

**Opening Statement of the Honorable Greg Walden
Subcommittee on Communications and Technology
Hearing on Oversight of FCC Budget and Management
September 17, 2014**

(As Prepared for Delivery)

Today we continue with the committee's efforts to reform FCC process. For the past two congresses, the House has passed the Federal Communications Commission Process Reform Act. The FCC Process Reform Act is bipartisan legislation that passed the House on March 11 of this year and would bring needed reforms to the commission's processes to guarantee the transparency and accountability that is the hallmark of effective and legitimate government. Unfortunately, like so many pieces of bipartisan legislation, H.R. 3675 remains stuck in the Senate, without so much as a hearing to consider this needed legislation.

While FCC process reform continues to wait for the Senate, the Energy and Commerce Committee has kept our foot on the accelerator and continued with our oversight efforts to improve FCC processes. In this time of transformative technological innovation and unprecedented private investment in the communications sector of our economy, we must ensure that the FCC remains vigilant in executing the duties prescribed by Congress, operates within the bounds of the law, and does these things transparently, effectively, and efficiently. The American people deserve no less.

When we last convened to discuss oversight and FCC process reform, we met with Chairman Wheeler amid reports of flawed processes undermining the commission's decision-making. We voiced our concerns regarding reports of the chairman's office withholding decision documents from other members of the commission until the eleventh hour, and decisions by the chairman's office to use the delegated authority of the bureaus to circumvent debate and vote by the full commission. While I am a firm believer that the "buck stops" with the chairman, the FCC is a complex organization with myriad levels of bureaucracy. Today, we will take a closer look at the FCC below the commissioner's suites of the "8th floor."

Since our last hearing with Chairman Wheeler, the subcommittee has examined additional aspects of the FCC's operation including, management of backlog and current workload, staffing, its budget and operating expenses, as well as other related issues through inquiries and information requests to the agency. The FCC's responses to our questions, reports submitted by the Inspector General and reports in the media raise serious concerns as to whether the FCC's house is in order.

And contrary to Chairman Wheeler's oft-touted remedy, the solution to the commission's woes is not simply to throw more money at the problem, but to use the money available to the commission more effectively. Nowhere is this more evident than in the FCC's IT expenditures. According to the FCC's responses to our data requests, it has spent more than \$352 million in the last five years on IT. How much of that was wasted on the FCC's disastrous revamp of its website? How much is now being spent to "fix" the website that then-FCC CIO Steve Van Roekel said would pay for itself in just nine months? And, how much was spent on the commission's public efforts to consolidate aging licensing systems, only to have the project simply disappear, years of work apparently abandoned?

Duplicative spending also seems to be a challenge for the commission. While I applaud FCC efforts to reduce waste, fraud and abuse in the Universal Service Fund, it appears from Mr. Hunt's testimony that the commission now has two teams doing substantially similar work. I should note that Mr. Hunt's raising of this issue is itself a profile in courage, as unlike many other inspectors general within the U.S. government, the chairman can recommend his removal.

The FCC has big challenges to address and hopefully today's hearing will shed some light on those efforts. This morning, we will hear from Mr. Jon Wilkins the FCC's Managing Director whose office is responsible for the administration and management of the commission including such things as the

commission's budget and financial programs, human resources, and communications and computer services. He is joined by David L. Hunt the FCC's Inspector General whose office provides investigations, audits, and reviews of the FCC's programs and operations. It is my hope that their responses to our questions will provide us a better understanding of the FCC's challenges and how the FCC plans to return to the fundamentals of strong management and fiscal prudence.

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