SENATE COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

June 22, 2023 FCC Nominations

REPUBLICAN QUESTIONS FOR THE RECORD Commissioner Brendan Carr

COVER PAGE

RANKING MEMBER TED CRUZ (R-TX)

1. You have advocated for expanding the Universal Service Fund (USF) revenues base, specifically by assessing a tax on technology companies that offer streaming services, online advertising services, cloud services, and online gaming services. Do you agree that before taking steps to expand the revenue base, the FCC should reexamine the spending side of USF and enact meaningful reforms to eliminate wasteful, inefficient spending?

Answer: Yes, I agree that the FCC should reexamine the spending side of USF to enact meaningful reforms to eliminate wasteful, inefficient spending now while Congress considers the broader question about whether, and if so how, to amend the Communications Act by changing the potential contributions base.

2. What are some steps the FCC could take to address wasteful, inefficient USF spending today?

Answer: One step I think the FCC can and should take to help address wasteful, inefficient USF spending is to codify in our rules a requirement that the Commission confer with the FCC's Inspector General before the agency adopts orders or takes actions that implicate USF spending. In doing so, the Commission should include in its decisional documents the recommendations offered by the FCC's Inspector General and the Commission's response to those recommendations. I would also welcome the thorough review and views of FCC Inspector General nominee Fara Damelin on reforms to the USF programing if the Senate confirms her nomination.

3. The FCC currently does not have authority over edge providers. Are you concerned about unintended consequences of giving the additional authority to the agency?

Answer: I believe that all regulators must act solely within the scope of authority delegated by Congress. Indeed, our constitutional system requires this. If Congress makes the decision to expand the contribution base to include edge providers, it could do so in a way that does not confer on the FCC any substantive regulatory authority over edge providers or Congress could otherwise limit any delegated authority to the terms specified by Congress in the statute.

4. If you become Chairman, will you commit to maintaining former Chairman Pai's policy on publicizing FCC meeting items prior to the Commission's vote?

Answer: I have been honored to serve as a Commissioner since 2017 and, if confirmed by the Senate, would welcome the opportunity to continue serving as a Commissioner. Decisions about whether a Commissioner should also serve as Chairman of the FCC are made by the President. As long as I serve on the Commission, I am committed to maintaining the policy of publicizing FCC meeting items prior to the Commission's vote.

5. Irrespective of whether you become Chairman, will you commit to vocally supporting maintaining Chairman Pai's policy on publicizing FCC meeting items prior to the Commission's vote?

Answer: Yes, I am committed to maintaining the policy of publicizing FCC meeting items prior to the Commission's vote.

6. If you become Chairman, will you commit to making non-meeting items (referred to as "circulates") public at the same time Commissioners are considering them?

Answer: In my view, the FCC Chairman should establish a policy that publicizes nonmeeting items. I commit to maintaining that view for as long as I serve on the Commission.

7. Irrespective of whether you become Chairman, will you commit to vocally supporting making circulates public at the same time Commissioners are considering them?

Answer: I have vocally supported making circulates public and have been successful in achieving that goal on occasion. I am committed to continuing to speak up for that for as long as I am serving on the Commission.

8. If you become Chairman, will you commit to allowing any two Commissioners to call up a bureau level item for a Commission vote?

Answer: FCC Chairs have on occasion, although not consistently, followed a policy known as the 48-hour rule. That uncodified, informal rule (as I understand it) allows any two Commissioners to bring a 48-hour item up for a Commission level vote. I have long advocated for the FCC Chairman to allow any two Commissioners to exercise that right. I am committed to maintaining my view on this issue and acting consistent with it for as long as I am serving on the Commission.

9. Irrespective of whether you become Chairman, will you commit to vocally supporting allowing any two Commissioners to call up a bureau level item for a Commission vote?

Answer: As noted above, I am committed to maintaining my view on this issue and acting consistent with it in my time on the Commission.

10. If you become Chairman, will you commit that you will not block a large transaction without a Commission vote?

Answer: Under the Communications Act, if the Commission cannot find that granting a particular transaction would serve the public interest, the application must be set for a hearing before the Commission's Administrative Law Judge. This is a serious decision, particularly in large transactions, that in my view must reflect the will of the Commission. I believe that all Commissioners must be presented with an opportunity for a vote on any such

action, and I am committed to acting consistent with that view for as long as I serve on the Commission.

