



**Statement of the Alexandria Chamber of Commerce on
Virginia House Bill 2108 – VA Broadband Deployment Act and Its Substitute in the Form
of An Amendment**

The Alexandria Chamber of Commerce is a proud member of the City of Alexandria community and is committed to supporting and promoting our commercial sector by advocating for smart fiscal policies and investments in infrastructure to attract and retain business.

As noted in our 2017 Legislative Agenda, the Alexandria Chamber has a strong interest in the future of broadband in our City and supports Alexandria's municipal broadband program as the right solution to expand the City's communications infrastructure amid significant competitive headwinds. As such, we strongly oppose the HB2108 (the "VA Broadband Deployment Act") and its proposed amendment which, despite its name, will restrict broadband options in both rural and urban communities across Virginia. As currently written, HB2108 protects incumbent monopoly Internet providers from needing to compete with communities trying to modernize their local broadband infrastructure. By imposing barriers on local communities trying to create competition by investing public resources where private companies have not, HB2108 effectively kills competition, stifles economic development, and costs jobs. This will hurt rural economies, where major providers are not incentivized to provide more than 10mpbs/1mpbs, even when federally subsidized. Urban communities, like the City of Alexandria with only one option for Internet services, face similar, negative consequences.

Like many of Virginia's urban and rural communities, the businesses in the City of Alexandria have no real competitive Internet choice; the current provider has no real incentive to modernize the community's Internet infrastructure, putting the businesses and citizens of the City of Alexandria at a disadvantage for attracting knowledge-economy businesses in a highly-competitive region. The Alexandria Chamber supported our City government in undertaking a critical municipal broadband project to deploy Alexandria's own high-speed, high-capacity fiber backbone for government and public data use. As a bonus, Alexandria's investment will bring competition to the residential and business market through leasing excess "dark fiber" to the private sector, leveling the playing field for the City of Alexandria in the race for knowledge-economy businesses in the Washington, DC region.

Lack of competition is a serious problem, as technology giants such as Netflix, Google, and Nokia have noted in their opposition to HB2108. As a Chamber, we support full competition in broadband provision, including within the City of Alexandria. Because of the City's particular circumstances, this bill will only worsen the problem while taking away competitive options from both rural and urban economies alike. This will result in lower economic growth, fewer jobs, and stagnating communities. We urge you to vote against HB2108 and preserve market competitiveness principles.