



March 22, 2005

The Honorable Mary Hodge
And Members of the House Local Government Committee
Colorado General Assembly
200 East Colfax
Denver, Colorado 80203

Re: SB 152

Dear Chairman Hodge and Members of the Committee:

The Fiber to the Home (FTTH) Council urges you to reject SB 152. The FTTH Council represents the interests of more than 120 nationally and internationally known providers, users and facilitators of advanced communications capabilities through fiber-to-the-home (also referred to as fiber-to-the-premise) technology. The vast majority of the FTTH Council's members are private entities. We believe that SB 152 would be far more detrimental than helpful to the interests of the private sector.

Affordable access to high-bandwidth broadband is critically important to America's economic vitality; educational and occupational opportunity; local, regional and global competitiveness; universal access to modern health care; environmental protection; homeland security; cultural richness; and many other factors that contribute to a high quality of life. The digital subscriber line and cable modem technologies that the telephone and cable industries are currently deploying, or plan to deploy in the foreseeable future, ***do not have enough bandwidth capacity to achieve these goals.***

Furthermore, over the last four years, America has sunk to 13th place among the world's leading nations in per capita broadband deployment, and it also ranks well behind Korea, Japan and other progressive countries in average price per kilobit of bandwidth. These statistics are especially alarming because leadership in advanced communications capability is just not an end in itself, but it is also essential to the well-being of countless American companies whose ability to compete effectively in the global economy requires access to affordable high-bandwidth broadband.

FTTH technology is widely regarded as the most robust and future-proof broadband technology. Local governments that have FTTH systems stand out in the global economy and have a much greater chance of achieving the benefits listed above than communities that do not have such systems. As a result, local governments have been at the forefront of FTTH deployments in the United States, accounting for approximately 32 percent of all homes passed by fiber systems and approximately 47 percent of homes passed in projects of at least 2000 homes. Local governments that have built state-of-the-art FTTH networks deliver high-bandwidth broadband speeds today that rival the fastest access networks in Korea or Japan.

A century ago, when privately-owned electric utilities focused upon electrifying the major population centers and left most of America literally in the dark, thousands of communities formed their own electric utilities. Communities that did this generally thrived in the new economy that electricity created. By contrast, thousands of communities that waited for the private sector to get around to them languished and became “ghost towns.” Now, when it comes to access to high-bandwidth technology, the history of the electric power industry is repeating itself. Rather than impede communities that want to step forward to meet their own needs for advanced communications services and capabilities, America should be doing everything possible to encourage such activity – as the other leading nations are doing.

President Bush is calling for nationwide access to affordable broadband by 2007. Our preference is that you support legislation to expand the number of communications providers, not reduce them, like this proposal would. SB 152 would significantly thwart the ability of local governments in Colorado to deploy FTTH technology. That is bad for the communities involved, bad for the many businesses, institutions and consumers that would benefit from FTTH systems, and bad for America. The FTTH Council urges you to do everything possible to ensure the defeat SB 152.

Sincerely,

A handwritten signature in black ink, appearing to read "M. DiMauro". The signature is written in a cursive, somewhat stylized font.

Michael DiMauro
Executive Director