11. Irrespective of whether you become Chairman, will you commit to vocally opposing the Chairman/Chairwoman if they block a large transaction without a Commission vote?

Answer: Yes, I have spoken out on this issue, and I am committed to continue doing so.

SENATOR JOHN THUNE (R-SD)

Question 1. In addition to the FCC's programs aimed at closing the digital divide, NTIA, USDA, and the Department of Treasury are disbursing funds to support the buildout of broadband networks.

How would you characterize the coordination between the FCC, NTIA, and USDA given that they all have programs that support broadband? Are you concerned that programs administered by NTIA, Treasury, and RUS are going to overbuild FCC-funded locations? What steps can the FCC take to ensure these programs do not overbuild other federally funded networks?

Answer: Over the past few years, Congress has appropriated billions of dollars for initiatives aimed at ending the digital divide, and I am concerned that at least some components of the federal government are not putting appropriate guardrails in place. This worries me given both the magnitude of dollars at issue and the unique opportunity these funds provide for connecting American families. In fact, by my count, about \$800 billion has been appropriated by Congress or budgeted by agencies for infrastructure programs over the past few years alone that could be used on efforts to bridge the digital divide. Those funds are spread across a range of different agencies—including the FCC, Department of Agriculture, Department of Treasury, Department of Education, and Department of Commerce—and over an assortment of various programs.

The GAO has identified a number of concerns when it comes to coordination across federal broadband programs. One GAO report identified over 100 federal broadband programs that are being administered by 15 different agencies. GAO recommended a national broadband strategy to help synchronize these efforts. I agree that a national coordinating strategy is necessary and would help ensure that various federal programs complement each other, rather than operating in a duplicative manner.

I am concerned that without greater coordination across these programs one federal broadband program may very well end up overbuilding another one. That is a problem for a variety of reasons, including the fact that doing so would divert resources from parts of the country that still have no real broadband option. Ensuring that the various federal programs operate off of the FCC broadband maps may be one key step to helping to avoid duplicative spending.

Question 2. The FCC took the bold step to lead the world by allocating all 1,200 MHz of the 6 GHz band for unlicensed services. As we prepare for the WRC in November 2023, we are asking the world to follow in our footsteps and unlock the band's potential for global Wi-Fi connectivity. I am concerned because the Commission has yet to authorize the use of VLP, enable standard power through AFC, or increase power limits through LPI. Finalizing these outstanding items seems critical to demonstrate our leadership globally.

What steps can the FCC take to bolster the US delegation's position heading into WRC?

Answer: I agree with you that the FCC should take additional action in the 6 GHz band ahead of WRC, including authorizing the use of VLP and more. I called for many of the same actions in a 2021 speech. Action by the FCC now in the 6 GHz band would bolster U.S. leadership in the run up to WRC.

SENATOR JERRY MORAN (R-KS)

Question 1. Do you believe the Affordable Connectivity Program (ACP) is properly targeting Americans who would not otherwise have broadband service? What changes would you make to ACP to ensure it is properly targeting Americans who would not otherwise have broadband service?

What can be done to simplify and streamline federal broadband affordability programs? What should be done to ensure federal broadband affordability programs, including Lifeline and the Affordable Connectivity Program, do not have overlapping objectives?

Answer: When the FCC adopted final rules to implement the ACP in January 2022, the Commission adopted specific performance measures, including reducing the digital divide among low-income Americans. The FCC also directed USAC to develop a tracker and make it available on a website. The FCC determined that the tracker would include data on ACP households that previously subscribed to a provider's low-income program. It is not clear to me that this tracker is available on either the USAC or FCC website. I think the data that the FCC anticipated would be included in that tracker would be useful in assessing how well ACP is properly targeting Americans who would not otherwise have broadband service.

For my part, I have long expressed the view that the FCC through its ACP implementation must remain focused on those families that still remain unconnected today. Those that have not yet adopted broadband must be our top priority, and throughout the ACP rulemaking process I have sought to orient the program in this direction.

