

Congress of the United States
House of Representatives
Washington, DC 20515

Statement of Rep. Henry A. Waxman
Chairman, Committee on Energy and Commerce
Amendment in the Nature of a Substitute on Broadband
January 22, 2009

That concludes opening statements regarding the broadband, energy, and health provisions before us today.

Without objection, the Committee Print for the broadband provisions in the economic recovery package will be considered as read and as base text for the purpose of amendment.

I now recognize myself for the introduction of an Amendment in the Nature of a Substitute.

The broadband package before us today would distribute \$2.825 billion for wireless and wireline broadband through a grant program administered by the National Telecommunications Information Administration (NTIA).

Approximately \$1 billion would go to the deployment of wireless service. The language establishes a goal that 25% of this amount will go to unserved areas and 75% to underserved areas.

In addition, \$1.8 billion would go to the deployment of broadband via fiber or other wires, again with a goal of 25% to basic broadband in unserved areas and 75% to advanced broadband underserved areas.

The proposal aims to be technologically neutral, allowing participation by any eligible entity, including service providers, infrastructure companies, or a state or unit of local government.

Eligible entities are required to abide by minimum speed requirements as well as other important policy goals. The speed requirements are higher for underserved areas than unserved areas, reflecting what is technologically and economically feasible. Any company that participates in the program has to operate their facilities on an "open-access" basis, which will ensure that private entities cannot restrict lawful content that flows through taxpayer-funded broadband facilities.

States will play a key role in this program. Each participating state is required to submit to NTIA a report indicating which geographic regions in that state are priority areas for broadband deployment.

Finally, in addition to minimum speed requirements, grant applicants and NTIA must also address other policy-related considerations, including the impact of the service on public safety, health care delivery, education, and computer literacy.

The substitute differs from the Committee Print that was distributed late last week in two primary ways. First, the substitute adds language to ensure greater transparency and accountability by requiring NTIA to issue an annual report assessing the impact and effectiveness of the grants.

Second, the substitute makes clear that as many entities as possible are eligible to apply for a grant, including satellite companies.

I urge members to adopt this amendment.