

**U.S. House of Representatives Committee on Ways and Means
Trade Subcommittee Hearing on “Advancing U.S. Economic Competitiveness, Equity,
and Sustainability Through Infrastructure Investments”**

April 29, 2021, 1:30 p.m.

Testimony of Stan Santos

Good afternoon Chairman Blumenauer, Ranking Member Buchanan, and members of the subcommittee. My name is Stan Santos. I live in California’s Central Valley. For 22 years, I’ve been a Splicing Technician with AT&T and a member of Communications Workers of America. I also work in the community as an advocate for universal broadband. I’ve testified before the California state legislature and the public utilities commission, but this is my first time speaking before a Congressional committee.

For some recent history on today’s digital divide, my own experience is instructive. In 1999, I left the Central Valley to work in Silicon Valley and spent over three years installing high-speed DSL systems known as Controlled Environment Vaults, which were cutting edge back then. When I left the “high-tech” Valley, schools were beginning to provide computer access in classrooms and smart devices to students.

I returned to the Central Valley in 2003, and continued to work in copper, DSL, and increasingly, optical fiber. In ensuing years, the FCC raised the floor for high-speed internet from 200 kilobits per second download speed to 4 Megabits per second (Mbps) in 2010, and to 25 Mbps in 2015. Today, in the small farmworker communities surrounding Fresno, households still rely on the same DSL architecture and 6 Mbps connections of almost 20 years ago, including in new housing developments. Meanwhile, both Silicon Valley tech hubs and high income, northside neighborhoods in the City of Fresno are wired with gigabit fiber.

With the pandemic, the simmering crisis of digital redlining has become a five alarm emergency. There is a huge swath of communities, along the westside of Fresno County with names like Firebaugh, Mendota, San Joaquin, Tranquility, Three Rocks, Cantua Creek and Huron that lack basic infrastructure for broadband. The workers whose hands drive the tractors and cultivate, weed, prune and pick the crops are among the poorest in the nation. In 2019, Fresno County had a poverty rate of 20 percent, compared to 12 percent nationally. These are largely Latinx communities, both citizens and immigrants, who help drive our economy but face discrimination and exclusion from basic human rights and basic services. Those basic services include broadband, which must be considered a right and not a privilege. Now more than ever, a home internet connection is a crucial link to school, work, and civic participation. In upper class households, children and adults play, learn and work simultaneously on multiple devices. Children in rural areas and poor urban neighborhoods gather outside of closed community centers and fast food outlets with cell phones.

During the pandemic I have been visiting community members and testing the speed of their internet hotspots provided by school districts. My tests have found low speeds and inconsistent connections. The wireless signal deteriorates based on distance to cell towers. Farmworker

housing is frequently built with concrete blocks and walls which further impedes the signal. Two-way communication is essential for learning and keeping students engaged, especially in the critical early grades. Hotspots and even cabled modems have slow download speeds and even slower upload speeds, which means that the kids may be able to see the teacher, but the teacher can't always see them. One rural school district has 3,670 students and has given out over 1,800 wifi hotspots. That suggests the majority of these families lacked any internet connection at all before the pandemic. Wireless hotspots are inadequate, unsustainable solutions. These communities need upgraded wireline connections that they can afford.

Across the country, the private sector has failed to deliver affordable broadband for all. Major broadband providers, both telecom and cable, have chosen not to build their networks to areas they deem less profitable, and declined to upgrade many existing customers still relying on outdated technology. The result of private sector under-investment combined with decades of deregulation at the federal and state levels is a persistent and deeply harmful digital divide.

According to the FCC's most recent Internet Access Services report, 44 million households -- 36 percent of all households -- do not have a broadband connection that meets the FCC speed benchmark, either because they do not have access or they cannot afford it. Broadband access is stratified by race and income. According to a [recent Pew report](#), 34 percent of Black households and 39 percent of Latinx households do not have a wired broadband connection. The Census Bureau recently found that [Native Americans](#) are the least connected population with 33 percent lacking a broadband subscription and 47 percent of those living on tribal lands lacking broadband availability.

