



National Association of Telecommunications Officers and Advisors

25 Years of Communications Leadership

Competition and Access to Products and Services Core Value

Competition provides greater choice, better quality and competitive pricing for communications products and services, and access to new technologies affords greater communications options for a community.

Core Value Fundamentals

- The nation's communications policy increasingly relies on less regulation of the communications market and more on competition and competitive forces to regulate it.
- Local governments share the Congressional goal of establishing meaningful competition in the local communications markets.
- Although there is competition in some communications sectors, most sectors are not truly competitive.
- Furthermore, a trend toward industry consolidation has reduced competition.
- In the absence of genuine competition, local governments should have the ability to ensure consumers are treated fairly and that their community's communications needs are met.

Local Government Concerns

In updating the Communications Act, Congress could remove consumer protections and local government oversight of critical communications technologies before genuine competition for communications services exists. Congress will likely attempt to create regulatory parity (i.e., common rules) for communications companies such as cable and telephone companies that with convergence of technologies will be able to offer similar services (voice, video and data). Based on this ability to compete against one another or convergence, communications companies will argue for full deregulation and the preemption of traditional state and local authority, irrespective of whether genuine competition within individual markets exists. This may subject consumers to the abuses of a monopoly or a duopoly communications market in many communities.

Congressional Action

- Recognize that local government shares the Congressional goal of establishing meaningful competition.
- Develop a meaningful, and local, competition standard, where deregulation is tied to significant evidence of "price competition" and price restraint.
- Guarantee local government authority to protect consumers where market forces fail.
- Maintain local government authority over the public rights-of-way to rightfully allow the determination of access policies at the local level.
- Prevent communications providers from cross-subsidizing competitive service with non-competitive service revenues.
- Prevent consolidation that results in the ownership of both the distribution facilities and the content transmitted on those facilities by a single company.
- Develop policies which encourage Federal, state and local governments to work together:
 - to ensure that consumers are protected from market power abuses, and;
 - to develop local information infrastructure and services that enable all segments of the community to participate in the global economy.



Economic Development

Core Value

The promotion and advancement of economic development is a key responsibility of local government.

Core Value Fundamentals

- The future of any local community depends on its ability to create jobs, stimulate commerce and provide a high quality of life for its citizens.
- Local economic development strategies have shifted in the last twenty years as local communities discover that their economic survival now depends on their ability to compete in a global economy dependent on the rapid flow of information.
- Access to affordable and reliable high-speed broadband infrastructures and a highly trained and educated workforce must be available in a community to ensure economic success.
- Competition based on the flow of ideas and intellectual property results in economic freedom and prosperity.

Local Government Concerns

The future economic survival of America's local communities depends on the widespread and rapid deployment of affordable broadband infrastructures. Legislation that hinders local ability to act is a direct threat to the economic viability of our communities. Local governments must be able to ensure the availability of the infrastructure necessary to compete in an information-based global economy and to maintain a tax base that is tied to this information economy.

Congressional Action

- Allow local governments the broadest array of authority to support local economic development.
- Amend the nation's tax code such that it no longer unfairly favors Internet merchants at the expense of main street merchants.
- Amend the Communications Act to compel the FCC to curb anti-competitive incumbent practices that place new competitors at disadvantage vis-à-vis incumbents.
- Preserve local governments' authority to prevent social and economic discrimination (redlining) of residential and commercial areas by broadband providers who wish to serve only the most profitable areas of a community.
- Amend the Communications Act so that the authority of municipalities to provide telecommunications facilities and/or services is clearly preserved.



Homeland Security and Emergency Communications

Core Value

Local government must have access to and use of effective and reliable emergency communications systems.

Core Value Fundamentals

- With few, if any exceptions, every emergency is local.
- Local governments' police and fire departments are first responders in the overwhelming majority of disasters.
- Emergency communications systems are part of government's broader responsibility for emergency management.
- Emergency communications systems are used to inform and protect the public in the event of terrorist threats, natural or man-made disasters and other public safety matters.

Local Government Concerns

Local government is in the best position to determine how best to use homeland security funds and technical assistance from the Department of Homeland Security that is targeted to localities, and should be provided that deference. Funding must be provided and local government must evaluate whether the federal government is providing support commensurate to the critical role of first responders. Sufficient spectrum must be made available for public safety uses, and non-interference with public safety communications must take priority over commercial transmissions. The utilization of private communications resources for governmental and public emergency use must be preserved, and the decisions relating to such use must remain at the appropriate local, state and federal levels.

