

Fact Sheet

Advocacy: the voice of small business in government

Advocacy Submits Comments to the Federal Communications Commission on 700 MHz Interoperability, Special Access, and Legacy Copper Retirement

On May 22, 2012, the Office of Advocacy of the U.S. Small Business Administration (Advocacy) submitted a comment to the Federal Communications Commission (FCC) regarding its notice of proposed rule promoting interoperability in the 700 MHz commercial spectrum. Advocacy also provided comments to the FCC regarding its ongoing special access proceeding and an industry petition for examination of the FCC's rules regarding copper retirement. A copy of Advocacy's comments can be found at http://www.sba.gov/advocacy. Advocacy has previously commented on these issues before the FCC and those comments are also available at http://www.sba.gov/content/letter-dated-101510-federal-communications-commission.

700 MHz Interoperability

Currently, there are two distinct sets of technical specifications for devices operating in the Lower 700 MHz spectrum band, resulting in a lack of interoperability between devices operated by different service providers within the band. In 2009, an alliance comprised of four Lower 700 MHz A Block licensees filed a petition for rulemaking requesting the Commission to require that all mobile devices for the 700 MHz band be capable of operating over all frequencies in the band. In April 2012, the FCC issued a notice of proposed rulemaking seeking to resolve whether a single, unified band class for devices in the Lower 700 MHz band would result in harmful interference with the operations of Lower 700 MHz B and C Block licensees, and whether such interference can be mitigated. Advocacy met with representatives of small and competitive wireless service providers to discuss the negative impact the lack of 700 MHz interoperability has had on small business consumers and providers of mobile broadband, as well as the technological feasibility of Lower 700 MHz interoperability. In comments to the FCC, Advocacy echoed concerns that the lack of 700 MHz interoperability is preventing full and productive use of valuable spectrum to deploy mobile broadband, particularly in rural areas. Advocacy urged the FCC to move forward with a final rule, if technologically feasible, that would provide for interoperability in the lower 700 MHz spectrum by requiring all lower 700 MHz licensees to provide only devices that are capable of operating in Band Class 12.

Special Access

Special access services are the broadband "last mile" facilities through which applications travel to reach businesses and the cell towers that transmit these applications to wireless devices. These facilities are largely owned by incumbent local exchange carriers (ILECs such as AT&T, Verizon and CenturyLink/Qwest). Competitive carriers must lease access to these facilities in order to provide services to their customers. In recent years, competitive carriers have petitioned the FCC to reexamine its special access rules in order to ensure that the rates, terms, and conditions available to competitive carriers for special access are fair and reasonable. Advocacy provided comments to the FCC regarding the importance of special access for ensuring a competitive broadband marketplace that offers small business consumers affordable, high-quality business broadband services, and encouraged the FCC to move forward in addressing the concerns raised by competitive carriers.

Legacy Copper Retirement

In many cases, legacy copper wire infrastructure provides the only last mile facility connecting many business customer locations. FCC regulations grant competitive carriers the right to lease wholesale access to copper loops from ILECs so that they can offer Ethernet and DSL broadband services to business customers. When ILECs install new fiber connections, they often retire their legacy copper loops. In so doing, they eliminate the only alternative to the ILEC fiber connection, which is not subject to the same FCC open access requirements as copper. In comments to the FCC, Advocacy repeated its concerns share by small businesses that allowing ILECs to retire copper loops without regard to effects on competition may be impeding the ability of small business consumers to get access to affordable, high speed, broadband. Advocacy encourages the FCC to engage with competitive and incumbent carriers to determine what can be done to fix some of these issues in a way that allows incumbent carriers to retire unused copper without harming consumers, many of which are small businesses.

For more information, visit Advocacy's webpage at http://www.sba.gov/advocacy or contact Jamie Belcore Saloom at 202/205-6890 or Jamie.Belcore@sba.gov