

Response to Written Questions Submitted by Hon. John Thune to Hon. Ajit Pai

*Question 1.* In its further notice of proposed rulemaking in the Spectrum Frontiers proceeding, the Commission talked about following the 4G playbook in making available high band spectrum that we all hope will be a platform for global 5G leadership. At the same time, the FCC sought comment on “use-it-or-share-it” proposals that some argue may devalue high band licenses. Are you at all concerned that these types of sharing proposals could undermine investment in high band frequencies, potentially putting our nation’s leadership in 5G at risk?

Answer. One of my key priorities in the FCC’s Spectrum Frontiers proceeding is to ensure that our policies promote investment and innovation in these spectrum bands. As we move to the next phase of this proceeding, I will take the concern you have expressed to heart and support policies necessary for the U.S. to extend its 4G leadership into the 5G world.

*Question 2.* As part of the Spectrum Frontiers Order, the FCC made available nearly 11 GHz of spectrum, but less than 4 GHz of that will be made available on a licensed basis. And a portion of that licensed spectrum will be allocated on a shared basis.

- A. I believe that there should be a balance between licensed and unlicensed spectrum. Does this Order strike the proper balance? If so, please explain why.

Answer. I dissented in part from the FCC’s 2015 Notice of Proposed Rulemaking in the Spectrum Frontiers proceeding because the FCC majority refused to seek comment on opening up over 12 GHz of additional spectrum—spectrum that could have been made available, at least in part, for licensed use. Because the Commission did not seek comment on freeing up those additional spectrum bands, the FCC was procedurally barred from including those spectrum bands in the Spectrum Frontiers Order we adopted earlier this year. I believe the agency would have been able to free up more licensed spectrum in that Order if the majority had agreed with me and Commissioner O’Rielly to seek comment on those additional spectrum bands in the 2015 Notice of Proposed Rulemaking.

But thankfully, the FCC is now seeking comment on opening up those and other spectrum bands in the ongoing Further Notice of Proposed Rulemaking. That is due, in no small part, to your work on the MOBILE NOW bill, which calls for the FCC to examine many of these bands. I hope that the FCC strikes the right balance between freeing up licensed and unlicensed spectrum when it adopts an order involving these additional bands.

- B. Should the Commission look for more licensed spectrum as it considers additional high frequency bands in its further notice?

Answer. Yes. I have long advocated for the agency to take an all-of-the-above approach to spectrum. That includes making sure we identify spectrum in the Spectrum Frontiers proceeding for licensed use.

*Question 3.* The Commission has proposed an exception to the local media cross-ownership ban that would allow a broadcaster to invest in a newspaper when it is “failing.” This exception for cases in which a newspaper is “failing” renders little value to a newspaper that needs investments

now, well before it is “failing.” By the time a newspaper is “failing,” a local broadcaster may no longer see it as a worthwhile investment—particularly in light of the consumer trend toward digital and mobile applications for news and entertainment. Shouldn’t the Commission be seeking ways to encourage investment in newspapers before they get to a state of “failing,” and before such newspapers may have to make the difficult decision to cut back on local reporting resources?

Answer. Yes, I agree, and that is why the Newspaper Association of America told the Commission that the “failing” newspaper exception “will not open any opportunities for newspaper companies to obtain investment from the media industry, and certainly will not serve the public interest.” Our goal should be to maintain newspapers as healthy and vibrant institutions. We shouldn’t deprive them of the investment they need to thrive until they are at death’s doorstep and then hope that someone will swoop in at the last minute to save them.

Response to Written Questions Submitted by Hon. Deb Fischer to Hon. Ajit Pai

*Question 1.* Commissioner Pai, in a state like Nebraska, the High Cost universal service programs are vital to ensure that carriers can build out infrastructure. However, the FCC seems to have prioritized resources for Lifeline and E-rate in recent years by increasing their budgets and indexing those programs to inflation. Conversely, the High Cost fund has been flat-lined since 2011. This makes it difficult for rural carriers to deploy the infrastructure that is used for the other universal service programs. Commissioner, what justification is there for not putting all universal service programs on equal footing if all are aimed at the same goal of getting broadband networks built and affordable services to users?

Answer. I agree that the high-cost program is an essential means to ensure that every American has the opportunity to access 21st century communications networks, including high-speed broadband. Almost 34 million Americans don't have access to the broadband networks needed to fully participate in today's digital economy. That is why I have pushed to reform and improve our high-cost program for the past four years.

I also agree with you that spending dramatically more money on the Lifeline and E-Rate programs (without any meaningful spending constraint at all, in the case of the former program) was a mistake. First, the problem both programs faced was not a lack of funding, but poor design, which has led to improper administration. The Commission should have sought real reform of these programs rather than just increasing the budget for each. Second, you cannot have broadband Internet access without broadband networks; that would suggest putting a higher priority on the high-cost program, which promotes the build-out of the networks upon which many low-income residents, schools, and libraries rely.

*Question 2.* Small rural video providers face many challenges when providing service to customers. Prior to the FCC's set-top box Notice of Proposed Rulemaking, some of them had shut down their video operations or were assessing the cost effectiveness of continuing to provide such services to consumers. These are companies that are providing service to the communities where they live and work, to their neighbors and friends. So many of them continued offering video services because wanted to preserve their customers' access to terrestrial video offerings where they are often the only option. Chairman Wheeler's fact sheet on the set-top box item suggests that the order will exempt small providers with fewer than 400,000 subscribers, but that small providers can develop apps if they choose to do so. Can you clarify which, if any, aspects of the order will apply to small video providers? For example, will they be subject to the same licensing requirements as larger providers?

Answer. The Commission has not yet adopted a set-top box order. But my position is that no aspect of the rules under consideration should apply to small video providers with fewer than 400,000 subscribers.

Response to Written Question Submitted by Hon. Ron Johnson to Hon. Ajit Pai

*Question.* I have been told that it will cost a rural broadband provider in Wisconsin somewhere between \$20,000 to \$50,000 per year just on the training costs associated with the FCC's currently proposed privacy rules. Does the FCC recognize that money spent on training and compliance lawyers diverts money to rural broadband build out?

*Answer.* The Commission's proposed privacy rules from March were a wild departure from the rules that applied to Internet service providers under the Federal Trade Commission's regime, and those rules would have imposed very large compliance costs on very small providers. I agree with you that such a radical departure from the FTC's successful framework makes no sense, and that small ISPs should be focused on what Americans so desperately want: higher-speed broadband throughout rural America.