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Calif. Community Org Opposes FCC Bulk Billing Clampdown

By **Christopher Cole**

Law360 (July 26, 2024, 7:19 PM EDT) -- A technology-focused community group in California has joined a chorus of advocates calling for the Federal Communications Commission to hit the brakes on a proposal to tighten rules for bulk billing in multitenant environments.

The California Emerging Technology Fund recently wrote to FCC members, asking the agency not to make it harder for apartments, senior living communities and others to reach bulk arrangements with internet service providers, as tenants' costs could actually go up.

The FCC **started an inquiry** early this year into bulk billing with an eye toward giving consumers more choices, but has not yet released a formal proposal. CETF, a nonprofit whose mission is to help close the digital divide through public policy, said the proposed rules may have "unintended consequences that will do more harm than good for consumers."

CETF said it works statewide in low-income communities and disadvantaged neighborhoods with a network of community-based organizations, including owners of publicly subsidized affordable housing.

A wide range of ISP arrangements with these owners, which include government housing authorities and nonprofit housing organizations, could be impacted or interrupted by the proposal, CETF said in the letter, dated in mid-July but released Thursday.

The concerns from California follow not only the cable industry but both Democratic and GOP lawmakers criticizing the idea of bulk billing restrictions. FCC Chair Jessica Rosenworcel said when proposing bulk billing restrictions in March that tenants are too often forced to pay high prices with limited choices for internet or other services, and that she wants to expand choice and lower costs for residents of multi-tenant buildings.

Despite the FCC finding in 2010 that such agreements predominately offer consumer benefits, Rosenworcel has said the agency still needs to account for newer data.

"A lot can change in 14 years and, as is true with many policies in the telecommunications sector, it is often in the public interest to reexamine long-standing policies to ensure they have kept up with changes in technology and the

marketplace, especially when it comes to consumer protection and choice," Rosenworcel **recently wrote** to Rep. Sheila Cherfilus-McCormick, D-Fla.

According to CETF, tenants in affordable housing are not the only ones affected by the proposal. "In addition, a number of senior communities and workforce housing developments that have existing bulk pricing contracts, making internet service more economical, will be impacted," it said.

The California group urged the FCC to reconsider so it can "avoid unforeseen negative impacts on large numbers of vulnerable residents."

The FCC did not immediately respond to a request for comment Friday.

--Editing by Jay Jackson Jr.



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Re: Proposed Regulation on Bulk Billing for Internet Service

Dear Chairwoman Rosenworcel and Commissioners Carr, Starks, Simington, Gomez:

The Honorable Martha M. Escutia
Former California State Senator
Vice President Government Relations
and Special Counsel
University of Southern California

The California Emerging Technology Fund (CETF) has been contacted by a number of community organizations and stakeholders throughout California expressing concerns about the Federal Communications Commission (FCC) proposed regulation on bulk billing because of the impact on current Internet service contracts that provide affordable access for a spectrum of residents. Thus, we are writing to let you know that the proposed regulation may have unintended consequences that will do more harm than good for consumers.

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As you are aware, CETF works statewide in low-income communities and digitally-disadvantaged neighborhoods with a network of community-based organizations, including owners of affordable housing multiple-dwelling unit buildings that are publicly-subsidized complexes. There is a wide range of Internet Service Provider (ISP) arrangements with these owners, which include government housing authorities and non-profit housing organizations, that appear will be impacted and/or interrupted by the proposed regulation. In addition, a number of senior communities and workforce housing developments that have existing bulk pricing contracts, making Internet service more economical, will be impacted.

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We appreciate your leadership for consumers and commitments to closing the Digital Divide, promoting Digital Inclusion, and achieving Digital Equity. However, we urge caution and reconsideration of the proposed regulation to avoid unforeseen negative impacts on large numbers of vulnerable residents. Thank you very much for your consideration of this input in your deliberations.

PRESIDENT AND CEO

Sunne Wright McPeak

Sincerely,

Sunne Wright McPeak
President and CEO

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