



Statement of Commissioner Kathleen Q. Abernathy



Broadband communications networks and the innovative services they support hold unlimited promise for American consumers. During my tenure at the FCC, I have been privileged to see first-hand how broadband is changing the lives of Americans, including the way we work, learn, receive health care, and play.

Broadband networks are an important driver of economic growth. For small businesses, a broadband connection creates a link to millions of potential customers without having to pay rent on a expensive storefront, and it facilitates business-to-business relationships that lower the cost of obtaining capital, supplies, or other necessities. Broadband also fuels job creation as businesses can establish call centers and other back-office operations in remote locations, far from their headquarters, because the high-speed connections can make geographic distance irrelevant.

Broadband also is a boon to education. As a result of broadband networks (which have been heavily financed by the E-Rate program), school children in virtually every community—including traditionally underserved rural areas and inner cities—can gain access to the same on-line resources as children in the best-funded schools. Broadband also makes health care more accessible and affordable. Telemedicine allows patients to be diagnosed and treated by specialists hundreds of miles away, often avoiding the need to travel long distances, be separated from family members, or take days off from work.

Given these and many other benefits, the FCC has made it our top priority to encourage the deployment of broadband facilities and services. With respect to wireline networks, the Commission took

bold action to boost investment incentives by strictly curtailing the application of heavy-handed regulatory requirements to next-generation fiber facilities. The Commission likewise has worked to maintain an investment-friendly environment for cable modem services. On the wireless front, the Commission has allocated new licensed and unlicensed spectrum for broadband services, provided increased flexibility in existing spectrum bands, and established secondary markets to facilitate more efficient use of spectrum. Moreover, the Commission has taken steps to foster the development of broadband over powerline systems and to facilitate the deployment of new broadband satellite services.

I am pleased that this Report to Congress shows that we are meeting our objectives. The vast majority of Americans now have access to broadband services. And the divide between urban and rural areas, and between high-income and low-income populations, is shrinking dramatically. While the overall rate of *subscription* to broadband services lags far behind the *availability* of such services, our job as regulators is to make sure consumers have the opportunity to purchase broadband services. As with any new technology, the penetration rates will climb as content and price become more attractive to consumers. In any case, subscription rates *are* climbing rapidly, particularly in light of how young the technology is. This positive trend will undoubtedly continue: more and more networks are expanding their reach (cable, DSL, wireless, powerline, and satellite), and competition is forcing prices down and service quality up, thus increasing value for consumers. We must continue to work tirelessly to bring the benefits of broadband to *all* Americans, and this report demonstrates that we are well on the path toward achieving that goal.