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January 19, 2017

The Honorable Terry J. Kilgore Chairman, House Commerce and Labor Committee General Assembly Building, Room 704 Capitol Square Richmond, Virginia 23219

Dear Chairman Kilgore:

We, the private-sector companies and associations listed below, urge you not to pass HB 2108. This bill would effectively ban new public broadband networks and public-private partnerships and cripple existing ones, harming both the public and private sectors, retarding economic growth, preventing the creation or retention of jobs around the

Commonwealth, particularly in rural areas, hampering work force development, and diminishing the quality of life in Virginia.

If enacted, HB 2108 would not only hurt Virginia's localities and their residents, but it would also harm the private sector in multiple ways. Among other things, it would derail or unnecessarily complicate and delay public-private partnerships. It would interfere with the ability of private companies to make timely sales of equipment and services to public broadband providers. It would deny private companies timely access to advanced networks over which they could offer business and residential customers an endless array of modern products and services. It would also impair economic and educational opportunities that contribute to a skilled workforce from which businesses across the state will benefit.

The United States must compete in a global economy in which high capacity communications networks with data speeds far in excess of 10 megabits downstream and 1 megabit upstream are playing an increasingly significant role. Communities with data speeds limited to the HB 2108 target of 10/1 megabits cannot realistically hope to attract or retain modern businesses or provide their residents, particularly their young people, a reason to stay in them. These communities will be condemned to economic stagnation or worse – like the "ghost towns" that died a century ago for lack of adequate electricity.

The U.S. needs affordable access to advanced communications networks in as many communities as possible, as rapidly as possible, so that innovators can develop next-generation applications and services that will drive economic growth and global competitiveness. Unfortunately, in many communities in Virginia and across America, particularly in rural areas, the current communications service providers are unable or unwilling to invest in advanced communications networks rapidly enough to enable the communities to stay abreast of their peers elsewhere in the United States and around the world. These communities should be free of artificial barriers such as HB 2108 to do their part to help bring affordable high-capacity broadband connectivity to all Americans and to advance America's global competitiveness.

Communities in Virginia are eager to work with willing established carriers, enter into public-private partnerships with new entrants, develop their own networks, if necessary, or create other innovative means of acquiring affordable access to advanced communications capabilities. These are fundamentally local decisions that should be made by the communities themselves, through the processes that their duly elected and accountable local officials ordinarily use for making comparable decisions. They should also be able to use their own resources as they deem appropriate to foster economic development, educational opportunity, public safety, and much more, without having to comply with the bottlenecks that HB 2108 would impose.

We support strong, fair, and open competition to ensure that users can enjoy the widest range of choices and opportunities. HB 2108 would take us in the wrong direction. It is bad for Virginia communities, particularly rural communities, bad for the private sector, particularly high-technology companies, and bad for America's global competitiveness. Please do not pass HB 2108 or any amendment or other measure that could significantly impair community broadband deployments or public-private partnerships in Virginia.

Sincerely,

Atlantic Engineering
Coalition for Local Internet Choice
CTC Energy & Technology
Fiber to the Home Council
Google
Indeed
Internet Association
National Association of Telecommunications
Officers and Advisors
Netflix
Next Century Cities
Nokia
OnTrac
Telecommunications Industry Association
Ting Internet

Utilities Technology Council

Members of the Commerce and Labor Committee

cc: