MEMORANDUM

September 14, 2020

To: Subcommittee on Communications and Technology Members and Staff

Fr: Committee on Energy and Commerce Staff

Re: Hearing on “Trump FCC: Four Years of Lost Opportunities”

On Thursday, September 17, 2020, at 10 a.m. via Cisco Webex online video conferencing, the Subcommittee on Communications and Technology will hold a hearing entitled, “Trump FCC: Four Years of Lost Opportunities.”

I. KEY FCC ISSUES AND PROCEEDINGS

A. COVID-19 Response

In March 2020, upon the widespread physical closure of work, school, and other community institutions, the Federal Communications Commission (FCC or Commission) announced that hundreds of communications companies had voluntarily pledged: (1) not to terminate service to residential customers or small business owners that could not pay their bills due to the coronavirus; (2) to waive late fees incurred by residential customers and small businesses due to economic circumstances caused by the coronavirus; and (3) to open up its Wi-Fi hotspots to anyone who needed them.1 The pledge ended on June 30, 2020.2 Since March, the agency reported it has received thousands of consumer complaints related to the coronavirus pandemic, and hundreds related specifically to this pledge.3

The FCC took a number of temporary actions to help ease the demand on broadband networks, and it suspended rules to help consumers stay connected during the pandemic. For instance, the Commission granted wireless carriers temporary spectrum access so that carriers

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2 Id.

could meet customer demand for increased mobile data.\textsuperscript{4} While it eased certain Lifeline enrollment and certification rules and waived gift rules that generally apply to the E-rate and High Cost Universal Service Programs,\textsuperscript{5} the FCC has resisted calls from Congress and outside groups to use its authority to expand the Lifeline and E-rate programs. This action would help low-income families and students that do not have high-speed internet access at home to get and stay connected during the pandemic.\textsuperscript{6}

Finally, the FCC administered a $200 million telehealth program provided in the Coronavirus Aid, Relief, and Economic Security (CARES) Act “to support efforts of healthcare providers to address the impact of the coronavirus by providing telecommunications services, information services, and devices necessary to enable the provision of telehealth services.”\textsuperscript{7} The agency announced in July that it had allocated all of the money, ultimately approving 539 funding applications in 47 states plus the District of Columbia and Guam.\textsuperscript{8} No awards were made in Alaska, Hawaii, or Montana.\textsuperscript{9}

B. Lifeline

The current FCC proposed a drastic contraction of the Lifeline program, including removing non-facilities-based carriers from the Lifeline program. According to some experts,


the Commission’s proposal would reduce the program by more than 70 percent.\footnote{Comments of the Multicultural Media, Telecom, and Internet Counsel and the ‘Lifeline Supporters’, \textit{In the Matter of Bridging the Digital Divide for Low-income Consumers}, Federal Communications Commission WC Docket No. 17-287 (Feb. 21, 2019).}

In February, the D.C. Circuit Court of Appeals struck down a similar proposal to severely restrict the Tribal Lifeline Benefit.\footnote{Ars Technica, \textit{Ajit Pai Loses in Court—Judges Overturn Gutting of Tribal Broadband Program} (Feb. 4, 2019) (www.arstechnica.com/tech-policy/2019/02/ajit-pai-loses-in-court-judges-overturn-gutting-of-tribal-broadband-program/).} In July, FCC Chairman Pai announced the circulation of an order proposing a new way of calculating the minimum service standard for mobile broadband service supported by the Lifeline program.\footnote{Federal Communications Commission, \textit{FCC Chairman Pai Circulates Order to Ensure Predictable Increases in Minimum Service Standard for Lifeline Mobile Broadband Service}, Press Release (July 30, 2020).} The order has not yet been made public.

