

# Who could have envisioned telecom boom?

A decade ago, when the Legislature enacted a sweeping telecom law to expedite the development of broadband access across the state, who would have imagined Wi-Fi hot spots in Harrisburg or the dominance of cable access to the Internet?

Who could have foreseen that consumers would be making telephone calls through their Internet connections using VOIP (Voice Over Internet Protocol) technology?

As a former legislator and prime drafter of that legislation — now known as Chapter 30 — I assure you that none of us envisioned a time when we'd be asked to smile in front of a cell phone that would instantaneously send our

picture to the World Wide Web.

When we enacted Chapter 30 in 1993, there was no local phone competition; there was no such thing as high-speed Internet, cable modem access or instant messaging. Your phone company did not have to provide direct competitors with access to its networks.

Since then technology has exploded and consumers are the beneficiaries. I continue to be astounded by the advancements in the telecommunications industry and what those advancements have delivered for consumers in this state. As debate about legislation to extend Chapter 30 continues, it is critical that lawmakers look at these advancements as they consider competing versions of legislation.

Consider the news from around the state

in just the past few months.

In Wilkes-Barre, an entrepreneur recently unveiled plans to build a fiber optic network in the city. In Greene County, in the southwestern corner of the state, Waynesburg College has been praised for working with local officials to "improve education and stimulate economic development" through telecommunications.

The Lehigh Valley is now a hotbed for the semiconductor industry as companies invest in developing platforms for the "personal broadband" market. A cable price war has broken out in Kutztown which will force cable modem fees to drop as well.

**IN CENTRAL PENNSYLVANIA,** *The Patriot-News* has carried several articles in recent months that, taken together, demonstrate that competition is thriving. Most recently, the paper highlighted Intellimark, a company that "has made wireless Internet and telephone systems a specialty and has business coming in the door at a steady clip."

In rural areas, the boom is paying off. In my region of the state, a study by the Northwest Regional Planning Commission found that roughly 87 percent of the resident in an eight-county region "live in areas where DSL or cable modem access is available."

Wireless access has become a viable alternative and the providers' trade association boasts 1,500 members. In Pennsylvania alone, there are hundreds of wireless service providers.

This means that competition is growing in Pennsylvania and more consumers have more choices. It means that the General Assembly needs to extend the Chapter 30 statute because it has worked. And it also means that lawmakers must tread very carefully as

they debate the merits of competing pieces of legislation.

First, lawmakers cannot expect to craft a new law that will keep pace with technology so they must be careful not to enact legislation that would favor one type of service over another. (For instance, 17 states now tax high-speed Internet access provided through telephone lines but not on that same service provided by cable companies. Pennsylvania policymakers need to avoid following that path.)

Second, lawmakers need to respect the marketplace and allow consumers to drive deployment. Consider that when consumers have both a landline and an alternative, they use the alternative twice as much as the landline. Cable modem represents 67 percent of the residential high-speed Internet market. The legislation passed by the House (H.B. 30) provides a mechanism for consumers in a community to get together and request deployment of a broadband network. This provision is perhaps the most vital component of this legislation, which I am pleased to support.

**THIRD,** IT is abundantly clear that Pennsylvania does not need a new state agency to foster development of the broadband network, as some lawmakers and interest groups contend.

There should be no doubt that development of broadband access makes sound public policy. Likewise there should be no doubt that lawmakers can't arbitrate how consumers get to that network.

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