



April 25, 2019

Chairman Ajit Pai
Commissioner Michael O’Rielly
Commissioner Brendan Carr
Commissioner Jessica Rosenworcel
Commissioner Geoffrey Starks

Federal Communications Commission
445 12th Street, SW
Washington, DC 20554

Re: Implementation of Section 621(a)(1) of the Cable Communications Policy Act of 1984 as Amended by the Cable Television Consumer Protection and Competition Act of 1992, **MB Docket No. 05-311**

Dear Chairman Pai and Commissioners:

On behalf of the 17 undersigned organizations, we write to urge the Commission to reaffirm in its current Section 621 proceeding existing rules that prevent states and localities from charging duplicative fees and taxes, which serve to increase the cost of broadband internet access for consumers. Currently, states and localities are only permitted to impose franchise fees for the use of public rights-of-way up to a maximum of 5% of providers’ gross revenues from the provision of cable services; however, in some localities, local franchising authorities (LFAs) are charging an *additional* fee on broadband services provided by those same operators – services that are provided over the networks already being used to provide cable. These duplicative fees are allowed to be passed on to consumers, which disproportionately harms low-income consumers who are, in large, people of color. We therefore urge the Commission to clarify and confirm that LFAs cannot and should not charge this kind of duplicative fee.

As civil rights and business advocacy organizations, we sincerely understand the need for local governments to raise money to fund important causes and services for their communities; however, charging a franchise fee for both cable and broadband services – *which are deployed to each customer by the same provider over the same infrastructure* – distorts the intention of current rules. These duplicative fees are regressive – that is, they are most burdensome to lower-income households that spend a far larger share of their income on broadband than wealthier families. Additionally, affordable access is essential to the development of small, minority businesses, which play a vital role in bridging the wealth gap and the digital divide. In effect, duplicative fees make broadband access even less accessible and less affordable for those who can least afford it, and serve to widen the digital divide.

It is essential that all individuals in our nation be able to access the internet. However, additional fees and taxes on internet access create yet another obstacle to full access and adoption for lower-income Americans. Affordable access is increasingly and urgently vital to bridging the homework gap, the wealth gap, and ensuring

economic civil rights, especially in low-income and disadvantaged communities. These communities benefit significantly from the opportunities broadband access affords, including access to education, skills training, telehealth, government services, and the job search and application process. Increased broadband access costs can be especially problematic for the unemployed or underemployed who become shut out from the very tools they need to pursue new skills and opportunities.

As we continue to strive for equal opportunity in the digital economy, we must ensure affordable access to the internet for everyone. Despite much broadband innovation – including increased network capacity, speeds, and the prospect of 5G and 10G offerings and deployment – some citizens still have “No-G.” It is vital that regulators remember that fact.

We therefore respectfully urge the Commission to reaffirm that states and localities cannot and should not impose additional franchise fees on broadband services beyond the 5% maximum charged for cable services provided over the same networks. These duplicative taxes disproportionately impact low-income consumers and widen the digital divide. Additionally, we request the Commission to expeditiously take all steps necessary to ensure that underserved and lower-income communities have access to broadband – and that access is affordable.

Sincerely,

Multicultural Media, Telecom and Internet Council (MMTC)

ALLvanza

Asian Americans Advancing Justice – AAJC

ASPIRA

Hispanic Federation

LGBT Technology Partnership & Institute

MANA, A National Latina Organization

NAACP

National Action Network

National Coalition on Black Civic Participation

National Council of Negro Women

OCA - Asian Pacific American Advocates

Rainbow PUSH Coalition

The Latino Coalition

U.S. Black Chambers, Inc.

U.S. Hispanic Chamber of Commerce

SER National