

Senate Committee on Commerce, Science & Transportation

The State of Broadband Amid the COVID-19 Pandemic

May 13, 2020

10:00 am, 106 Dirksen Senate Office Building

Purpose

The purpose of this hearing was to examine the current state of broadband internet and identify strategies to increase access for all Americans.

Members Present

Chairman Wicker, Ranking Member Cantwell, Senators Blunt, Klobuchar, Fischer, Udall, Thune, Tester, Moran, Markey, Blackburn, Rosen, Capito, Lee, Baldwin, Sullivan, Schatz, Blumenthal, and Sinema

Witnesses

Mr. Steven Berry, President and Chief Executive Officer, Competitive Carriers Association

Ms. Shirley Bloomfield, Chief Executive Officer, NTCA - The Rural Broadband Association

Mr. Gene Kimmelman, Senior Advisor, Public Knowledge

Mr. Jonathan Spalter, President and Chief Executive Officer, USTelecom - The Broadband Association

Opening Statements

(29:56) Chairman Wicker said that the COVID-19 crisis has changed the lives of many Americans. Amid this pandemic, many services and industries such as schools and medical care are taking place over broadband. This has resulted in a nearly 47% increase in daily broadband usage. The good news is that most Americans have access to broadband. However, it remains true that there are still significant gaps in broadband coverage across America. The bipartisan CARES Act allocated significant dollars to eligible entities to support broadband needs. These resources are vital to vulnerable communities and children across the nation. The nation also needs a regulatory framework that encourages investment in broadband development. This committee should focus on ways to promote broadband as opposed to creating barriers. As more Americans rely on their internet connections, enhancing reliability is a top priority.

(36:30) Ranking Member Cantwell said that the COVID-19 crisis has made it clear that every American needs access to high-speed broadband internet in their own home. Staying connected is as critical as ever. Broadband is essential, but currently it is without universal access. The FCC reports that at least 18 million Americans lack access to broadband, and suspect that the actual number is much higher. There remain glaring disparities between those that can and cannot afford these services. Too many children in this country do not have reliable connection to the internet. This limits the ability to learn outside of the classroom. COVID-19 has also changed the healthcare delivery system. Many provider practices are closing their doors and investing in telehealth services. That is why it is so important to make sure that everyone has access to broadband. Furthermore, access to broadband is sparse in Native American communities when compared to the rest of the country. It is time to make a significant investment in broadband.

Testimony

(43: 28) Mr. Berry said that it is now painfully clear that there are many areas of the country where more work needs to be done to provide and extend wireless services. Broadband access has been put to its greatest test as a vast swath of the country—and world—is under stay-at-home orders. While it is important to focus today on the steps being taken to maintain connectivity for those where services are available, we must also recognize how the pandemic has confirmed the significant disconnect experienced by those on the wrong side of the digital divide. New network planning has slowed substantially, and carriers are facing new challenges navigating the permitting process at state and local levels due to the pandemic. All carriers have experienced increased network use over the last few months because of the COVID-19 pandemic. Like many Americans, the communications sector has scrambled to find sufficient Personal Protective Equipment (PPE). In addition, CCA supports the Stay Connected Voucher proposal. The Stay Connected Voucher would help customers remain connected without later facing bill shock, undue hardship, and potentially negative impact to their credit. Policymakers in Congress and the FCC must focus on updating our nation’s mobile broadband coverage maps, reform deployment policies to support a 5G future, and provide resources to ensure that ubiquitous mobile services are available in urban and rural areas alike.