Congressional Action

- Provide sufficient spectrum for public safety and mandate that commercial transmissions will not interfere with public safety communications.
- Require the FCC to accelerate E911 deployment, including next generation technology deployment of emergency information and systems.
- Preserve and protect local emergency alert systems where identified and requested by local government in order to meet their emergency response needs.
- Adopt and implement the National Emergency Alert System and require industry participation to ensure that messages of all levels of government relating to national emergencies are provided via all available communications systems.



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Preservation of Local Government Taxing Authority

Core Value

The ability of a government to impose and collect taxes to fund its operations is an essential authority of any government, including local government.

Core Value Fundamentals

- The long-established authority of localities to tax is critical in order to ensure that local governments have adequate resources to provide all of the vital local public services that their residents expect and demand.
- Local governments levy taxes to raise revenue that enables them to provide vital public services to their residents, including public health, safety, education, economic development and social welfare.
- The proximity and accessibility of locally elected officials to their constituents is the ultimate example of taxation *with* representation.

Local Government Concerns

If the federal government continues to erode, limit or preempt local governments' taxing authority, they will become increasingly unable to provide the vital public services on which their residents depend. Federal government revenue sharing has already been cut to the bone and state revenue sharing is trending in the same direction. Local governments can not simultaneously be told that they are on their own to find revenues to provide essential services, be burdened with federal and state mandates in terms of what they must do, and then be told that various forms of potential tax revenues are absolutely out of bounds. Proposals by the federal government to limit or preempt local taxing authority violate the fundamental concept of political accountability that is built into our system of federalism.

Congressional Action

- Reassert and preserve local governments' authority to tax.
- Oppose any legislation that limits local governments' taxing authority.
- Allow local residents to continue to decide for themselves if and how they wish to be taxed by their local government.



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Localism Achieved Through Diverse Media and Telecommunications Ownership and Content

Core Value

In order to ensure that local community communications achieve their fullest potential, all communications networks of the future must support the widest diversity of speech.

Core Value Fundamentals

- A democracy depends upon an educated and informed population, and an educated and informed population depends upon the availability of a wide variety of opinions and viewpoints.
- The country's growing diverse population requires, now more than ever, the ability for each locality to meet community needs through as many communications media as possible.
- The concentration of media ownership in a few large companies poses grave danger to the freedom of expression guaranteed by the First Amendment because large companies are unaware or unconcerned about local issues.
- Locally produced content and accessibility to open networks are more inclusive, regardless of what entity produces the content.

Local Government Concerns

The regulatory restructuring needed to address new technological realities, without recognition of the value of localism, threatens to eliminate the capacity and resources for equipment, facilities and training currently provided to localities by cable companies. As companies providing voice, video and data services all shift to Internet protocol technology, the local community benefits established by Congress under the Communications Act may vanish without additional Congressional action. As gatekeepers of information in our society, companies using public (federal, state or local) property for the provision of communications services should be required to set aside capacity and resources in order to preserve the ability to create and deliver local content.

Congressional Action

- Authorize local governments to develop local media solutions and resources that meet their constituents' needs.
- Mandate the establishment of electronic greenspace, i.e., capacity on all telecommunications infrastructure for use by members of the local community and others who are unaffiliated with the owner of the infrastructure.
- Mandate a set formula for funding that all infrastructure providers must contribute in support of the equipment, facilities and training that people will need to create content.
- Affirm that local governments are the appropriate jurisdiction to oversee community needs ascertainments for community media and related public service obligations.



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Municipal Authority to Provide Telecommunications

Core Value

Local governments should have the ability to provide their local communities with telecommunications facilities and/or services.

Core Value Fundamentals

- Municipalities are not motivated by profit maximization and are often in a position to meet the telecommunications needs in their communities earlier and better than private providers.
- Municipalities may be the only potential providers of robust and advanced telecommunications facilities and/or services in many communities.
- Municipal provision of telecommunications services offers an effective, and often the only, source of competition that results in better services and/or lower prices for the consumers.

Local Government Concerns

Private telecommunications providers seek to have legislation enacted that prevents, or has the effect of preventing, municipal telecommunications services even when they are not providing comparable services.

Congressional Action

- Amend the Communications Act so that the authority of municipalities to provide telecommunications facilities and/or services is clearly preserved.
- Prohibit any legislation that prevents, has the effect of preventing, or in any way impairs the ability of municipalities from providing telecommunications facilities and/or services, if a local government determines that it is in the best interest of its community.



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Police Powers

Core Value

The preservation of local government's police powers is essential for the health, safety and welfare of its citizens.

Core Value Fundamentals

- A key purpose of government is to protect and promote the public health, safety and welfare of its citizens.
- Under our federal system of government, this purpose is carried out at each level – federal, state, and local – with respect to the issues appropriate to each level.
- Federal and state agencies are ill-suited for individual enforcement in every locality.
- Local government needs to retain the clear authority to deal with local issues, such as land use and zoning (which require extensive knowledge of local conditions), building and safety codes (because local conditions and history may affect the importance of particular concerns), and consumer and privacy protection.

