

## The Council of State Governments

### *Intergovernmental Affairs Committee*

#### Statement of Intergovernmental Policy: Communications

**Overview:** As an organization that represents all three branches of state government, The Council of State Governments has a strong interest in the modernization of this nation's communications infrastructure and services. As elected state leaders, we are committed to the reorganization of the communications infrastructure that provides affordable, high-quality services to citizens in all fifty states and the U.S. territories. Moreover, we are committed to ensuring that state government has a significant and consistent role in the modernization and/or reorganization of the regulatory and taxation structure of the communications industry.

- On February 8, 1996, the Telecommunications Act of 1996, the first major rewrite of our nation's communications laws and regulations was enacted into law.
- It was the intent of Congress to enhance competition and deregulate telecommunications markets through the enactment of the Telecommunications Act of 1996.
- Moreover, it was the intent of Congress that the federal and state governments continue their joint partnership in sharing regulatory responsibilities that promote effective competition in communications.
- Thus, The Council of State Governments supports the historic and essential authority and responsibility of states to enact and implement state laws and policies that are in the best interest of the states and its citizens.
- The Council of State Governments understands the importance of strengthening and maintaining intergovernmental partnerships in order to provide an open dialogue on federal legislation and regulations that may seek to preempt state government authority.
- As elected state officials, The Council of State Governments supports a balanced approach to communications policies that allows for the development of new communications services and

technologies, but also allows for the preservation of state government authority in the reformation of the regulatory and taxation structures for communications services.

**Regulatory Framework for Communications industry:**

Due to the ever-changing nature of communications services and technologies as well as the infrastructure utilized to provide these services, the communications industry must be governed by a regulatory framework that:

- Underscores the importance of maintaining a balanced federal-state partnership and that grants states, territories, and local governments the authority to protect the interest of their communities and constituencies.
- Underscores the importance of promoting competition, encouraging the development and deployment of new technologies and services, protecting public safety spectrum and services, and protecting the rights of consumers.
- Urges legislators at the federal, state, and local government levels to work cooperatively and to review the definitions, terms, and conditions of communications services to ensure government regulations are based on an level playing field between competitors of similar services delivered through different mediums.
- Emphasizes the importance of reliability standards on all communications systems.
- Ensures that the social obligations outlined in the Telecommunications Act of 1996 such as universal service program, E-rate, the enhancement of emergency 911 services, and consumer protection are maintained.
- Ensures states, territories, and local government retain authority to manage public rights-of-way consistent with state laws and policies.
- Does not preempt the sovereignty of states to determine their own tax policies.

**Competition:**

Since the enactment of the Telecommunications Act of 1996, nine years ago, there has been a true convergence of the services provided by the communications industry – the services provided by local and long distance telephone providers, wireless service carriers, cable, satellite, and Internet service providers are beginning to blur. While The Council of State Government supports this level of competition, regulation of the communications industry should ensure that:

- State and local governments have the authority to manage competition within their markets as well as the authority to the manage communications infrastructure.

- There is indeed a level-playing field in place that benefits the consumers within the state as well as the industry and that there is nondiscriminatory access to essential facilities for competitors within the industry.

**Consumer Protection:**

As stewards of our communities and states, The Council of State Governments advocates a strong role for state and local governments in the protection of the rights of consumers. Since states, local governments and territories can respond more rapidly and effectively to consumer complaints about affordability, reliability, deceptive practices, and other issues than federal regulators, this principle should be a part of the regulatory framework for the communications industry.

**Public Safety/Spectrum:**

In times of emergency, elected state leaders understand the importance of communication between citizens and emergency personnel. In this regard, The Council of State Governments strongly urges Congress and the Federal Communication Commission to dedicate radio spectrum for public safety purposes. Moreover, The Council of State Governments asks that the Federal Communications Commission ensure that these radio frequencies are not subject to interference from commercial operations.

**Economic Development:**

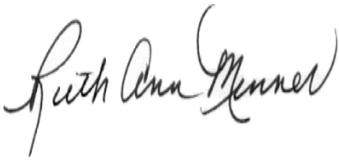
State elected leaders oppose any regulatory or statutory changes that would undermine a state's ability to promote economic development through state policy.

- **Universal Service Fund:** The Council of State Governments supports the goals of the Universal Service Fund. The Universal Service Fund was expanded in 1996 to provide advanced communications services across the country to low-income and/or rural Americans. Thus, as mandated by the Telecommunications Act of 1996, all providers of telecommunications services contribute to the Federal universal services fund. However, due to the ever-changing nature of the communications industry and level of convergence that is occurring within the industry it may be necessary to address and reform the structure of the universal service program. In this regard, The Council of State Governments believes it is important for state and local government officials to be a part of discussion to revise the Universal Service Program.
- **E-rate:** The E-rate program serves as a key component to the bridging the "Digital Divide" that exists today. As outlined in the Telecommunications Act of 1996, the E-rate program serves as a mechanism for providing schools, libraries, and rural hospitals with access to the Internet. As elected officials, The Council of State Governments understands the importance of the Internet to our constituencies and we support adequate federal funding for this program.
- **Broadband Deployment:** State elected leaders support federal and congressional programs that would promote the expansion of broadband services to all areas of the country. In achieving this goal, the federal and state governments should

work cooperatively to ensure that federal broadband policies do not unintentionally interfere with state and territory broadband development initiatives.

- **Broadband Over Power Lines:** Broadband Over Power Lines serves as a viable alternative for providing broadband service to both urban and rural America. As such, The Council of State Governments is interested in the viability of this method of deploying broadband across the country as long as it does not adversely effect the delivery and safety of the power supply. In this regard, The Council of State Governments supports the development of this method, so long as it does not result in the significant interference of the radio frequency spectrum utilized by emergency personnel.

Adopted this 8<sup>th</sup> Day of June, 2005, at the  
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Lake Tahoe, California



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Governor Ruth Ann Minner  
2005 CSG President



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Assemblyman Lynn Hettrick  
2005 CSG Chair