(48:28) Ms. Bloomfield said that this pandemic has highlighted that having the connectivity enabled by high-speed download and equally important upload speeds in your home is one of the most important elements of everyday life. Today, communities across America are struggling to battle new realities unfathomable just a few months ago. It is estimated that approximately 33.5 million Americans have filed unemployment claims since the start of the pandemic. It is therefore not surprising that NTCA members report that customers are increasingly raising concerns about an inability to pay for their communications services. To put such impacts into perspective, we heard from one rural cooperative who is nearly \$60,000 in the red already in keeping voice and broadband service on for customers who have become unable to pay these past several weeks. Unfortunately, sourcing PPE for employees continues to be a struggle. In the near-term, we need both to make sure that those who *are not* yet connected get connected and to make sure that those who *are* connected today stay connected. In the longer-term, we need to think about how we can develop a coherent and coordinated national broadband infrastructure policy so that we are not back here again someday.

(55:30) Mr. Kimmelman Said that broadband is critical for everything from finding a job to receiving medical care, connecting with loved ones, learning, engaging in democratic processes, and being entertained. Without broadband, our nation cannot compete economically, advance technologically, or promote the public interest. Unfortunately, this essential service is not available to all Americans. During this crisis, students without broadband connections find themselves doing schoolwork from the parking lots of closed schools or libraries, if they are able to do their schoolwork at all. Although broadband is critical, our nation has a large digital divide, leaving those on the wrong side of it struggling to connect. Currently, more than 42 million Americans don’t have the ability to purchase

broadband, and almost half of the country can't access the internet at broadband speeds. Congress must invest in expanding broadband access to those in need in rural, suburban, and urban communities across the country. They can do this by passing policies that ensure broadband is affordable and that consumers have the devices and digital literacy skills they need to access it, and by ensuring that all internet access is reliable, resilient, and sufficient to enable households to meaningfully engage a broad range of online activities. Our nation cannot close its digital divide if funding is not directed to all unserved and underserved areas in urban, suburban, and rural areas. Currently, internet service providers are less likely to deploy broadband in low-income or rural areas because doing so is less profitable or riskier than deploying elsewhere. If Congress were to invest the funds needed to deploy broadband universally, that funding would be unlikely to completely close the digital divide because the FCC doesn't have accurate mapping data with which to make funding decisions.

(1:00:30) Mr. Spalter said that broadband connectivity is reshaping the delivery of 21st century education, healthcare, access to government services, entertainment, civic participation, and commerce. It has also shined a light on the significant impact on those of our fellow citizens who still are unable to access these critical networks – whether due to a lack of availability or an inability to afford the service. COVID-19 has removed any lingering doubts about the important role broadband plays in today's society, but it also magnifies the need for actions that make broadband accessible for all, including policies designed to address increased adoption, affordability for low-income households, and access to expanded opportunities for online education and healthcare applications. Congress should adopt a legislative framework that capitalizes on the work, preparation, and foresight of the government agencies it has already charged with meeting our nation's broadband needs. The best programs are the ones that were implemented deliberately, well thought out with both government and industry input, and that can provide nearly immediate results. Congress should leverage existing broadband programs in place today at the FCC and the Rural Utilities Service (RUS). Specifically, Congress should provide substantial additional funding to the FCC that it can allocate toward programs such as the Rural Digital Opportunity Fund (RDOF), which is set to launch later this year, as well as the Alternative Connect America Cost Model (ACAM) at levels that will achieve 100% fiber broadband connectivity nationwide.

Questions and Answers

(1:06:26) Chairman Wicker asked how much the Broadband Data Act would cost. **Mr. Spalter** said estimates suggest about \$25 million. **Chairman Wicker** asked if our networks are handling the increase in utilization well. **Ms. Bloomfield** said there is a lot of focus on download speed, but there needs to be a focus on upload speed. **Mr. Berry** said that wireless networks are resilient because they are often self-contained. **Mr. Spalter** said the United States is doing better than other countries. This is because there is an incentive to invest in networks. **Mr. Kimmelman** said people in rural America have significant problems.

(1:11:48) Ranking Member Cantwell asked what Congress should do on broadband now in order to be more comprehensive. **Mr. Kimmelman** said there is a need to update the universal service fund, as well as serious investments in telehealth. Communities need to participate more. States should not be able to block competition on broadband.

