

## OPENING STATEMENT

The Honorable José Serrano  
Chairman, Financial Services and General Government Subcommittee  
House Committee on Appropriations

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Hearing on Federal Communications Commission  
Fiscal Year 2011 Budget Request  
June 9, 2010

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The subcommittee will come to order. We are pleased to have Chairman Genachowski before us today to discuss the FCC's proposed budget for next year and the commission's Broadband Plan.

Rapid changes in communications technologies are giving consumers more options, even as it gives some providers more leverage for high prices. The FCC must run faster and faster to keep pace with these changes. We count on the FCC to regulate communications so as to protect consumers without stifling innovation.

Last March, the FCC issued its Broadband Plan that lays out the current Commission's perspectives on the future of communications. As the Broadband Plan made clear, Americans increasingly rely on broadband Internet connections for delivery of fast, rich and reliable transmission of voice, text, Internet browsing, medical images, entertainment, or almost any other form of communication.

As the Broadband Plan explains, wireless spectrum is becoming increasingly in demand as more communications go wireless and require more bandwidth. We face a crisis if we do not act soon to free up more spectrum for broadband communication. I applaud the FCC's efforts to identify under-used spectrum for possible conversion to broadband applications.

I am also pleased that the Plan recognizes the benefit to our society when almost everyone has access to broadband connections. More and more, access to broadband opens opportunities in education, job-hunting, becoming an informed voter, and so forth – and lack of access to broadband closes opportunities. We must work to close the “digital divide” in access to broadband.

Not long after the ink dried on the FCC Broadband Plan, a ruling by the Court of Appeals for the DC Circuit raised questions about the FCC's authority to regulate internet service providers. As a recent New York Times editorial pointed out, it is essential for the FCC to have authority over the Internet, the dominant 21<sup>st</sup> Century mode of communications. We are looking forward to better understanding your decision to launch proceedings to bring ISP's under Title II.

This subcommittee has also been concerned that – almost nine years after 9/11 and six years after the 9/11 Commission report – our first responders still lack the robust, interoperable communications system needed in the case of major emergencies. Your Broadband Plan recommends one approach that has been endorsed by both co-chairs and two other members of the 9/11 Commission, but that approach has been opposed by some organizations representing first responders. We look forward to learning how you propose to resolve this situation so that we can move ahead.

“PEG” channels that provide public, educational, and governmental information to cable TV viewers make a vital contribution to our civic society. As technology has evolved, some of those PEG channels have become more difficult to access. Despite many petitions and comments for the record, the FCC has failed to fix this problem. I was disappointed that your 360 page Broadband Plan made no mention of the future of PEG, much less proposed a solution.

Finally, as you know, I have been concerned that Americans living in the territories often lack communications services comparable to those available in the states. Your report on communications services available in the territories shows dismal rates of Internet use in the territories. I was pleased to see that the commission recently gave the go-ahead for XM-Sirius to make the investments necessary to operate effectively in Puerto Rico. I remain concerned about the availability of Universal Service Funds there.

With those opening remarks, I would like to recognize Ms. Emerson for any opening statement that she wishes to make.