Most recently, when adopting rules for the Commission's ACP outreach grant program, I pushed to ensure that the FCC prioritized applications that target households that are on no Internet plan at all. The item also adopted a \$10 million set-aside for bolstering ACP participation within Tribal communities. I have seen firsthand the challenges that remain when it comes to ending the digital divide on Tribal lands, so I was pleased that the FCC dedicated funding to make more progress on this issue.

One step that I think Congress and the FCC should work on is reforming USAC. Imposing shot clocks on USAC decisions is one step that could help ensure that the Commission's broadband affordability programs are more responsive and predictable. The Commission should also undertake a broader review of its broadband affordability programs to ensure that the programs are meeting their objectives in a cost effective manner and address any issues with unnecessary duplication.

Question 2. While significant resources have been provided to NTIA to bridge the divide for fixed services, the FCC has an opportunity to make sure that rural communities and small towns have access to mobile connectivity and the benefits of 5G wireless services. However, the rules for the 5G Fund were adopted in 2020 and may need to be updated for changes in technology and to reflect the release of the FCC's broadband maps.

Do you believe the 5G Fund should allocate support to rural areas lacking quality 5G, based on the FCC's new maps?

Answer: I agree that the circumstances have changed dramatically since the rules for the 5G Fund were adopted in 2020. I would support a review of those rules to account for the current marketplace and to ensure that awards are made based on the FCC's new broadband maps.

Question 3. A topic of the June 21 House Energy & Commerce Committee FCC oversight hearing was whether the full commission should be required to vote on mergers and acquisitions that fall under the FCC's purview, in light of the FCC's treatment of the Standard General – TEGNA attempted merger.

Setting aside the question of whether the Chair currently has the authority to defer mergers and acquisitions to an administrative law judge without a full committee vote, as occurred in the TEGNA case, do you believe this policy needs to be amended, to ensure the full Commission is able to weigh in?

Answer: Yes, I believe the full Commission should be able to vote on a decision to send a transaction like the one in Standard General – TEGNA to the FCC's administrative law judge.

SENATOR MARSHA BLACKBURN (R-TN)

- 1. Last month, an FCC spokesperson said the "FCC is actively studying the potential impacts of artificial intelligence, in particular the opportunities for advanced communications networks like spectrum sharing and wireline network management, as well as its potential as a tool and a challenge for consumers."
 - a. Can you provide an update on the FCC's work related to AI?

Answer: On July 13, 2023, the FCC and NSF are co-hosting a workshop entitled "The Opportunities and Challenges of Artificial Intelligence for Communications Networks and Consumers." Beyond this workshop, I am not aware of the status of the AI work referenced by that FCC spokesperson. My view is that the FCC should look to Congress's leadership on this issue.

b. What should Congress be considering about AI with respect to communications networks and spectrum sharing?

Answer: AI has the potential to dramatically reshape nearly all aspects of our lives, not least of all how our communications networks function. But the precise path of this change is far from clear at this point. Congress has the ability to bring together experts across multiple disciplines to help ensure that any potential legislative intervention will allow AI to flourish consistent with our enduring values.

- 2. The Chinese Communist Party poses a direct threat to American interests, particularly in the tech industry. This has been recognized by both Republicans and Democrats, who have been vocal about ByteDance and TikTok, the Chinese drone company DJI, submarine cables connecting the U.S. and China, and the need to rip and replace Huawei equipment from our networks.
 - a. What role does the FCC play in combatting Chinese tech threats?

Answer: Over the past few years, the FCC has been busy working to safeguard our networks from entities that threaten our national security, particularly those aligned with the CCP. We are doing so on multiple fronts. For one, we have revoked the domestic and international Section 214 authority of four carriers—China Telecom Americas, China Unicom Americas, Pacific Networks, and ComNet—based on serious national security concerns. For another, the Commission opened a proceeding in 2021 at my urging to address a loophole that allowed entities like Huawei to continue to install equipment into U.S. networks even after they have been determined to pose an unacceptable risk to our national security. Indeed, this important initiative benefited from congressional action when it passed the Secure Equipment Act. That legislation gave the FCC additional authorities to close this loophole, which we did in a unanimous decision just last fall.

