



# AMERICANS FOR TAX REFORM

GROVER G. NORQUIST

PRESIDENT

The Honorable Ted Stevens  
Chairman  
Committee on Commerce, Science and Transportation  
254 Russell Senate Office Building  
Washington, DC 20510

November 1, 2005

Dear Chairman Stevens:

In the nine years since Congress last passed significant telecommunications legislation, the technology by which we do business, share information and receive entertainment has grown by leaps and bounds. It is therefore essential that Congress again act to foster competition, particularly in the video services market. **Therefore, Americans for Tax Reform strongly endorses S. 1504, the Broadband Investment and Consumer Choice Act, which will reform an outdated and anti-competitive system of taxation and regulation.**

The current system requires new competitors in the video market to negotiate agreements with more than 30,000 different franchising jurisdictions. To put this in perspective, at a rate of one new franchise per day, it would take a new competitor eighty-two years to reach every municipality in America. At the current rate, consumers are not likely to see the benefits of competition in video services any time soon, as new competitors have reached agreements with just six local franchising authorities so far this year.

S. 1504 would create a national video franchise, thereby freeing video competitors of all stripes from the current system and removing the barriers to a truly free market. The resulting competition will provide video consumers with more choices at lower prices, all while offering them the cutting edge in video services technology. Freeing the video market from the shackles of the current franchising system will result in billions in new investments as entrants seek to reach new customers.

As technology continues to offer consumers products and services we could scarcely dream of a decade ago, it is essential that Congress provide the most free market, deregulatory competitive market possible. **Therefore, ATR strongly supports S. 1504, and urges its passage.**

Onward,

Grover Norquist

Cc: Republican Members, United States Senate