



In response to the Obama administration's recent positions on preemption and the proliferation of Government Owned Networks (GON's), the Tennessee Cable Telecommunications Association agrees with National Cable Telecommunications Association President & CEO Michael Powell's public response.

In his statement Powell said, "The Cable industry has invested over \$230 billion to build robust broadband networks that reach 93 percent of U.S. homes. We agree with the President that connecting all Americans to the critical technology should be a national priority, and that is why we have long supported the use of scarce government funding to support universal service in areas where private networks are not economically viable.

America's decades-long policy of promoting private investment and exercising a light regulatory touch has yielded substantial benefits for American consumers. As evidence, cable's top broadband speeds have increased over 3200 percent in a decade. Akamai recently reported that 12 American states are among the 20 fastest growing regions of the world and our markets remain the envy of the world. Many government run networks have ended in failure, saddling taxpayers with significant long-term financial liabilities and diverting scarce resources from other pressing local needs.

Broadband policy will continue to play a central role in the social and economic fabric of our society. But rather than chase false solutions, government policies should be directed at overcoming barriers to adoption and extending the reach of broadband to places yet unserved. We welcome sensible government policies that will build on our successes and convince even more Americans to take advantage of the broadband opportunity".

In Tennessee, private investor owned broadband providers serve more than 1.2 million customers, utilizing over \$2 billion in infrastructure investment in our state alone. A quick search of public record shows these privately held companies pay more than \$10 million annually in property tax and \$50 million in franchise fees and public access (PEG) grants.

Included in the economic impact to Tennessee's state and local governments, \$33 million annually in pole attachment fees and \$6 million towards the Tennessee Business Tax are paid by the cable industry.

Outside of government expenditure, the cable industry employs 4,516 Tennesseans and provides those employees with \$30 million in health care benefits. This brings the Tennessee cable industry's total investment in its employees to approximately \$240 million. Children of Tennesseans are attending 1,000 schools that cable operators have provided with free broadband service and include free public, government and educational channels for local use.