But there is more work to be done. As I have previously outlined, the federal government should take action along at least three additional lines to address the threats posed by Communist China. One, the FCC needs to keep our Covered List up to date. We have taken some targeted actions along those lines, but we must continue to ensure that the list is current and comprehensive by engaging regularly and proactively with our national security agency partners. Two, the FCC should build on our actions in the Section 214 context by opening a new proceeding to examine whether we should prohibit regulated carriers from directly interconnecting with entities that have been deemed a national security risk, even if those entities are operating in a manner that does not require a Section 214 authorization. I believe this would address a potential end-run that entities may be making to avoid the repercussions of having their Section 214 authorizations revoked. And three, the FCC should publish a list of every entity with an FCC license or authorization that has sufficient ties back to a foreign adversary, including Communist China. I would imagine that this is a fairly lengthy list. And this action would help ensure that a range of stakeholders can provide any relevant information or perspectives about national security threats that these entities may pose.

b. We recently learned of a relationship between autonomous vehicle car Waymo and Chinese company Geely, which has launched satellites using CCP resources. What risks could Chinese access to satellites pose to U.S. consumers and how can Congress and the FCC work together to mitigate these threats?

Answer: The importance of U.S. leadership in space-based communications cannot be overstated. Likewise, we must remain vigilant to the serious threats posed to our networks, devices, and technologies from entities that are beholden to the CCP. I would welcome the chance to work with your office to explore this issue in greater detail.

SENATOR SHELLEY MOORE CAPITO (R-WV)

Rural Broadband Protection Act

Ensuring that USF high-cost programs are being well managed is a goal all of us share. As we await a potential Phase II auction of RDO, there were clearly ways to improve upon Phase I - to speed up the process and to make sure smaller ISPs are better able to participate. I have a bill - the Rural Broadband Protection Act with Senator Klobuchar that seeks to improve future phases of high-cost programs by requiring a more thorough vetting and verification process for ISPs. I know I have discussed my legislation with a few of you.

Question 1. Commissioner Carr, do you support the kinds of improvements in my bill?

Answer: Yes. I have had the great pleasure to visit with you in West Virginia and see firsthand the impacts of your efforts to expand Internet access in rural communities. The Rural Broadband Protection Act, which you introduced with Senator Klobuchar, seeks to bring accountability and transparency to the FCC's high-cost programs, which I support.

Broadband Maps

Commissioner Carr, I'm excited about the BEAD funding coming to West Virginia and know that the improved FCC maps have made a big difference. The second version of the maps that was released last month showed significant improvements compared to those from last year. I understand that there are additional versions that are likely to refine the maps even further.

Question 2. Can you tell me how you would work to improve the maps for future versions?

Answer: The FCC recently released the official production version of its new location-based broadband map. I was pleased to see that this version represents a significant improvement over the initial version released last fall. Our new and improved map was made possible thanks to the leadership of Congress by enacting the Broadband DATA Act and providing \$98 million in funding to support our work. Better maps will help ensure that government officials properly target the billions of dollars in federal funds that are now available for broadband, and it is imperative that future iterations of the map reflect up-to-date deployment and location data.

In order to ensure that future versions of the map show continued improvement, the FCC must work directly with stakeholders to identify and resolve remaining issues with the maps and to ensure that they reflect up-to-date deployment data. This means meeting with industry, state and local officials, state broadband offices, and tribal groups, among others. This broad outreach will greatly improve the challenge process and the continued accuracy of the Commission's broadband maps.

SENATOR DAN SULLIVAN (R-AK)

- 1. Alaska's dedicated high cost program, the Alaska Plan, has been a massive success that recognizes the unique challenges associated with broadband connectivity in Alaska. As you all are aware, the FCC is currently working on an extension of the Alaska Plan. The certainty of the Plan has been critical to build-out in Alaska and will continue to be, especially with the significant investments in broadband infrastructure taking place.
 - a. Will you commit to continue to recognize Alaska's unique needs and support an extension of the Alaska Plan?