Due to a lack of competition from insufficient deployment, the cost of broadband remains prohibitive for many. For [low-income households](#) earning less than \$30,000 per year, 44 percent lack home broadband, compared to 8 percent of households that earn over \$75,000 per year.

Late last year, CWA and the National Digital Inclusion Alliance jointly published a report revealing how AT&T is making the digital divide worse and harming both customers and workers by failing to invest adequately in crucial fiber-optic buildout. The report revealed widespread service below the FCC's broadband definition of 25/3 Mbps. By mid-2019 when AT&T hit an FCC-required build-out threshold tied to the DIRECTV acquisition, AT&T had made fiber-to-the-home available for fewer than one-third of the households in its network. Looking at the areas where I work, AT&T has deployed fiber to 10 percent or fewer households in the rural counties of Kings (3 percent), Madera (6 percent) and Tulare (10 percent). In Kings County, 45 percent of households do not even have access to service that meets the 25/3 speed threshold.

AT&T's employees -- many of whom are CWA members like me -- know that the company could be doing much more to connect its customers to high-speed internet. We know the company's over 50,000 job cuts since 2018 are devastating communities and hobbling the company's ability to meet the critical need for broadband infrastructure.

We understand AT&T is ramping up for renewed fiber deployment, which is positive, but AT&T's plan to pass 7 million locations with fiber by the end of 2022 is not as aggressive a deployment as is needed. Importantly, it's not yet clear to what extent this work will be done by low-wage, inadequately trained contractors or by insourcing to good, union jobs with a future. CWA will work with allies to hold AT&T -- and all of its peers -- to a "build back better" standard given the essential nature of broadband service and the need for a well-trained, career workforce to build and maintain this infrastructure.

The result of deregulation and private sector under-investment is a persistent and deeply harmful digital divide that leads directly to children sitting in fast food parking lots to do their homework during the COVID-19 pandemic. Home broadband is a necessity for all, regardless of race, income or geography.

What does the lack of private investment mean for U.S. economic competitiveness? The US sits far below many other wealthy countries in fiber coverage, which is the recognized standard for high-capacity broadband, with approximately 31% of households and businesses covered as of 2019, [according to a new report](#). This compares especially poorly to the top ten countries, which all have 95-99% fiber coverage (Singapore, Qatar, United Arab Emirates, Portugal, Spain, South Korea, Hong Kong, Japan, Latvia, Lithuania).

Members of Congress may have received a [glossy report](#) from US Telecom in the past week that claims the United States outstrips the European Union in broadband deployment and speeds. That report lumps together all E.U. countries regardless of income level, making the comparison to the U.S. apples to oranges, and it ignores some critical indicators. If we focus on fiber-to-the-premises, [24 E.U. countries](#) beat the U.S. on deployment levels. For adoption of broadband with speeds of 100 Mbps or above, [12 E.U. countries](#) are ahead of the U.S. -- which reports 47% adoption -- several by 30 points or more. Further, while US Telecom cites FCC Form 477 data to claim that 92% of U.S. households have access to broadband with speeds of 100 Mbps or above, the report does not acknowledge that the data the FCC collects from providers is woefully incomplete and overstates coverage to a large degree. As in its arguments to U.S. policymakers, the industry exaggerates and overstates the level of competition and adoption to justify freedom from oversight, and too often, policymakers have taken these claims at face value.

We need bold action to encourage greater broadband deployment. We need an infrastructure bill that will expand broadband access and create and protect good jobs -- the dual mandates that President Biden has laid out in his plan to build back better. This means \$80 billion in funding for deployment that goes to proven technologies with strong accountability measures, as envisioned in Whip Clyburn's Accessible, Affordable Internet for All Act and included in the Biden Administration's American Jobs Plan. This legislation would jump-start broadband deployment to unserved and underserved communities and help close the digital divide. In addition, the bill would establish the Office of Internet Connectivity and Growth, would conduct outreach to communities in need of better access to or adoption of broadband service, and create two new grant programs to help achieve digital equity.

