

**Written Statement of  
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**“Oversight of the Federal Communications Commission:  
The National Broadband Plan”  
Hearing before the  
Subcommittee on Communications, Technology, and the Internet  
United States Senate  
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Chairman Boucher, Ranking Member Stearns, Members of the Committee, thank you for the opportunity to testify today on the National Broadband Plan.

The Plan, as you know, stems from a Congressional directive that the FCC prepare a “national broadband plan” that “shall seek to ensure that all people of the United States have access to broadband capability,” include a strategy for affordability and adoption of broadband, and also recommend ways that broadband can be harnessed to tackle important “national purposes.”

The Plan addresses each aspect of these Congressional requirements in a way that reflects a strong conviction that, as our nation rebuilds its economy, broadband can and must serve as a foundation for long-term economic growth, ongoing investment, and enduring job creation.

Broadband is the indispensable infrastructure of the digital age – the 21<sup>st</sup> Century equivalent of what canals, railroads, highways, the telephone, and electricity were for previous generations.

Multiple studies tell us the same thing – even modest increases in broadband adoption can yield hundreds of thousands of new jobs.

Broadband increases the velocity of information, and the velocity of commerce.

A broad array of people throughout the ecosystem – investors, entrepreneurs, business leaders, labor leaders, consumer advocates and others – agree that if the United States has world-leading broadband networks, we will see a powerful new wave of innovation, and business and job creation here at home.

The title of one recent op-ed written by the CEO of a major American technology company said it well: “Fix the bridges, but don’t forget broadband.”

We have work to do to seize the opportunities of broadband. The status quo is not good enough. The record compiled during the FCC’s broadband proceeding shows that, notwithstanding the many exciting and positive developments in the U.S. around wired and wireless broadband, our country is not where it should be – or needs to be – to maintain our global competitiveness in this rapidly changing world.

First, studies place the U.S. as low as 16th when it comes to important attributes of broadband adoption and speeds. Our record shows roughly 65% adoption in the U.S. compared to significantly higher adoption percentages for some countries in Asia and Western Europe.

One study ranks the U.S. 6th out of 40 industrial countries in innovative competitiveness – and 40<sup>th</sup> out of the 40 in “the rate of change in innovative capacity.” The first of those rankings is enough of a concern. That last-place statistic is the canary in the coal mine.

It shows that we will not succeed by standing still, or even moving at our current pace.

Second, certain communities *within* the U.S. are lagging – rural Americans, low-income Americans, minorities, seniors, Tribal communities, and Americans with disabilities. For these groups, adoption rates are much lower than 65%.

Altogether, 93 million Americans are not connected to broadband at home, including 13 million children. And 14 million Americans do not have access to broadband where they live, even if they want it.

Finally, the work of the FCC staff on the broadband plan showed that the costs of digital exclusion grow higher every day. Several years ago, not having broadband could have been thought by some to simply be an inconvenience. Now, broadband access and digital literacy are essential to participation in our economy and our democracy.

- For example, more and more companies are posting job openings *exclusively* online. If someone is unemployed and does not have access to broadband, opportunities are passing them by.
- Children are increasingly given homework and research assignments that require online access. Studies show that combining in-person instruction with online learning can significantly improve educational results. Children are at a disadvantage if they can't connect to broadband at home, or are in schools with inadequate broadband connections.

As I believe Congress anticipated when it directed the FCC to prepare a National Broadband Plan, the plan that the FCC has submitted is a plan for action, and a call to action, that these times demand.

The staff has produced a plan that is as strong as it is non-ideological and non-partisan. It was the outcome of an extraordinary process that has been unprecedented in many respects: unprecedented in its openness and transparency; in the breadth and depth of public participation; in its professionalism; and in its focus on data and its analytical rigor.

The Plan sets ambitious goals for the country, including:

- Access for every American to robust and affordable broadband service and to the skills to subscribe.
- Broadband speed of at least 1 gigabit to at least one library, school, or other public anchor institution in every community in the country.

- Affordable 100 megabits per second to 100 million households.
- World leading mobile innovation, with the fastest and most extensive wireless networks of any nation.
- Access for every first-responder to a nationwide, interoperable broadband public safety network.