\section*{C. Section 230 – Communications Decency Act}

Section 230 of the Communications Decency Act (CDA 230) enables websites to more freely moderate content online by generally providing immunity for online platforms for content posted by users.\footnote{47 U.S.C. § 230.} That means platforms are mostly not held liable for third-party content posted on their websites, with some relevant exceptions.\footnote{\textit{Section 230: A Key Legal Shield for Facebook, Google Is About to Change}, NPR (Mar. 21, 2018) (www.npr.org/sections/alltechconsidered/2018/03/21/591622450/section-230-a-key-legal-shield-for-facebook-google-is-about-to-change).}

Pursuant to President Trump’s Executive Order, on July 27, 2020, the National Telecommunications and Information Administration (NTIA) filed a petition with the FCC, asking the FCC to adopt rules interpreting Section 230 and its liability protections.\footnote{Federal Communications Commission, \textit{National Telecommunications and Information Administration, Clarify Provisions of Section 230 of the Communications Act of 1934, as amended}, Petition for Rulemaking, RM 11862 (filed July 27, 2020).} The FCC is seeking comment on the NTIA petition, and the initial comment period ended on September 2.

\section*{D. Network Resiliency}

After numerous widescale communications outages following major natural disasters like hurricanes and wildfires, the FCC’s Public Safety and Homeland Security Bureau (PSHSB) sent letters in November 2018 to participating communications providers seeking information on how the voluntary Wireless Network Resiliency Cooperative Framework (Framework) has been
implemented. Following those inquiries, the PSHSB issued a series of public notices announcing the Commission’s plan to seek public comment in three areas with respect to the Framework—promoting coordination through backhaul providers, encouraging coordination with power companies, and examining the implementation and effectiveness of each of the Framework’s five prongs of commitment. Since then, the Commission has not taken further public action on this matter.

E. Broadband Mapping

The lack of accurate, granular, dependable maps showing geographic areas where consumers have broadband internet access service continues to be an issue for the FCC, particularly for funding models that rely on such maps. The Broadband DATA Act, signed into law in March 2020, creates a new, specific way for the FCC to collect and report broadband deployment information. Under the law, the FCC has until September 23, 2020, to issue final rules regarding, among other things, the collection and dissemination of information related to the availability and quality of terrestrial fixed, fixed wireless, satellite, and mobile broadband internet access service.

F. Rural Digital Opportunity Fund

In January 2020, the FCC adopted an order describing the framework for its Rural Digital Opportunity Fund (RDOF). The RDOF is set to award $20 billion in two phases over ten years to fund broadband deployment in areas that the FCC identified as not currently having access to


19 Id.

high-speed internet service based on current agency broadband mapping data.\textsuperscript{21} The Commission has released a list of unserved locations eligible for the Phase I reverse auction, anticipated to begin on October 22, 2020.\textsuperscript{22}

\textbf{G. Rollback of Environmental and Tribal Protections}

During this Administration, the FCC has adopted a series of orders intended to remove regulatory protections related to wireless infrastructure siting, specifically, those related to siting “small cell” facilities.\textsuperscript{23} The first order exempted small cells from environmental and historic preservation review.\textsuperscript{24} A group of tribes and environmentalists challenged that order in the D.C. Circuit Court of Appeals. The court found that the FCC’s order was arbitrary and capricious for failing to adequately address the possible harms of deregulation or the benefits of historic-preservation or environmental review to the public interest.\textsuperscript{25} The court vacated the order in part, and remanded it back to the agency for further action.\textsuperscript{26}

Three other additional orders were also challenged; this time by a group of local governments, public and private power utilities, and wireless service providers in the Ninth


\textsuperscript{25} \textit{United Keetoowah Band of Cherokee Indians in. Okla. v. FCC}, 933 F.3d 728, 745 (D.C. Cir. 2019).

