

**STATEMENT OF CONGRESSMAN RICK BOUCHER**

SUBCOMMITTEE ON COMMUNICATIONS, TECHNOLOGY, AND THE INTERNET

OVERSIGHT OF THE AMERICAN RECOVERY AND REINVESTMENT ACT:  
BROADBAND

APRIL 2, 2009

Today our Nation has a unique opportunity. Although the circumstances of our economic emergency are dire, the \$7.2 billion in the American Recovery and Reinvestment Act for broadband is welcome and is much needed.

Congress wisely divided this money between the National Telecommunications and Information Administration (NTIA) at the Department of Commerce, which was allotted \$4.7 billion, and the Rural Utilities Service of the Department of Agriculture, which received \$2.5 billion. I am pleased that the Administration is treating these two allocations as two parts of the same program. The agencies should work together to ensure consistency in program management, and it is my understanding that with facilitation from the Administration, they are.

The money is among other things to provide broadband service, including infrastructure and equipment, in unserved and underserved areas. Both areas are important, and the statute requires accommodating both. We want to ensure that everyone has access to broadband, and we also want to ensure that everyone has

access to broadband at meaningful speeds and affordable prices and can benefit from competition among service providers.

For the broadband programs to be effective, we need a sensible definition of “unserved.” We would not, for example, want to exclude areas where there is a smattering of broadband service but where the service is generally absent throughout the community. As Mr. Large will testify, when agencies define unserved unreasonably and disqualify an entire community from a broadband grant program because a single home has access to high-speed Internet service, large numbers of people suffer.

Similarly, the agencies must craft a definition of “underserved” with care. It is, for example, appropriate to provide support where there is currently only one broadband provider, so a community gets the benefit of market competition. And we should not equate underserved only with the absence of competition. Underserved can also refer to communities with inadequate broadband speeds. A community should not be disqualified from the program because there are multiple providers offering broadband with a download speed of just 256 or 512 kbps. Finally, communities where broadband is only available at unreasonably high prices should also be considered underserved.

The NTIA funds are subject to nondiscrimination and interconnection requirements. The art of applying this provision will be to develop standards that: (1) are meaningful and ensure open and nonproprietary networks; (2) are not overly burdensome for providers; and (3) can be put into place quickly. We do not want to deter applicants and therefore need definitions that will not inhibit private sector participation. The programs should honor the principle of technological neutrality, which will ensure that we build out broadband more efficiently. The agencies should truly consider all technologies, including wireline, wireless, satellite, and point-to-point microwave, as appropriate for the terrain, size of the population to be served and other location specific factors.

It is also important to keep in mind that the stimulus money is not our national broadband policy. It is an important first step in getting broadband out to more unserved and underserved areas, but the Subcommittee will continue to be actively involved in looking at ways to achieve universal broadband deployment, including by making broadband eligible for universal service fund support. Among other things, the Recovery Act directs the FCC to provide Congress with a national broadband plan within a year, which will also be helpful in setting our comprehensive long term broadband policy.

I commend the NTIA, the RUS, and the FCC for the tremendous work they have done on this program so far. I look forward to hearing from them and the rest of our distinguished panel about these and other matters. Thank you to our witnesses for being here today, and I recognize Mr. Stearns.