

## FEDERAL COMMUNICATIONS COMMISSION WASHINGTON

OFFICE OF THE CHAIRMAN

July 23, 2018

The Honorable Frank Pallone Ranking Member Committee on Energy and Commerce U.S. House of Representatives 2322A Rayburn House Office Building Washington, D.C. 20515

Dear Congressman Pallone:

Thank you for your letter arguing for the importance of accurate broadband deployment data. I agree with you that accurate and reliable data are critical to sound decision-making and a vital tool in developing policies to close the digital divide, promote competition, and more.

The Federal Communications Commission took into account Form 477 data in the *Restoring Internet Freedom Order*—just as the prior Commission relied on such data in the *Title II Order*. However, the Commission did not review that evidence in isolation but in the context of the broader administrative record, and specifically noted concerns raised by stakeholders, like yourselves, about how to construe that data. Notably, the Commission found substantial evidence in the record as a whole that Internet service providers had decreased investment following the *Title II Order* and substantial evidence that the Federal Trade Commission, consumers, and market forces could effectively police unreasonable network management practices. In contrast, the record contained a "paucity of concrete evidence" supporting the prior Administration's findings in the *Title II Order* (note that the FCC's chief economist later referred to that *Order* as an "economics-free zone"). And to the extent that existing Form 477 data may overstate actual deployment, that only emphasizes the importance of ending public-utility regulation of Internet service providers—we will only close the digital divide by adopting policies that encourage broadband investment, not deter it.

Nonetheless, I agree that we must improve the Form 477 data collection devised by the last Administration. That's why the Commission under my leadership commenced a rulemaking last year to review the Form 477 and consider ways to improve the quality, accuracy, and usefulness of the deployment data it collects on fixed and mobile voice and broadband service, as well as examine easing the burden on industry by eliminating unnecessary or erroneous data filing requirements. Currently, Commission staff is reviewing the record of that proceeding and I look forward to receiving staff recommendations on how to further improve that data collection.

Please let me know if I can be of any further assistance.

Sincerely, K V. Pai

FEDERAL COMMUNICATIONS COMMISSION WASHINGTON



OFFICE OF

THE CHAIRMAN

July 23, 2018

The Honorable Mike Doyle Ranking Member Subcommittee on Communications and Technology Committee on Energy and Commerce U.S. House of Representatives 2322A Rayburn House Office Building Washington, D.C. 20515

Dear Congressman Doyle:

Thank you for your letter arguing for the importance of accurate broadband deployment data. I agree with you that accurate and reliable data are critical to sound decision-making and a vital tool in developing policies to close the digital divide, promote competition, and more.

The Federal Communications Commission took into account Form 477 data in the *Restoring Internet Freedom Order*—just as the prior Commission relied on such data in the *Title II Order*. However, the Commission did not review that evidence in isolation but in the context of the broader administrative record, and specifically noted concerns raised by stakeholders, like yourselves, about how to construe that data. Notably, the Commission found substantial evidence in the record as a whole that Internet service providers had decreased investment following the *Title II Order* and substantial evidence that the Federal Trade Commission, consumers, and market forces could effectively police unreasonable network management practices. In contrast, the record contained a "paucity of concrete evidence" supporting the prior Administration's findings in the *Title II Order* (note that the FCC's chief economist later referred to that *Order* as an "economics-free zone"). And to the extent that existing Form 477 data may overstate actual deployment, that only emphasizes the importance of ending public-utility regulation of Internet service providers—we will only close the digital divide by adopting policies that encourage broadband investment, not deter it.

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Please let me know if I can be of any further assistance.

Sincerely, Ajit V. Pai