



FEDERAL COMMUNICATIONS COMMISSION
WASHINGTON

OFFICE OF
THE CHAIRMAN

January 3, 2020

Speaker Nancy Pelosi
U.S. House of Representatives
1236 Longworth House Office Building
Washington, DC 20515

Dear Speaker Pelosi:

This is in response to your letter regarding the Commission's actions to promote improve competitive broadband access and greater consumer choice for Americans living and working in apartments, condominiums, and office buildings known as multiple tenant environments (MTEs). Closing the digital divide has been my top priority since becoming Chairman. That divide extends to those who live and work in MTEs.

For decades, Congress and the Commission have encouraged facilities-based competition by broadly promoting access to customers and infrastructure—including MTEs and their occupants—while avoiding overly burdensome sharing mandates that reduce incentives to invest. With these principles in mind, the Commission took several steps at its July Open Meeting to promote the deployment of high-speed broadband to residents of MTEs.

First, we adopted a Notice of Proposed Rulemaking that seeks public input on actions the FCC could take to accelerate the deployment of next-generation networks and services within MTEs, including potential actions regarding revenue sharing agreements between building owners and broadband providers, exclusivity agreements regarding rooftop facilities, and exclusive wiring arrangements.

Second, we adopted a Declaratory Ruling clarifying that the Commission welcomes state and local actions to increase broadband deployment to MTEs, so long as those actions are consistent with federal law and policy.

Third, and as noted in your letter, we preempted Article 52, an outlier San Francisco ordinance, only to the extent that it requires the sharing of building-owned inside wiring that is currently being used to provide service. Specifically, the Declaratory Ruling found that required sharing of in-use wiring deters broadband deployment and investment. It undercuts the Commission's rules regarding control of cable wiring in residential MTEs and threatens the Commission's framework to protect the technical integrity of cable systems for the benefit of viewers. The Declaratory Ruling does not preempt any other aspect of Article 52, including the sharing of unused wiring.

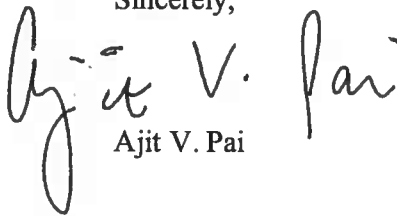
Unfortunately, throughout this proceeding, the City of San Francisco pursued an incoherent strategy regarding the meaning of its ordinance. On one hand, it wouldn't claim that the ordinance required the sharing of in-use wiring. And yet on the other, before I circulated the

draft Declaratory Ruling to my colleagues, the city *also* refused to say that its ordinance *didn't* mandate the sharing of in-use wiring. This Schrödinger's cat strategy finally ended just before the Commission vote, when the city at long last formally asserted that its ordinance did not require the sharing of in-use wiring.

The language of the ordinance itself suggests otherwise. But if the city is correct, then there is no reason for the city to object to our narrow ruling. It is difficult to understand how anyone could be harmed by a decision to preempt a city mandate that the city itself claims doesn't exist. And if the city isn't correct—if the ordinance does indeed require the sharing of in-use wiring—then it is also difficult to understand how the city could object to our ruling. After all, despite having every opportunity to mount a substantive defense of an in-use wiring sharing mandate, the city failed to do so.

I appreciate your interest in this matter. Please let me know if I can be of any further assistance.

Sincerely,

A handwritten signature in black ink that reads "Ajit V. Pai". The signature is fluid and cursive, with the first name "Ajit" being the most prominent part.

Ajit V. Pai