TELCO GROUPS URGE CHANGE IN MUNI BROADBAND DRAFT BILL Feb 26, 2008 TR Daily

Five telco trade associations have urged the leadership of the House telecommunications and the Internet subcommittee to reconsider inclusion of community broadband empowerment provisions in a draft bill that is scheduled to be discussed at a subcommittee hearing tomorrow.

In letters sent to subcommittee Chairman Edward J. Markey (D., Mass.) and ranking minority member Cliff Stearns (R., Fla.), the telco groups - the U.S. Telecom Association, the **Western Telecommunications Alliance**, the Independent Telephone & Telecommunications Alliance, the National Telecommunications Cooperative Association, and the Organization for the Promotion and Advancement of Small Telecommunications Companies - said that they believe federal municipal broadband legislation would chill private investment in existing and future broadband networks.

They added that their members are making rural broadband investments that frequently would be impossible without a solid core of customers in communities with some measure of population density and warned that federal municipal broadband legislation encourages cherry picking the easier to serve areas within town limits, diminishing the feasibility of broadband service in the more costly to serve outlying areas.

They asked that at a minimum the draft bill be changed so that the prohibition on state laws that restrict municipal broadband offerings would only apply to areas without existing broadband service. They also asked that language be added to the measure to prevent cross-subsidization of municipal broadband networks.

In addition to its muni broadband provisions, the draft bill, known as the Wireless Consumer Protection and Community Broadband Empowerment Act, also includes language that would require the FCC to adopt new wireless service consumer protection rules while allowing states to regulate some wireless service provisions and impose some additional protections (TRDaily, Feb. 20). -

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