

Want Broadband? Go Local.

Congress is more a hindrance than a help in ensuring broadband for underserved areas. This year's House funding bill targeted the FCC for major budget restrictions.

By Steven S. Ross / *Broadband Communities*

Though some federal broadband funding is available and more than 30 federal agencies are modifying their regulations to make broadband implementation easier, the information superhighway's local on-ramps are more than ever the responsibility of state and local governments. Recent congressional action threatens to give the FCC even less power to help broadband consumers – a scary prospect, because when states abdicate their responsibility by blocking communities from even threatening to establish their own networks, rural communities lose jobs and population.

Attendees at **BROADBAND COMMUNITIES'** sixth annual Fiber for the New Economy conference (to be held in Minneapolis October 18–20 in partnership with the Fiber to the Home Council; see www.bbcmag.com/minneapolis) will find out in more detail what happens when communities don't have good broadband access. (They will also learn a great deal about conceiving, planning, financing, building and managing local broadband networks.)

WHAT CONGRESS DID

In early July, the House of Representatives passed its 2017 Financial Services and General Government Appropriations bill with scores of anti-consumer riders. If history is any guide, the Senate will pass a funding bill with harmful riders of its own. As community activists and other interested parties, such as equipment vendors, wake up to the potential carnage, some damage may be swept away in the House-Senate conference, enabling members of Congress to tell voters how pro-consumer they really are.

The House attempted a stealth gutting of all the pro-consumer, pro-small carrier rules the Federal Communications Commission proposed. None had anything to do with funding the budget or laws already passed. These folks in Congress didn't think of these things themselves, of course. Their campaign donors helped out. A lot.

For instance, the House said the FCC cannot spend money enforcing new rules that would force all carriers and content providers to make their programming and content guides available in at least one nonproprietary, encrypted format. The FCC initiative benefits consumers, who would

not have to lease set-top boxes or other hardware at a cost I estimate at about \$150 a year and the FCC estimates at closer to \$200. The initiative also benefits small carriers that seek to expand broadband service but find that maintenance costs and investments in customer-premises equipment such as set-top boxes hold them back.

The financial impact on the largest carriers is unclear but would likely be small. They would save maintenance costs and up-front equipment buys and might profit from their investments in content providers that would benefit from the new rules.

The funding bill that passed the House would also suspend FCC enforcement of its media ownership and Open Internet rules and its emerging broadband data privacy rule until any legal challenges to them are judged in court. It would also hamper the FCC's ability to investigate other abuses by carriers and content providers.

Though some argue that the FCC is pushing the limits – laws that Congress itself has passed, those arguments should be made in court and not on pages 133 to 144 of a 265-page funding bill.

Major U.S. carriers do spend staggering amounts of money to build and upgrade their networks. Verizon and AT&T alone are the two largest capital spenders on the planet, and Comcast isn't that far behind. The five major American cable companies and three largest phone companies together spend well over \$50 billion a year to improve their information highways. That alone is a bit more than the federal government itself spends on highway and other transportation infrastructure each year. Smaller carriers add another \$10 billion to the mix.

These private investments have built good to excellent infrastructure throughout much of the United States – but not everywhere. Carriers shouldn't try to block competitors from investing where they can't or won't invest, and they shouldn't seek congressional protection from regulators who are trying to help broadband consumers. ❖

Contact the Hawk at steve@bbcmag.com.