



**Opening Statement of Chairman Graves**  
**Digital Divide: Expanding Broadband Access to Small Businesses**  
**Committee on Small Business**  
**July 18, 2012**

Good afternoon. This hearing will come to order.

I want to thank our distinguished panel of witnesses for testifying today. We appreciate your participation in this important hearing.

Today we have the opportunity to hear from three key federal agencies on their efforts to expand broadband access to small businesses across America. These agencies play an important role in developing the policies and programs aimed at incentivizing broadband deployment by the private sector.

Access to broadband has the potential to transform the way small businesses operate and compete in today's economy. It provides small firms the opportunity to utilize a variety of new tools to help reduce costs and increase productivity. Email, online marketing, video conferencing, and access to cloud computing are just a few examples. Moreover, access to high-speed Internet is a catalyst for economic growth and entrepreneurship, especially in rural areas.

While it is easy to understand the benefits of broadband Internet; those capabilities would not be available if not for the contributions of private Internet providers. Earlier this year our Subcommittee on Healthcare and Technology, chaired by Mrs. Ellmers, held a hearing on this subject with private carriers and users. The consensus response we heard, and continue to hear today, is the need for regulatory certainty. They need to know what regulatory changes are coming, and when, so they can make the necessary adjustments to their business operations.

This brings me to a couple of important points. First, when agencies consider new policies, like reforming the universal service fund, we need to ensure that these changes do not diminish the incentives for private sector investment to deploy broadband. And second, I encourage you to accelerate the supply of spectrum for wireless providers to keep up with the growing demand. The boom in wireless smart phones and tablets has created a new market of innovation and capabilities for small businesses that must continue.

Without private sector investment in broadband infrastructure, many small businesses in rural areas, like northwest Missouri, will be disconnected from one of the most powerful tools of our generation, which will in turn hamper their success.

Again, I want to thank our panel for being here. We look forward to your testimony.

I now yield to the Ranking Member for her opening statement.