they were no longer necessary for competitive entry;
- Eliminated tariffing and *ex ante* pricing regulation of high-speed services;
- Conducted the Commission's first-ever auction of toll free numbers;
- Removed unnecessary accounting requirements, which will allow carriers to refocus scarce resources toward expanding and modernizing their networks; and
- Removed outdated legacy voice service regulations by eliminating avoided-cost resale obligations and redundant notice requirements, in addition to streamlining discontinuance relief.

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The global COVID-19 pandemic caused seismic shifts for many in the way we work, learn, access healthcare, and stay connected to family and friends. As the Commission moved to mandatory telework to keep our staff safe, the Bureau responded to the pandemic, without missing a beat, by swiftly implementing newly enacted programs and providing relief where we could, as Americans continued to face incredible and unprecedented challenges:

- Within a few days of the CARES Act being signed into law, the Bureau, with the help of colleagues throughout the agency, designed and launched the COVID-19 Telehealth Program, and within a matter of weeks exhausted the \$200 million budget Congress established by funding much needed devices and services for health care providers throughout the country to help battle

the pandemic. And just last week, we initiated Round 2 of the program, which received an additional nearly \$250 million from Congress.

- The Bureau also ensured connectivity for Schools, Libraries, and Health Care Facilities by waiving certain program rules, extending deadlines, and increasing funding opportunities.
- We partnered with the Department of Education to promote the CARES Act's funding for remote learning; waived several Lifeline Program rules to help low-income consumers keep and maintain the broadband service that has been so crucial during the pandemic; and provided regulatory relief to ensure consumers would not lose access to software platforms so essential to school and work.
- Finally, just recently, at the end of 2020, the Bureau began implementation of the \$3.2 billion Emergency Broadband Connectivity Fund. This new program will reimburse participating companies for providing discounted broadband service and connected devices to eligible households during the COVID-19 pandemic

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In short, it has been an incredibly productive and busy four years for the Bureau. By rough count, the Bureau circulated (and the Commission adopted) over 160 Commission-level items. An impressive number, for sure, but one which does not reflect the enormous day-to-day work and activities of the Bureau. Again, by rough count the Bureau adopted and/or released over 2,700 Bureau-level items. The Telecommunications Access Policy Division resolved nearly 4,000 USAC appeals. The Competition Policy Division processed over 235 Section 214 transfer of control transactions and 292 discontinuance applications. And the Pricing Policy Division processed over 15,000 tariff filings. The scope and importance of this incredible work deserves recognition.

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Finally, I want to say thank you to you for your leadership and to the tremendous WCB staff. Their hard work and commitment over these four years has been fantastic. The staff approaches their work with the utmost professionalism and dedication; their extraordinary commitment to public service is

unparalleled. This past year has greatly tested all of our resolve and determination. Despite the obstacles and challenges, the staff of the Bureau has continually exceeded expectations.

Over the past four years, at our gatherings to celebrate our many accomplishments, I have had opportunities to thank the staff for their tremendous work — sadly, not in person over the past ten months. I would like to take this opportunity to again applaud everyone in the Bureau for their hard work, their dedication, and their commitment. It has been my honor and privilege to work alongside you, and to count each of you not only as a colleague, but also as a friend. Thank you for everything that you do, day in and day out, on behalf of the American people.