It is essential that any broadband infrastructure bill include standards that ensure the workers who build and maintain federally-subsidized broadband networks are able to exercise their collective bargaining rights and form unions free from employer coercion and intimidation. The Accessible, Affordable Internet for All Act does so. The bill also prohibits outsourcing of work that has the intent of circumventing a collective bargaining agreement. This provision addresses the growing trend of major broadband companies avoiding accountability by contracting and subcontracting work, which fragments and disempowers their workforce. In the broadband sector, most construction contractors are non-union and undercut the wages, benefits and quality of work that union members fought for and won over decades.

Here is but one example of a company -- then-CenturyLink, now called Lumen -- taking public money and then contracting out work. In 2015, CenturyLink won \$3 billion over six years from the FCC's Connect America Fund Phase II (CAF-II) universal service program to deploy broadband to 1.1 million unserved households and businesses in 33 states.

CWA strongly supported the CAF-II broadband expansion program and encouraged our members' employers to apply for money. CWA represents more than 8,000 CenturyLink employees, who perform the work associated with CenturyLink's broadband installation, activation, and testing.

When the FCC crafted the CAF-II program, CWA anticipated our members would carry out the deployment. Public monies should support good, family-supporting union jobs and there was a qualified workforce ready to bring broadband to unserved areas.

After it had won the money and it was time to begin deployment, CenturyLink turned its back on its employees, choosing to outsource the \$3 billion in Connect America Fund II work. In May 2016, CenturyLink informed CWA that it would not use CWA-represented CenturyLink employees to perform the majority of the CAF-II work, and it would instead be done by outside contractors.

Congress must prohibit behavior like CenturyLink's. It not only harms workers and kills jobs, thus undermining a key goal of the build back better agenda, it also slows broadband expansion. Career employees have years of experience installing, activating, and testing broadband equipment and networks. They know the state of the current network. Replacing qualified, on-site employees with outside contractors could add costly errors, inefficiencies, and delay the broadband expansion.

In 2021, we have an opportunity to achieve a values-based approach to broadband deployment that centers the contributions of career broadband workers. We must learn from past federal programs that allowed ISPs to take public funds and hire contracted workers for short-term, non-union jobs.

The American Jobs Plan would create a robust jobs pipeline to employ many skilled broadband technicians who are currently unemployed or underemployed due to mass layoffs by telecoms, and create on-ramps for under-employed workers in adjacent occupations as well. This investment would also create an even greater number of supply chain jobs and induced jobs in the broader economy through workers' spending. The \$80 billion needed to close the broadband availability gap would create an [estimated](#) 200,000 direct construction job years, likely meaning that it'll put tens of thousands of people to work for years. The spending would [also create](#) an estimated 286,000 indirect supply chain jobs and 328,000 induced jobs through a multiplier effect. And this does not even account for the job growth that would likely result from new businesses that could flourish if all communities have broadband.

This total job creation of more than 800,000 job years will strengthen our communities for the long term, but only if these are good jobs that protect workers' rights to organize and bargain collectively.

To further ensure that the American Jobs Plan creates good jobs, not just in broadband, but across the economy, Congress should also follow President Biden's proposal by including H.R. 842/S. 420, the Protecting the Right to Organize (PRO) Act, as you advance the plan. Many of the workers in the communities I serve theoretically have the right to organize under the National Labor Relations Act (NLRA), but are unable to do so in practice because of the NLRA's weak accountability measures for employers who intimidate or fire workers who exercise their rights. The PRO Act would help correct this power imbalance and help ensure that the American Jobs Plan brings more good jobs to the Central Valley and other underserved areas across the country.

As we emerge from the COVID-19 crisis, it's critically important that we build back better than the inequitable economy that we had before. One key component of doing so is making sure that all communities have access to the high-speed internet service that is an essential utility in today's society, just like electricity or clean water. We have seen that achieving universal access will require leadership from the federal government and significant investment so that communities like mine finally receive the internet access that we deserve.

Thank you for the opportunity to testify before you today. I look forward to any questions that you may have.