

December 14, 2023



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Secretary Marlene H. Dortch  
Federal Communications Commission  
45 L Street, NE  
Washington, D.C. 20544

**Re: Safeguarding and Securing the Open Internet, WC Docket No. 23-320**

Dear Secretary Dortch,

On behalf of the United States Hispanic Chamber of Commerce (USHCC) and our Hispanic Chambers signed below, we respectfully submit our comments in response to Safeguarding and Securing the Open Internet – Notice of Proposed Rulemaking – WC Docket No. 23-320. The Rule is attempting to reclassify broadband as Title II common carriers while reinstating net neutrality rules. The USHCC respectfully asks the Commission to abandon this misguided rule and protect the Latino community and Latino owned businesses across the country.

The United States Hispanic Chamber of Commerce (USHCC) is the nation's largest Latino Business Advocacy organization and works to actively promote the economic growth, development, and interests of more than five million Hispanic-owned businesses. The USHCC exists to support these businesses that contribute over \$800 billion to the American economy each year. We operate through a network of more than 260 local chambers and business associations throughout the nation and have partnerships with more than 200 major global corporations. Along with our partners, we work around the year to provide valuable resources to the Hispanic business communities with a framework to improve customer engagement and expand business opportunities. Our primary focus is to continue to stimulate the American economy through the success of Hispanic-owned businesses while maintaining a positive balance between growth and social equity.

The USHCC represents diverse Latino entrepreneurs and businesses. These companies depend on fast, open, affordable, resilient, and secure broadband connections to communicate with their customers, their suppliers and partners, and their workforce. The COVID-19 pandemic brought home just how essential broadband networks are to our lives. And it also demonstrated how robust these networks are even under unprecedented demand. We weathered and emerged from the pandemic with a resilient economy due in no small part to strong and reliable broadband connectivity built by private investment without regulatory mandates. The pandemic also reinforced that every home and business deserve the promise of robust connectivity.

Thanks to significant ongoing private investment by broadband providers and unprecedented levels of public funding, broadband internet access is poised to expand dramatically. In the years ahead, fast, reliable broadband can and hopefully will reach everyone across the country, and will do so via a range of competing technologies (fiber, cable, fixed wireless, satellite, and mobile wireless). Universal broadband will not only open new markets for businesses to sell products and services, but will also create new workforce and entrepreneurial opportunities for households and businesses that don't have access to robust connectivity today.

As representatives of the one of the country's fastest growing business communities, we understand the need to ensure that regulation of a dynamic industry does not dampen needed future investment or undermine other priorities. There are no greater broadband policy priorities today than (1) finally closing the digital divide in our country—connecting the remaining millions of unserved and underserved homes and businesses—and (2) continuing to incentivize providers to invest in their networks and compete fiercely. Given how well the competitive broadband industry has performed on a largely unregulated basis since 2018—and without any “net neutrality” issues to speak of—we simply do not see a good reason for the Commission to re-impose an antiquated and burdensome Title II regime. Beyond that, we are concerned that outdated and unnecessary utility rules would needlessly detract from these priorities. Instead of focusing on last decade's fight, we should be looking ahead to unleashing the full power of the internet.

The key broadband policy priority is to connect all households and businesses to the internet and to ensure vulnerable households and businesses stay connected. This is no small task. Congress's and the Administration's signature \$42.5 billion in Broadband Equity, Access, and Deployment

(“BEAD”) funding is being rolled out to the states for competitive grant programs next year. Broadband providers that are interested in applying for these funds must not only navigate complex requirements in each state, but also budget for their own matching funds and their costs of operating these networks over the long term. The new networks built with BEAD funds can finally close the digital divide if there is broad private participation in the program and costs are kept in check. Asking broadband providers to make these decisions at the same time as the Commission imposes sweeping new utility regulation of broadband may well be a deterrent to applying. At a minimum, it creates significant new regulatory uncertainty.

Beyond ensuring that BEAD funds are spent effectively, there is also a critical priority to ensure that low-income households do not lose the connectivity they need. More than 21 million households now participate in the Affordable Connectivity Program (“ACP”), many of them Latino. Funding for this highly successful program will be exhausted sometime next year if it is not re-authorized by Congress. Adding a new layer of utility regulation may needlessly complicate the effort to ensure ACP for the long term, especially given that many in Congress are highly skeptical of the current push for Title II.

