

United States Secretary of Commerce Howard Lutnick
Senate Appropriations Subcommittee on Commerce, Justice, and Science
Remarks as Prepared

Chairman Moran, Ranking Member Van Hollen, and members of the Subcommittee, thank you for having me here today.

I appreciate your leadership and partnership with the Department of Commerce and NTIA.

I am here to discuss the \$42 billion BEAD program, which ensures communities across the United States, predominantly in rural areas, can successfully connect to high-speed internet.

From day one, our approach has been straightforward: this money belongs to the American taxpayer, and they deserve the benefit of the bargain.

When we took responsibility for BEAD, the program was not delivering value. It was burdened by red tape, slowed by unlawful conditions, and skewed toward a one-size-fits-all approach that ignored cost, geography and practicality.

Many members of this Subcommittee raised serious concerns that BEAD had become biased toward one technology, regardless of whether it was the most efficient way to connect Americans.

We changed course.

Under this Administration, BEAD is now technology-neutral, competitive, and disciplined, exactly as Congress intended. Fiber where fiber makes sense. Fixed wireless where it works better. Satellite where geography demands it. Every technology must meet the same statutory performance standards. There are no favorites. Our objective is simple: same or better standards, but much better results.

When you contrast what states were forced to do under the Biden administration, and what they're able to do now, the difference is striking.

Let me give you one concrete example: Louisiana, which is represented on this Subcommittee.

Under the Biden administration, Louisiana was tasked with spending more than \$1.3 billion to do what it is now doing for under \$500 million. That means in Louisiana alone, we've saved more than \$800 million and delivered better economic results, all while advancing the same standards. We're delivering for the State of Louisiana and all American taxpayers.

Under the Benefit of the Bargain reforms, Louisiana re-opened competition, embraced technology neutrality, and drove costs down dramatically. Under the Biden administration's fiber mandate, the cost to serve a single location in Louisiana was as high as \$120,000. Today, the highest-cost location in the state

is closer to \$7,000, with an average cost under \$4,000. And they're doing this all while still achieving universal coverage.

That is the difference between a program designed around *waste and abuse* and a program designed around *value*.

And Louisiana is not an outlier. Working with states across the country, we are seeing the same pattern and delivering for the American people. States operating under the prior framework consistently were faced with higher costs, fewer bidders, and weaker private-sector participation. States operating under the Trump Administration's Benefit of the Bargain framework are seeing lower costs, higher matches, and faster timelines without sacrificing performance or coverage.

As of today, we estimate that these reforms have generated over \$21 billion in savings for taxpayers, while advancing universal broadband nationwide. That is not a projection. That is the direct result of competition and disciplined execution.

But savings alone are not the goal. Execution and long-term success matter even more.

Too many past broadband programs failed because projects defaulted, providers walked away, and communities were left stranded. BEAD cannot repeat those mistakes.

That is why NTIA is enforcing clear guardrails to minimize defaults. Our framework demands real skin in the game from providers, streamlined permitting, and protections against regulatory uncertainty that would undermine projects after awards are made.

We are now nearing the end of state plan approvals. Fifty out of fifty-six states and territories have been approved by NTIA, and we are moving BEAD from planning to construction without delay.

This program is no longer about promises or projections. It is about outcomes.

Americans are getting connected, taxpayer dollars are going further, and we have a broadband program that actually works.

Chairman Moran, Ranking Member Van Hollen, members of the Subcommittee—this is what responsible stewardship looks like. Universal broadband, delivered efficiently, with accountability, competition, and respect for the taxpayer and the law.

Thank you. I look forward to your questions.