

**STATEMENT OF
COMMISSIONER BRENDAN CARR**

Re: *Improving Competitive Broadband Access to Multiple Tenant Environments*, GN Docket No. 17-142; *Petition for Preemption of Article 52 of the San Francisco Police Code Filed by the Multifamily Broadband Council*, MB Docket No. 17-91.

This Commission's top priority is closing the digital divide. And that requires policies that enable the private sector to pull thousands of miles of fiber over the vast distances that stretch across rural America. But it also means policies that allow providers to cover the last few feet to a consumer's home. And this presents unique challenges when it comes to serving apartments and condos or "multi-tenant environments" (MTEs).

I can speak to some of those challenges from personal experience, since, like 30 percent of Americans, I live in an MTE. So I am particularly pleased that we seek comment today on steps that could open up MTEs to even more competition. And we do so by striking a balance that reflects both our precedents and the iron laws of economics.

After all, a rule that requires providers to share their communications facilities with competitors generally reduces incentives to invest, meaning less build out and decreased competition. At the same time, promoting access to an MTE, including the conduit needed to reach an apartment, can encourage new entrants to build out their own facilities and increase competition.

We've seen this time and time again. Facilities-based competition thrives in the absence of mandatory sharing and similarly heavy-handed regulations. For example, in 2003, the Commission exempted new fiber builds from unbundling obligations to encourage more deployment. After we did so, two large phone companies began building residential fiber networks and offering service. Similarly, when the FCC eliminated "line sharing," which required incumbent phone companies to open up the lines running into a customer's home for use by their competitors, DSL subscribership rose by 65 percent—9 million households more than anticipated under the old line sharing regime.

And in the context of MTEs, the Commission has adopted policies over the years to help encourage competitive access and deployment to such facilities. Such actions include prohibiting broadband providers from entering into exclusive access contracts with MTEs, while still permitting exclusive marketing and wiring arrangements. As a result, we have promoted access and competition without discouraging investment by broadband providers in MTEs.

The proposals we seek comment on today reflect this same approach. By taking steps to ensure competitive access for broadband providers to MTEs, while at the same time cracking down on local laws that go beyond the bounds of federal rules, our decision can help bring affordable and reliable broadband to more consumers. So I want to thank the staff of the Wireline Competition Bureau, the Media Bureau, the Wireless Telecommunications Bureau, the Office of Economics and Analytics, and the Office of General Counsel for your work on this item. It has my support.