In addition to these and other goals, the Plan lays out a robust, sensible and efficient roadmap for achieving them:

- It proposes a once-in-a-generation transformation of the Universal Service Fund from yesterday's technology to tomorrow's.
- It proposes recovering and unleashing licensed and unlicensed spectrum so that we can lead the world in mobile.
- It proposes ways to cut red tape, lower the cost of private investment, and accelerate deployment of wired and wireless networks.
- It proposes initiatives to foster vibrant and competitive free markets and empower consumers.
- It proposes a roadmap to tackle vital inclusion challenges, so that everyone, everywhere can enjoy the benefits of broadband.
- And it proposes ways in which broadband can be deployed to help solve many of our nation's major challenges: including education, health care, energy, and public safety.

All of these solutions – coupled with the Plan's recommendations on eGovernment – can not only lead to improvements and cost savings in each of area, they can increase demand for broadband, creating a virtuous cycle that will promote broadband build out and adoption, and help spur our economy.

On public safety, America's first responders are on the front lines every day protecting our families and communities. The National Broadband Plan lays out a multi-part gameplan designed to finally deliver on the recommendation of the 9/11 Commission that we have interoperable communications for our first responders.

I am pleased that several bi-partisan members of the 9/11 Commission – including Chair and Vice Chair Thomas Kean and Lee Hamilton – have praised the Plan's public safety provisions as “a clear roadmap for finally reaching th[e] goal” of interoperability.

I am similarly heartened that a broad array of companies – including companies that often disagree on key communications policies – as well as non-profits, consumer and public interest groups have voiced strong support for the Plan and for moving expeditiously toward implementation.

If I may pull out one quote, John Chambers, CEO of Cisco, wrote in *Business Week*: “The vital communications systems that make our economy work and serve as a platform for business innovation and social interactions are second-class. Sadly, many of us have accepted that. It's time to overcome our broadband complacency. The national broadband plan sent to Congress by the Federal Communications Commission is critical to our economic and national security. Without a plan, we simply cannot compete.”

I believe the Plan will deliver extremely significant economic and fiscal benefits over time, as broadband is harnessed for job creation and new investment.

And cognizant of the challenging economic times we now confront, the Plan is fiscally prudent. The Plan recognizes the overwhelming primacy of private investment in achieving our national broadband goals. And it identifies opportunities for new spectrum auctions that could generate billions in revenue, exceeding any funding or investments that the Plan suggests for Congressional consideration.

As we move forward, working with this Committee and all stakeholders, the same principles that guided the creation of this plan will guide its implementation, including:

- Processes that are open, participatory, fact-based, and analytically rigorous.
- A recognition of the transformative power of high-speed Internet.
- The essential role of private investment in extending broadband networks across our Nation.
- The profound importance of vibrant competition to bring consumers the best services at the best prices, and to spur world-leading innovation and ongoing investment.
- The necessity of tackling vital inclusion challenges and promoting universal digital literacy, so that everyone, everywhere can enjoy the benefits of a broadband internet that is open, safe, and trusted.
- And a recognition that government has a crucial, but restrained, role to play, focusing with laser-like precision on efficient and effective solutions.

As the Executive Director of the agency's broadband effort, Blair Levin, said: “This plan is in *beta* and always will be.” Like the Internet itself, the plan should change in light of new developments. Implementation requires a long-term commitment to measuring progress and adjusting to improve performance. But evaluation is no excuse for paralysis.

The important point is to act on the challenges and opportunities of broadband. Other countries are doing so; they are developing infrastructure to attract technology innovators. A recent *New York Times* article reported that, for the first time, the Chief Technology Officer of a major American tech company, has moved to China. Reporting from China, the reporter wrote:

“Companies – and their engineers – are being drawn here more and more as China develops a high-tech economy that increasingly competes directly with the United States.”

In the 21<sup>st</sup> century digital economy, to stand still is to fall behind. I look forward to working with Members of the Committee on our broadband plan and on all ideas to unleash the power of broadband, a technology with the greatest potential since the advent of electricity to advance our economic and social well-being, to the benefit of all Americans.

Thank you.

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