

August 28, 2014

Federal Communications Commission
Wireline Competition Bureau
445 12th Street SW
Washington, DC 20554

Re: Request for Comment Regarding Petitions Filed by Chattanooga, TN, and Wilson, NC
(WCB Docket Nos. 14-115 and 14-116)

To Whom this may Concern:

The Progressive Policy Institute (PPI) is pleased to submit a comment in response to your July 28, 2014 notice of petitions regarding a request by Chattanooga, TN, and Wilson, NC, to expand their municipal broadband networks.

As outlined in the attached comment, the continued strain on public finances mean state and local governments must invest strategically. Investment should be focused on areas where there are private sector gaps, such as transportation infrastructure. Indeed, post-crisis evidence suggests the economic benefit from public investment in transportation infrastructure is quite large, whereas the economic benefit from public investment in broadband may crowd out the potential for private investment.

We believe strong investment in both transportation infrastructure and broadband networks are essential for a high-growth economy. Yet while investment by state and local governments in our nation's crumbling roads and bridges has fallen by 20 percent since 2005, private investment in broadband is strong and rising. Our policies must recognize that state and local government are best serving the public by investing in areas where demand cannot be met by the private sector.

We thank you for the opportunity to submit comments on this important issue, and hope our comment will help inform the discussion going forward.

Sincerely,

Diana G. Carew
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