\textsuperscript{26} \textit{Id.} at 751.
Circuit. Two of the orders—the Small Cell Order\textsuperscript{27} and the Moratoria Order\textsuperscript{28}—limited state and local governments’ authority in reviewing siting applications for small cell infrastructure. The third order—the One-Touch Make-Ready Order\textsuperscript{29}—established new rules meant to make it cheaper and faster for pole attachers to attach new network equipment, including equipment of different providers’ networks, to utility poles. These orders were largely upheld by the Ninth Circuit Court of Appeals.\textsuperscript{30}

\textbf{H. Security}

\textit{i. Communications Supply Chain}

The FCC has taken steps to implement H.R. 4998, the Secure and Trusted Communications Network Act, to secure the nation’s communications equipment supply chain. In a June Declaratory Ruling, it officially designated Huawei and ZTE as companies that pose a risk to national security and prohibited Universal Service funds from being used on equipment or services provided by those companies.\textsuperscript{31} On September 4, 2020, the FCC’s Wireline Competition Bureau (WCB) and Office of Economics and Analytics (OEA) released a Public Notice announcing the conclusion of the Commission’s Supply Chain Security Information Collection. Based on the results of the information collection, the WCB and OEA estimate that the cost of removing suspect equipment and services from networks is $1.837 billion.\textsuperscript{32} Of that total, the Commission estimates that communications providers eligible for reimbursement under the Secure and Trusted Communications Reimbursement Program would qualify for a combined reimbursement of roughly $1.618 billion.\textsuperscript{33}

\textsuperscript{27} Federal Communications Commission, \textit{Accelerating Wireless Broadband Deployment by Removing Barriers to Infrastructure Investment}, 33 FCC Rcd 9088 (2018).


\textsuperscript{29} Federal Communications Commission, \textit{Accelerating Wireless Broadband Deployment by Removing Barriers to Infrastructure Investment}, 33 FCC Rcd 7705, 7705-75 (Aug. 2, 2018).


ii. **Cybersecurity**

Historically, the FCC has worked with other government agencies to protect our nation’s networks from malicious cyber-attacks. The FCC’s Communications Security, Reliability and Interoperability Council (CSRIC), for instance, is charged with providing recommendations to the Commission to ensure, among other things, optimal security and reliability of communications systems. The Chairman ordered the revocation of several cybersecurity-related reports and investigations, including a 2016 FCC White Paper on cybersecurity risk reduction and a Notice of Inquiry regarding 5G network security.34

I. **Robocalls**

Since its enactment last year, the FCC has adopted several orders to implement the Pallone-Thune Telephone Robocall Abuse Criminal Enforcement Deterrence Act (Pallone-Thune TRACED) Act.35 This includes mandating that industry use certain protocols to authenticate calls,36 increasing the fines that can be assessed for unlawful robocalls,37 and appointing an entity to facilitate law enforcement efforts to track down unlawful calls.38 At the Commission’s September Open Meeting, it will vote on another order implementing the Act that will, among other things, require authentication on non-IP networks and prohibit charges to consumers for

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37 Federal Communications Commission, _Implementing Section 3 of the Pallone-Thune Telephone Robocall Abuse Criminal Enforcement and Deterrence Act_, Order, DA 20-460 (May 1, 2020).

call authentication services. In 2019, a *Wall Street Journal* article reported that since 2015, the FCC has fined robocallers $208 million, but has only collected $6,790.

**J. Media Ownership**

**i. Quadrennial Review**

Since 2017, the FCC has completed several rulemakings rolling back media-related protections for consumers and local communities, including rescinding the “eight voices” test and allowing discretionary waivers of the prohibition of a broadcaster owning two of the top four stations in a market. In September 2019, the Third Circuit in *Prometheus Radio Project v. FCC* struck down and remanded the 2017 deregulatory efforts because the FCC failed to consider the effect the deregulatory measures would have on ownership diversity. The FCC has not yet completed its 2018 Quadrennial Regulatory Review or opened a proceeding to address the issues remanded by the Third Circuit.

**ii. Radio Duplication Rule**

In November 2019, the FCC proposed to eliminate the radio duplication rule, which prohibits commonly owned radio stations from airing more than 25 percent of their time to duplicative programming when there is a substantial overlap between their stations’ signals. On July 16, 2020, the FCC released a draft Report and Order, which proposed to eliminate the rule only for AM stations while retaining that rule for FM stations. On August 6, 2020, the FCC reversed its proposed decision and eliminated the rule for both AM and FM stations.

