

# VIRGINIA'S WAR ON BROADBAND

Put a Stop to Corporate Cronyism and Defeat VCTA's HB 2108 – A  
Massive Giveaway to the Cable Industry

## WHAT ARE THE FACTS?

- The Virginia Cable and Telecommunications Association has convinced Delegate Kathy Byron (R - Lynchburg) to submit House Bill 2108 which is now pending before General Assembly.
- House Bill 2108, or “Virginia Broadband Deployment Act,” would establish insurmountable barriers on local governments' ability to build and manage broadband networks for their own communities. It effectively kills all Virginia community broadband investment initiatives. **The bill even establishes the process whereby localities write checks to the cable companies as a subsidy or straight cash payments to them in exchange for the cable companies building networks in their localities.** This effort by the VCTA is corporate cronyism. It has no place in Virginia or the 21st Century.
- In an attempt to maintain the base level of infrastructure required to attract and retain jobs, keep our education system competitive on a national scale, and protect private property values, many localities across the state have taken advantage of the Virginia Wireless Services Act of 2003, which was passed unanimously by the General Assembly.
- Forward thinking regions such as Virginia's Eastern Shore, the Rockbridge Area, The Roanoke Valley, and Danville have all responsibly implemented innovative and customized new solutions to help bridge the digital divide to meet the rapidly growing broadband needs of their individual communities.
- Byron's bill overrides broadband deployment that has successfully stood for nearly 15 years and adds restrictive bureaucratic processes; HB 2108 limits localities' ability to respond to tangible economic threats and mandates unnecessary and costly state authorization and oversight.
- **The bill puts private sector cable companies in charge of Virginia's destiny and removes any state or local ability to meet the priorities and demands of Virginia's citizens.**

## WHY THE FRENZY?

- The argument boils down to a rigid, unyielding free market ideology vs. economic pragmatism and the lessons learned from the cable industries' broken promises. Those in favor of economic growth believe municipal broadband authorities provide a solution to an ongoing broadband problem that is driving away businesses, jobs, and younger citizens at large.
- The Byron VCTA bill does not entice or require cable companies to install one inch of new broadband anywhere in the Commonwealth.
- In order to compete in a global marketplace, Virginia's business, government and education communities know that broadband is a necessity, not a luxury. Much like electricity, roads, water, and sewage service - affordable access to fast, efficient, and secure internet and data transport services is required to attract and retain businesses and jobs. **For the last 20 years, private sector Internet Service Providers (ISPs) have failed to keep up with demand.**
- **Municipal broadband authorities are not acting as competitors to the private sector but are stepping in to service specific, unmet community needs.** These are investments that do not make sense to private companies driven by profits, shareholders and quarterly reports, but are essential to keeping the vulnerable areas of the Commonwealth from falling further behind in a global economy increasingly dependent on internet connectivity.
- HB2108 victimizes Virginia's most vulnerable communities and limits the Commonwealth's ability to compete on the national stage. It cuts off access to more than \$250 million in federal grants set aside specifically for rural broadband initiatives and, by blocking all public funding, HB 2108 hands over our collective economic future to private cable and telecommunication companies.

# WHAT'S THE REACTION?

## #KILL2108

"This is not The Hunger Games, where the private sector cable and internet companies determine who lives and who dies. At the request of local business leaders, the RVBA's open access network was designed to provide up to 200gb/s service because these are the kinds of speeds enterprise businesses needed to compete."

- **Frank Smith, President & CEO of Roanoke Broadband Authority**

"I have students who lack access to the internet at home. I teach in a poor urban school district. Our kids are already disadvantaged and this hurts their ability to improve their situation."

- **Heather Pruitt, Teacher, Norfolk**

"Not surprisingly, the bill isn't the result of a grassroots campaign. It's supported by lobbyists from the Virginia Cable Telecommunications Association, which has a vested interest in shutting down any attempts at fostering competition for existing cable/telco duopolies."

- **Jon Fingas, writer at Engaget**

Local governments use many different models to ensure local businesses and residents have adequate Internet access. A popular model is open access - where the local government invests in infrastructure open to any ISP - this encourages competition, lowers prices, and spurs innovation. Restricting local government authority to make appropriate investments will most harm the areas existing companies have not been able to profitably invest in."

- **Chris Mitchell, Policy Director, Muni-Networks**

"For too long, the companies that offer the access people need have held all the power in the relationship. The industry we operate in relies and profits on confusion. We don't. Ting is definitely opposed to this legislation."

- **Elliot Noss, CEO, TING Networks**

"Telecommunications companies happily point out that they already provide broadband Internet. [...] However, they are for-profit companies and, quite naturally, provide services where they can make a profit, and at the levels at which they can make a profit — and they don't provide services where they can't make a profit. [Broadband is] a public issue and not just a private dispute: This is really about economic development. Broadband is becoming a key infrastructure requirement the same way that highways and airports are. If a community doesn't have it, well, businesses move on to the places that do."

- **The Roanoke Times**

"Let us hope the bill fails. Why would anyone vote for a bill which would reduce our eliminate competition, decrease speed and raise prices? The legislature should just say no."

- **louis-wu, Reddit User**

## FRIENDS OF MUNICIPAL BROADBAND