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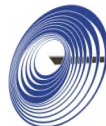
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February 22, 2017

The Honorable Gary Winfield
The Honorable Paul Formica
The Honorable Lonnie Reed
Chairs, House Energy and Technology Committee
Connecticut General Assembly
Hartford, Connecticut 06106-1562

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Dear Chairs Winfield, Formica, and Reed:

We, the private-sector companies and associations listed below, urge you to reject HB 7011. Under General Statutes § 16-233, municipalities currently have the right to use “for any purpose without payment” certain space that utilities are required to reserve for municipalities on public utility poles and in underground communications duct systems. Such reserved space is commonly known as the “municipal gain,” and it is part of the compensation that municipalities are entitled to receive from utilities in return for their use of public rights of way without charge. HB 7011 would replace the phrase “for any purpose” with “for the purpose of municipal ... signal wires or private telecommunications service, as defined in subsection (b) of section 16-247b.” This would effectively prohibit municipalities from using their municipal gain to foster economic development and other critical community needs by providing or facilitating the provision of advanced communications services and capabilities. HB 7011 would also thwart public-private broadband partnerships by

prohibiting municipalities from allowing “any person other than such town, city, borough, fire district or department to occupy or use such gain.”

We submit that HB 7011 is bad for Connecticut’s municipalities, bad for the private sector, particularly the high-tech industry, and bad for both Connecticut’s and America’s global competitiveness.

Connecticut and the United States operate in an increasingly competitive knowledge-based global economy in which advanced communications networks are playing an ever more significant role. Like electric utilities a century ago, advanced communications networks are now rapidly becoming platforms and drivers of simultaneous progress in just about everything that is important to communities. This includes economic development, education, public safety, health care, energy, environmental protection, transportation, urban revitalization, government service, democratic discourse, and much more.

As a result, municipalities across the United States, including Connecticut, are urgently seeking to acquire affordable access to advanced communications capabilities, by working with willing incumbents, by entering into public-private partnerships with new entrants, by creating their own networks, if necessary, or by developing other innovative options, including joint wired and wireless solutions. 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. This is particularly appropriate in Connecticut, which has a long and rich tradition of local home rule.

Because prompt access to poles, ducts, and conduits is critical to the success of any advanced communications network, Connecticut’s unique municipal gain statute gives its municipalities an important advantage that no other state currently offers. By allowing municipalities to use their municipal gain “for any purpose,” Section 16-233 encourages them to consider the broadband needs of their communities and any and all options that might address these needs successfully. In fact, as currently written, Section 16-233 benefits even those municipalities that might for the time being be content with the offerings of their incumbent providers, because the very existence of meaningful municipal choice is likely to make the incumbents more responsive to local needs than they might otherwise be.

While the harm to municipalities that HB 7011 would cause is readily apparent, the harm to the private sector may not be. We submit that the bill would hurt the private sector by derailing or unnecessarily complicating and delaying public-private partnerships, by interfering with the ability of private companies to make timely sales of equipment and services to municipal broadband providers, by denying private companies timely access to advanced networks over which they can offer business and residential customers an endless array of modern products and services, and by impairing economic and educational opportunities that contribute to a skilled workforce from which businesses across the state would benefit.

We support strong, fair, and open competition to ensure that users can enjoy the widest range of choices and opportunities. HB 7011 would take Connecticut in the wrong direction. **Please do not pass HB 7011 or any amendment or other measure that could significantly impair community broadband deployments or public-private partnerships in Connecticut.**

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

cc: Members of the House Energy and Technology Committee