Answer: Yes. I have had the chance to visit Alaska twice in my time on the Commission. Those visits provided me with a firsthand look at the unique challenges that Alaska faces when it comes to ensuring connectivity and the successful results being delivered by the Alaska Plan. I support extending the Alaska Plan.

b. Do you agree that the Commission should work expeditiously on the extension in order to provide certainty to service in our state as more broadband deployments are being planned?

Answer: Yes. Particularly in Alaska, it is vital that the FCC provide the certainty necessary to support broadband deployments across the state's unique areas.

- 2. It is assumed that if all of you are confirmed, a 3-2 Commission will re-implement the heavy handed "Net Neutrality" regulations under Title II of the Communications Act. It has been 5 years since the "Net Neutrality" regulation rollback, and I think we can agree that the apocalyptic predictions have not played out.
 - a. If "Net Neutrality" rules are put into place again, is it good for stakeholders and consumers to experience this sort of regulatory whiplash?

Answer: No, not all. Consumers, innovators, and all stakeholders would benefit from a stable and predictable regulatory framework.

b. Shouldn't the FCC defer to Congress to settle this issue?

Answer: Yes, deciding whether to apply Title II utility-style regulations to the Internet is a major question for which the FCC should defer to Congress.

3. We are in the process of distributing a historic amount of funding for broadband deployment across the country - \$65 billion alone from IIJA. Alaska is eager to make the most of this opportunity, and we have more work to do than most. But one thing I continue to be very conscious of, is the letting this opportunity to go to waste. I've talked to the Chairwoman about this concern. She mentioned a number of steps to take, including making clear, loudly, from the beginning, the penalties for waste, fraud, and abuse; also

extensive vetting on the front end to ensure that applicants can deliver the service and speeds they claim.

a. Do you think the various agencies tasked with distributing this money have established adequate safeguards against waste, fraud, and abuse?

Answer: I am concerned that the numerous federal agencies that are implementing various broadband spending programs are not doing so in a coordinated manner or with adequate safeguards in place. Indeed, over the past few years alone, by my count, Congress has appropriated or agencies have budgeted about \$800 billion on infrastructure initiatives that could be used on efforts to bridge the digital divide. Those funds are spread across a range of different agencies—including the FCC, Department of Agriculture, Department of Treasury, Department of Education, and Department of Commerce—and over an assortment of various programs.

Among other issues, I am concerned by an apparent lack of adequate tracking, measurement, and accountability standards. For example, in July 2021, I wrote letters to each of the Executive Branch agencies listed above, and I asked them to identify the steps they were taking to track and monitor the broadband initiatives that they were funding. Their responses—or in some cases lack thereof—did not inspire confidence. One Department wrote back that, at least at the time of their response, "it is not possible to identify a specific amount that exclusively went to broadband initiatives," let alone, I assume, monitor the progress being made towards achieving eligible broadband goals.

A key component to effective oversight and coordination is the FCC's new broadband maps. Two months ago, the FCC released the official production version of its location-based broadband maps. I was pleased to see that these maps were an improvement over earlier versions. Better maps will help ensure that we properly target the billions of dollars in federal funds that are now available for broadband—in order to avoid wasteful overbuilding—and it is imperative that future iterations of the map reflect up-to-date deployment and location data.

b. What more can be done in terms of agency coordination?

Answer: Last year, a GAO report identified over 100 federal broadband programs that are being administered by 15 different agencies. GAO recommended a national broadband strategy to help synchronize these efforts. I agree that a national coordinating strategy is necessary and would help ensure that various federal programs complement each other, rather than operating in a duplicative or otherwise inefficient manner.

c. What role can the IG play in this effort?

Answer: One step I think the FCC can and should take to help address wasteful, inefficient USF spending is to codify in our rules a requirement that the

Commission confer with the FCC's Inspector General before the agency adopts orders or takes actions that implicate USF spending. In doing so, the Commission should include in its decisional documents the recommendations offered by the FCC's Inspector General and the Commission's response to those recommendations. I would also welcome the thorough review and views of FCC Inspector General nominee Fara Damelin on reforms to the USF programing if the Senate confirms her nomination.