(1:16:00) Sen. Blunt asked if there would be merit to Congress beginning to set deadlines on how quickly distributions in the Digital Opportunity Fund need to occur. **Ms. Bloomfield** said the fund is currently on track to distribute the funds. **Sen. Blunt** asked how Congress can help individuals afford access to broadband. **Mr. Berry** said that Senator Markey has a bill that should be considered. There also needs to be significant investment in wireless internet. The real gap is identifying the areas of highest need. There should be investment in mapping these communities.

(1:21:15) Sen. Klobuchar asked about the importance of the Keeping Critical Connections Act. **Ms. Bloomfield** said that the bill is important because it would prevent people from getting their services cut off due to financial hardships. This is an essential service. **Sen. Klobuchar** asked about the importance of ensuring access to the internet for college students. **Mr. Kimmelman** said that it is vitally important to support access for college students.

(1:27:30) Sen. Fischer asked what short term strategies can support students at the moment. **Mr. Spalter** said that Congress should move rapidly to establish emergency funding programs to be able to accelerate the ability to expand broadband services. **Sen. Fischer** asked what can be done to encourage private-public partnerships. **Ms. Bloomfield** said that public entities need to start building relationships with private companies. Places that have been the most successful already had these relationships established.

(1:32:45) Sen. Udall asked how to bridge the divide between tribal communities and the rest of the country. **Mr. Spalter** said that private and public partners need to work very closely with these communities. There are a number of private companies who are working on these investments right now. **Ms. Bloomfield** said that tribal lands have unique challenges. Contribution reform is desperately needed.

(1:38:04) Sen. Thune asked how the regulatory climate in the US has affected access to broadband. **Mr. Spalter** said that while there is work to be done, the current regulatory environment has promoted investments in broadband. **Sen. Thune** asked if regulatory burdens will limit investments and innovation in broadband. **Mr. Berry** said that there will be an opportunity at the end of COVID-19 to truly invest in broadband in vulnerable communities. **Sen. Thune** asked what steps Congress should take to expand access to broadband. **Ms. Bloomfield** said that there is a need to improve mapping initiatives. Broadband is not cheap, but it is worth it. There is a need to combine state and federal initiatives. **Sen. Thune** asked how important it is to get the data right when creating a broadband map. **Mr. Berry** said it is critical.

(1:45:15) Sen. Tester asked if it is possible to expand access to broadband internet without accurate mapping. **Ms. Bloomfield** said that mapping is absolutely essential. **Sen. Tester** asked if it is wise for the FCC to move ahead in expanding broadband without mapping. **Ms.**

Bloomfield said that they are starting in communities of known need, so it is a good starting point. **Mr. Berry** said it is better to get started now than wait for all of the data. It is possible to walk and chew gum at the same time. **Sen. Thune** asked if there is enough PPE for broadband workers. **Mr. Berry** said it is very difficult to obtain PPE.

(1:51:18) Sen. Moran asked if there is a way to continue to deploy broadband while the information on mapping is being collected. **Mr. Berry** said yes. This is especially possible in wired internet connections. The wireless side will require more data. **Mr. Kimmelman** said it is possible, and there is an opportunity for Congress to insist that companies that successfully bid for a contract immediately receive their funds.

(1:57:04) Sen. Markey asked if the witnesses support providing billions to bridge the learning gap during the COVID-19 pandemic. **Mr. Berry** said yes. **Ms. Bloomfield** said yes. **Mr. Spalter** said yes. **Mr. Kimmelman** said yes. **Sen. Markey** asked if there should be an update to the national broadband plan in the next COVID-19 legislative package. **Mr. Kimmelman** said absolutely.

(2:01:30) Sen. Blackburn asked how important it is to expand access to broadband, given there are many people moving into rural areas as a result of COVID-19. **Ms. Bloomfield** said that it is critical.

