

**STATEMENT OF
COMMISSIONER BRENDAN CARR**

Re: *Regulation of Business Data Services for Rate-of-Return Local Exchange Carriers*, WC Docket No. 17-144.

Last week, I had the chance to visit a number of small businesses that are serving rural communities in Nevada—places like Beatty, which has a population of 1,010, and Pahrump, which did not even have telephone service until the 1960s. This trip reinforced the role that broadband plays in delivering healthcare, educational, and economic opportunities to Americans across the country.

For example, I visited a medical clinic in Beatty that was going to shut down due to the economics of serving such a rural community. But with a new, high-speed broadband connection, the clinic can now afford to keep a nurse on site and patients can visit virtually with a doctor located in a larger town. I also met with students at the local high school and heard about the online testing, distance learning, and educational opportunities that their new broadband connection is enabling. And I met with a woman named Ladonna that is operating a graphics design business in the community thanks to an Internet connection.

When we talk about bringing more broadband to more Americans, an important part of that discussion centers on rural communities like Beatty and Pahrump. Our Universal Service Program is a key part of the solution in communities like this—communities where low population densities and high deployment costs erode the private sector business case. But regulatory reform is also a key part of the solution. So the Commission must provide the right incentives for carriers to bring broadband to homes and businesses in the hardest-to-serve parts of the country.

That's why I am glad we are teeing up this Notice today. Businesses both large and small, including schools and medical facilities, rely on what we at the FCC refer to as "business data services" (or "BDS") to connect to the Internet. But to date, many small rural carriers have been saddled with legacy regulatory costs that no longer apply to many of their larger competitors. By proposing to remove the overhang of these burdensome pricing rules, we are aiming to free up additional capital that these smaller providers can use to build out their networks, hire new employees, and serve additional customers. This could make a real difference for businesses in rural America.

So thank you to the staff of the Wireline Competition Bureau for their work on this item. It has my support, and I look forward to reviewing the record as it develops.