

FOR IMMEDIATE RELEASE

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Please Note: Mayor Liccardo is currently in Washington D.C. and will hold a press availability following the U.S. Conference of Mayors' Broadband Deployment panel taking place at 9:45 a.m PST / 12:45 p.m. EST at the Capital Hilton, South American room.

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Citing Predetermined Outcome, San Jose Mayor Resigns from Key FCC Committee

Broadband Deployment Too Important To Sell Out to Industry

Washington, D.C. - Today, San Jose Mayor Sam Liccardo announced that he has submitted his resignation from the Federal Communications Commission (FCC) Broadband Deployment Advisory Committee (BDAC), citing the pervasive and overwhelming influence of big telecom and industry interests over the body, and the predetermined, industry-favoring outcome.

“When I joined this committee, I hoped that I could contribute to developing balanced, common-sense recommendations that will advance our goal of expanding broadband access for all Americans, which FCC Chairman Ajit Pai identified as his ‘top priority’ at yesterday’s meeting,” said Mayor Sam Liccardo. “It has become abundantly clear, however, that Chairman Pai and the FCC merely pay lip service to the goal of digital equity, and this body will simply serve to further the interests of the telecommunications industry over the public interest. As a result, I have submitted my resignation to the FCC Broadband Deployment Advisory Board effective immediately.”

As the mayor of San Jose, Sam Liccardo joined the BDAC to propose model legislation that would help bridge the digital divide for the 34 million Americans in low-income and rural communities that lack broadband access. From the beginning, however, it appeared that the Trump Administration stacked the makeup of the committee in favor of the industry, with Mayor Liccardo as the only original city representative on the committee. Mayor Liccardo highlighted the issue, leading to pressure from the press, letters signed by 230 municipal leaders across the country, and 14 Members of Congress, resulting in the appointment of two more city representatives. Even with that progress, three out of four seats on the BDAC are filled by industry-friendly representatives from the biggest wireless and cable companies, and their allies.

“Stacking the deck” has dealt the industry a favorable hand.

Over the holiday break, despite nine months of deliberations, a single industry representative completely rewrote a draft municipal code at the 11th hour, leaving municipal representatives scrambling with insufficient time to vet the hundreds of changes. That rewritten version closely resembled legislation that the industry pushed in 20 states across the country.

Although BDAC participants were instructed to keep draft documents confidential, industry associations have shared drafts with over 70 of their member companies prior to providing access to members of the general public.

Much of the battle focuses on fees, and whether the industry or the taxpayers must foot the bill for the industry’s infrastructure investments. While Mayor Liccardo wholeheartedly shares the goal of deploying 5G, the next generation of wireless internet, the telecom industry has used the issue to maneuver for taxpayer-subsidized pricing for access to public infrastructure in high-demand, more affluent service areas. Despite the BDAC’s stated purpose of identifying resources to improve broadband access to underserved poor and rural populations, the body did not craft a single measure that identified a new or substantial source of new funding for that purpose.

Instead, the BDAC has focused on reducing municipal fees, and eliminating local control and discretion over where and how broadband infrastructure is deployed in the public right-of-way. The industry’s claim that reducing municipal lease rates on public infrastructure will help it better serve the 34 million Americans without broadband access bears little resemblance to patterns of industry investment in low-income neighborhoods and rural areas. In his resignation letter, Liccardo observed that the industry “has sought to create a set of rules that will provide it with easy access to publicly-funded infrastructure at taxpayer-subsidized rates, without any obligation to provide broadband access to underserved residents.”

Below market rates and by-right access to public infrastructure also strip cities of the ability to hold companies accountable for building out networks to serve all areas of a city. In San Jose, telecom companies have historically underserved our Latino and low-income populations.

“We must keep fighting to ensure that the growing benefits brought by broadband access reach all of our communities,” Liccardo added, “and with little hope of supportive policy emanating from the FCC, we are looking to Congress to come up with a solution and will do everything to support sensible legislation that puts the best interests of Americans first. With 20 bills introduced this year we feel confident that Congress can take this opportunity to lead.

“We should all embrace the opportunity of greater broadband deployment, at better speeds, with the latest technology,” concluded Mayor Liccardo. “Yet, we have to do it in a way that puts the public’s interest first.”

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