Dear Assistant Attorney General Delrahim, Chairman Pai, and General Slattery,

We are aware that T-Mobile and Sprint are seeking regulatory approval for their proposed merger. The merger would combine the third and fourth largest wireless carriers, leading to fewer choices for consumers. We look to your agencies to ensure that the proposed T-Mobile/Sprint merger will not lead to higher prices, less competition, reduced innovation, and job loss in Tennessee and threats to our national security.

In today’s economy and society, Tennessee consumers and businesses depend on access to high-capacity, affordable wireless and wireline networks. One out of every five Americans relies on their smartphone to connect to the Internet.

We are concerned that eliminating the head-to-head competition between T-Mobile and Sprint could mean higher prices for consumers, especially low- and moderate-income customers of their prepaid brands. We understand that the majority of prepaid customers purchase a wireless plan from a T-Mobile or Sprint brand.

Too many rural communities in Tennessee remain on the wrong side of the digital divide. T-Mobile and Sprint have largely built their networks in urban areas. We are concerned that if this merger is approved, the new T-Mobile will focus investment in metropolitan areas, leaving rural Tennessee further behind.

T-Mobile operates call centers in Chattanooga and Nashville. Both T-Mobile and Sprint send a significant portion of their call center work offshore. In addition, the two companies sell their wireless services in more than 400 retail stores across the state. A detailed analysis by the Communications Workers of America predicts that if the merger is approved, the new T-Mobile would shutter more than 100 duplicative stores, eliminating 420 retail jobs and dozens of small business authorized dealers in Tennessee. In addition, hundreds of call center jobs are at risk of further offshoring.

The proposed merger also raises national security concerns. Deutsche Telekom, T-Mobile’s German majority owner, and Softbank, Sprint’s Japanese majority owner, make extensive use of Chinese government equipment in their networks. We worry that a new T-Mobile could compromise our nation’s security through its use of Chinese government equipment.
We are confident that your agencies will conduct a thorough review of the proposed T-Mobile/Sprint merger to ensure compliance with anti-trust, consumer protection, and public interest standards. We cannot support a merger that would result in higher prices and fewer choices for wireless consumers, job loss for wireless workers, and increased risk to our nation’s security.

Sincerely,

Rep. Mike Stewart, Tennessee House District 52
Rep. Jason Potts, Tennessee House District 59
Rep. Dwayne Thompson, Tennessee House District 96
Rep. Mark White, Tennessee House District 83
Sen. Katrina Robinson, Tennessee Senate District 33
Sen. Raumesh Akbari, Tennessee Senate District 29
Sen. Sara Kyle, Tennessee Senate District 30
Rep. London Lamar, Tennessee House District 91
Rep. Barbara Cooper, Tennessee House District 86
Rep. Karen Camper, Tennessee House District 87
Rep. Vincent Dixie, Tennessee House District 54
Rep. Bud Hulse, Tennessee House District 2
Sen. Brenda Gilmore, Tennessee Senate District 19
Rep. Bob Freeman, Tennessee House District 56
Rep. David Byrd, House District 71
Rep. Larry Miller, House District 88
Rep. Darren Jernigan, House District 60
Rep. Curtis Halford, Tennessee House District 79
Rep. Kirk Haston, Tennessee House District 72
Rep. Bruce Griffey, Tennessee House District 75
Rep. Jason Powell, Tennessee House District 53
Sen. Joey Hensley, Tennessee Senate District 28