(2:06:35) Sen. Rosen asked what suggestions witnesses have for communities that cannot get companies to invest in broadband in their area. **Mr. Berry** said broadband data mapping would allow funds to be targeted to these communities directly. It is also up to the local government entities to help identify carriers that are willing to take the risk. **Ms. Bloomfield** said many local community based providers are partnering with municipalities. It is important to think creatively about public-private partnerships. **Mr. Spalter** said funding should be allocated to investing in these technologies. Mapping is also indispensable.

(2:12:40) Sen. Capito asked if the ‘forever connected broadband program’ is designed to make sure that funds are not wasted. **Ms. Bloomfield** said yes. It is supposed to help the coordination of dollars. **Sen. Capito** asked when universal broadband will be in place. **Mr. Berry** said the investments need to be in place before a timeline can be determined. **Mr. Spalter** said this is more of a political question. It will take political courage to make the necessary investments.

(2:18:45) Sen. Lee asked what Congress should do to streamline the agency permitting process for broadband deployment on federal lands. **Mr. Spalter** said that it starts with the recognition that this is a problem. There are several congressional initiatives to streamline federal permitting in real time across agencies. **Sen. Lee** asked if one of the biggest access disparities that exist is between rural and urban areas. **Mr. Spalter** said yes. **Sen. Lee** asked if future needs can be met by doing a careful review of federal spectrum allocations. **Mr. Berry** said yes.

(2:24:50) Sen. Baldwin asked what has changed in the last couple of months in terms of usage of networks and the impact on telehealth and telework. **Ms. Bloomfield** said there has been a large increase in the usage of networks. This has presented a challenge everyone, including teachers who are trying to utilize two-way communication to reach students. It is becoming

increasingly important to build a robust network to support many different needs. **Sen. Baldwin** asked if school data is being used to inform mapping projects. **Mr. Berry** said it is not being utilized enough, but it is an area for significant growth.

(2:31:50) Sen. Sullivan asked what Congress can do for extreme rural states such as Alaska. **Mr. Spalter** said there is a huge need for funding in these areas. Reforms also need to be made carefully. It would be unwise to redo the whole system just as it is getting started. **Sen. Sullivan** asked the importance of the 'Keeping Critical Connectors Act'. **Ms. Bloomfield** said this act is very important. It will allow essential providers to build and sustain strong networks.

(2:38:40) Sen. Schatz asked what one thing should be done in the next legislation to connect individuals as fast as possible. **Mr. Kimmelman** said schools should be allowed to be used to serve adjacent settings to expand Wi-Fi access. **Mr. Spalter** said funding should immediately go to communities and enterprises in need. The FCC should institute a lifeline program that can be utilized in an emergency manner. **Ms. Bloomfield** said to create an emergency lifeline program. **Mr. Berry** said the first thing is to make sure that all networks are currently up and running.

(2:43:50) Sen. Blumenthal asked how much should be devoted to a lifeline program. **Mr. Kimmelman** said at least \$1 billion. **Mr. Spalter** said the lifeline program should have a temporary emergency measure to quickly send funds to the appropriate areas. The investment needs to be at least \$1 billion dollars. **Ms. Bloomfield** said she did not know exactly how much money would be necessary. **Mr. Berry** said he supports the Keeping Critical Connectors Act to support the life line program.

(2:50:00) Sen. Sinema asked how to support school districts and students through distance learning. **Mr. Kimmelman** said there is a need to build infrastructure in underserved communities. Funding also needs to be provided for deployment to small carriers and companies. Everyone who can be on the network needs to get on the network. This will allow for the expansion of distance learning and telehealth. **Sen. Sinema** asked how the FCC and Congress can support broadband in Indian country. **Mr. Berry** said we need to look at the partition of spectrum across communities. Spectrum should be able to be leased to certain communities. The stay connected voucher would also help, because it would go directly to the consumer. **Mr. Spalter** said that one part of the solution is for state, local and tribal leaders to speed up permits, change of control requirements and other regulatory barriers.