Local Government Concerns

Communications providers seek to neutralize local communities' police powers in order to minimize their costs, maximize their profits, and simplify their compliance requirements. Frequently, they seek to use federal or state legislation, or agency action, to preempt local authority and thus (since federal and state agencies cannot deal with every local issue) effectively escape from oversight in these areas. For example, wireless carriers often seek to unnecessarily constrain local zoning authority without justification. Communications providers also seek to use irrelevant distinctions as excuses to eliminate local authority – for example, to claim that any system using Internet Protocol (IP) technology somehow makes consumer protection rules unnecessary.

Congressional Action

- Prohibit language that would place undue restrictions on local governments' ability to enforce their land use and zoning authority.
- Encourage the use of already established general procedural requirements (such as federal procedural requirements for siting of wireless communications facilities, 47 U.S.C. § 332(c)(7)) that do not pretend to substitute for the substantive judgment of local governments.
- Prohibit laws that would preempt local building and safety codes, rules and conditions, and prevent local enforcement.
- Adopt consumer and privacy protection laws that may set national standards, but still recognize that these standards may need to be adapted to meet local needs and interests, and in any case will have to be enforced by local governments.



Rights-of-way Authority

Core Value

Local government must be able to maintain local ownership and control of local public rights-of-way.

Core Value Fundamentals

- Public rights-of-way form an essential part of the local infrastructure.
- Local governments are responsible for the protection and management of the public rights-of-way by regulating construction and usage practices.
- The federal government does not own these assets, nor is it capable of making day-to-day decisions about their use.
- Local governments must be able to charge a fair market price for private use of these public resources and thus to ensure that the community is fairly compensated for their use.
- Rights-of-way fees represent a major source of revenue for local governments, and payment of a fair price promotes efficient allocation of economic resources.

Local Government Concerns

Private parties using the public rights-of-way frequently promote federal and state legislation to preempt, reduce or eliminate local government control of the public rights-of-way, in order to gain free or below-market use of these resources and immunity from conditions that protect the public and other rights-of-way users. They also seek to employ the courts and the FCC to override local community rights in these areas. In effect, these private users seek to profit by expropriating resources owned by the whole community.

Congressional Action

- Ensure that state and local property rights and regulatory rights over public rights-of-way are preserved in any legislation.
- Reject legislation that would directly or indirectly give away a right to use local communities' property at below-market prices and thus deprive localities of their property rights, which would violate the Unfunded Mandates Act and the Fifth Amendment prohibition against taking of property.
- Clarify federal language (47 U.S.C. §253) to ensure that fair and reasonable rights-of-way compensation is not limited to cost reimbursement.
- Reject requests for unfunded mandates in favor of broadband providers in the form of discounted access to local public rights-of-way unless the federal government is willing to use its own money to pay this subsidy.
- Recognize that the FCC is ill-suited to ensure that local public rights-of-way are used safely, efficiently, and without unnecessary disruptions. These goals can only be achieved at the local level.



Universal Service

Core Value

Local government supports universal service and the nation's long held communications policy to provide affordable service to all Americans.

Core Value Fundamentals

- Universal Service Fund programs provide benefits to communities and assistance to low income residents for telephone service, reduced telecommunications and Internet rates for rural health care providers and lower telephone rates for residents that live in rural and high cost areas.
- Over \$2 billion Universal Service Funds are distributed annually to local governments under the Schools and Libraries program (E-rate program) to wire and maintain connections to the Internet.
- In the absence of Universal Service funding local government would have the difficult choice of providing this support from general funds, or doing without.

Local Government Concerns

There are five programs at the federal level and a wide variety of programs at the state level that fall under the universal service umbrella. In recent years, funding support for universal service at the federal level, based on interstate and international communications, has continued to shrink. With the proliferation of Voice Over Internet Protocol service, support based on intrastate communications for state programs will be threatened. As communications networks continue to evolve Congress will need to consider how to restructure a universal service system currently based on legacy networks. Additionally, Congress must ensure that residential consumers receive universal service support for essential new technologies, such as broadband connections. Also, while 94% of schools are wired for Internet access, E-rate funding is also currently used to help pay for recurring Internet access charges. Cuts in the E-rate program threaten broadband connectivity for schools and libraries. Finally, new legislation could threaten preemption of state-run universal service programs.

Congressional Action

- Preserve the concept of Universal Service while finding a new mechanism for ensuring continuation of the public benefits this program provides our communities.
- Empower local governments to determine the direct support their communities receive in both federal and state universal service funds.
- Expand Universal Service Funds to include broadband connectivity.