Of course, continuing to incentivize ongoing private investment and rapidly increasing competition in the broadband marketplace is no less critical. These positive dynamics ensure that the companies we represent will continue to benefit from even better service and options in the years ahead. Heavy-handed regulation will have the opposite effect. We note that one of the fastest growing business segments is small and medium sized businesses (“SMBs”), particularly those owned by Latinos. The total GDP of U.S. Latinos is \$3.2T, ranking us as the 5<sup>th</sup> largest GDP in the world, surpassing countries such as India and the United Kingdom.<sup>1</sup> As a recent U.S. Treasury report detailed, “...there are approximately five million Latino-owned businesses across the U.S., generating more than \$800 billion in annual revenue . . . [and] nearly 25% of all new entrepreneurs in 2021 were Latino.”<sup>2</sup> Broadband providers have rushed to compete for the business of this market segment by offering a range of high-quality services at different price points—all while increasing speeds overall year after year. According to the FCC’s data, the total number of residential and business subscriptions of speeds at least 100/20 Mbps more than tripled between December 2017 and December 2021 (from 12 million to 43 million).<sup>3</sup> There is no doubt that this figure is significantly higher in 2023. Today, wireline business providers typically offer gigabit service to SMBs along with a range of other service options.<sup>4</sup> And providers utilizing different technologies are actively rolling out new services to meet business customers’ growing demand.<sup>5</sup>

The highly competitive broadband marketplace has also ensured that broadband pricing for SMBs remains reasonable and market-based. As a recent study by McKinsey noted, SMBs can and will switch providers if pricing is not to their liking: “40 percent of SMBs will consider switching providers if they can get a better deal. The smallest companies are even more likely to do so: among companies with fewer than 25 FTEs, 60 percent indicate that they will switch providers in response to any increase in price.”<sup>6</sup> As the McKinsey study further detailed, the SMB marketplace “include[s] a highly competitive

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<sup>1</sup> [2023 Official LDC U.S. Latino GDP Report](#)

<sup>2</sup> US Treasury, Press Release, *Treasury Department Report Card: Latino Business Ownership Up, Pandemic Recovery Efforts Helped Grow Latino-owned Businesses* (Oct. 12, 2023), <https://home.treasury.gov/news/press-releases/jy1798>.

<sup>3</sup> FCC, Internet Access Services Report, Fig. 23 (rel. Aug. 2023), <https://docs.fcc.gov/public/attachments/DOC-395960A1.pdf>.

<sup>4</sup> See Danielle Braff, *Best Business Internet Providers of 2023*, US News (updated Sep. 25, 2023), <https://www.usnews.com/360-reviews/services/internet-providers/best-business-internet-providers> (detailing plans by, among others, AT&T, Verizon, Frontier, Cox, Charter, and Comcast that offer 940 Mbps or higher speeds to business customers).

<sup>5</sup> See, e.g., Jaelyn Campbell, *AT&T launches new wireless solution for small business owners*, America’s Small Business Network (Sept. 20, 2023), <https://www.asbn.com/small-business/small-business-news/att-launches-its-new-wireless-solution-for-small-business-owners/>

<sup>6</sup> Priyanka Agarwal et al., *Winning the SMB tech market in a challenging economy*, McKinsey & Company (Feb. 21, 2023), <https://www.mckinsey.com/industries/technology-media-and-telecommunications/our-insights/winning-the-smb-tech-market-in-a-challenging-economy>

vendor ecosystem.” As a result, broadband providers, and other tech suppliers “must understand the SMBs’ unique buying preferences and unmet needs, and tailor their products and commercial approaches accordingly.” This is exactly what has been occurring and will continue to occur in a light-touch regulatory environment.

We respectfully urge the Commission to reconsider its proposed Title II approach in light of the concerns expressed above and look forward to working with you to achieve our shared goals. If you have any questions, please do not hesitate to reach out to Anthony Hinojosa, Vice President of Government and International Affairs of the USHCC at AHinojosa@ushcc.com. We commend you for your leadership and look forward to a positive outcome on this important matter.

Respectfully,

El Paso Hispanic Chamber of Commerce  
Georgia Hispanic Chamber of Commerce  
Greater San Jose Hispanic Chamber of Commerce  
Hispanic Chamber Cincinnati USA  
Hispanic Chambers of Commerce of San Francisco  
Latin Chamber of Commerce Nevada  
Latino Chamber of Commerce of Boulder County  
Latino Chamber of Commerce of Southeastern Wisconsin  
Los Angeles Metropolitan Hispanic Chamber of Commerce  
Northern Virginia Hispanic Chamber of Commerce  
United States Hispanic Chamber of Commerce (USHCC)