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iii. Sinclair Investigation

In June 2019, the FCC’s Media Bureau initiated an investigation into the issues of misrepresentation and/or lack of candor raised during the Sinclair-Tribune transaction.46 In May 2020, the FCC entered into a consent decree with Sinclair, which imposed a $48 million fine and ended the investigation.47

K. Spectrum

One crucial ingredient for modern wireless networks is mid-band spectrum (generally considered to be spectrum between 1 GHz and 6 GHz), and includes both licensed and unlicensed use regimes.48 The FCC is focused on five mid-bands, and the NTIA and the White House also announced in August that the NTIA will make the 100 MHz between 3.45 to 3.55 GHz available for auction by December 2021.49 First, regarding the 2.5 GHz band, the FCC adopted a Report and Order in July 2019, which established rules making the band available for next generation wireless broadband, including 5G.50 The Commission also adopted a priority application filing window for native tribes and tribal organizations.51 Second, the auction of Priority Access Licenses in the shared Citizens Broadband Radio Systems (CBRS) band ended on August 25, 2020.52 In two other bands, the 6 GHz band and the 5.9 GHz band, the FCC has indicated that it will make spectrum available for unlicensed use. Finally, the FCC has made arrangements to clear the C-band (3.7 GHz to 4.2 GHz) by agreeing to provide “acceleration

46 Letter from Barbara Kreisman, Chief, Video Division, Media Bureau, Federal Communications Commission, to David Gibber, Senior Vice President/General Counsel, Sinclair Broadcast Group, Inc., MB Docket No. 17-179 (June 25, 2019).


49 Bevin Fletcher, U.S. to Free Up 100 MHz of Mid-Band Spectrum for 5G, FierceWireless Aug. 10, 2020), (https://www.fiercewireless.com/5g/u-s-to-free-up-100-mhz-mid-band-spectrum-for-5g).


51 Id. at para. 47.

payments” to incumbent satellite operators. The auction is set to commence on December 8, 2020.

In recent years, the lack of coordination between federal spectrum users, the NTIA (the agency that manages federal spectrum allocations) and the FCC has increasingly been a problem for U.S. spectrum management. This lack of coordination has led to disputes that have pitted the FCC against various executive branch agencies directly, in contravention of the usual spectrum management processes that occur between the FCC and the NTIA. In some cases, spectrum management progress has significantly slowed as the agencies struggle to agree on the fate of bands with more than one potential use.

L. Network Neutrality

The FCC’s previously-adopted net neutrality protections were designed to protect consumers, free expression, and innovation online. These rules prohibited blocking, throttling, paid prioritization, and other practices by internet service providers that would have unreasonably interfered with or unreasonably disadvantaged consumers in accessing online content of their choice. The FCC voted to roll back consumers’ net neutrality protections in December 2017, deferring almost all oversight over broadband networks to the Federal Trade Commission. Upon challenge, the D.C. Circuit Court in *Mozilla v. FCC* largely upheld the Order, but vacated the Order’s preemption of state and local net neutrality rules and remanded

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53 *Id.* at para. 219.


the Order to the Commission on two additional issues. In February 2020, the FCC issued a Public Notice seeking to refresh the record on those issues.

II. WITNESSES

The following witnesses have been invited to testify:

The Honorable Ajit Pai
Chairman
Federal Communications Commission

The Honorable Michael O’Rielly
Commissioner
Federal Communications Commission

The Honorable Brendan Carr
Commissioner
Federal Communications Commission

The Honorable Jessica Rosenworcel
Commissioner
Federal Communications Commission

The Honorable Geoffrey Starks
Commissioner
Federal Communications Commission

Mozilla Corp. v. FCC, 940 F3d. 1 (D.C. Cir. 2019).