

### ***Resolution on Federalism***

**WHEREAS**, Modern, efficient, affordable and reliable communications capabilities are critical to the preservation of the public health, safety, and welfare, and are necessary to ensure the vitality of the nation's economy; *and*

**WHEREAS**, Communications services must remain affordable, available, and reasonably comparable regardless of a consumer's location or the technology used to provide those services; *and*

**WHEREAS**, Cooperative Federalism can best ensure universal service, customer protection, service quality, reliability, and affordability incenting the FCC, other federal agencies, industry, and the States to work together to monitor competition, resolve issues, and provide a regulatory backstop to protect consumers where competition is not strong enough to do so; *and*

**WHEREAS**, The States, the Federal Communications Commission (FCC), and industry working collaboratively can make the best progress in ensuring the quality and availability of communications at affordable prices and with comparable quality to all consumers, even as carrier networks continue to evolve and undergo technological transition; *and*

**WHEREAS**, The States retain a key role in resolving consumer issues, monitoring service quality and reliability, and providing regulatory diversity and evidence-based decision making; *and*

**WHEREAS**, Changes in State and federal regulatory policy and changes in communications services require a review of current policies to determine how best to protect and support consumers going forward; *and*

**WHEREAS**, A review of changes to State and federal policy may result in proposals for new State and federal legislation; *and*

**WHEREAS**, In anticipation of such changes, the National Association of Regulatory Utility Commissioners (NARUC) at its 124<sup>th</sup> Annual Meeting in Baltimore, Maryland, in November 2012 established the Task Force on Federalism and Telecommunications to review changes in communications services, policies, and regulation, and to recommend the principles NARUC should support in responding to such legislation; *and*

**WHEREAS**, Members of the Task Force sought the opinions and comments of outside experts from academia, industry, the FCC, and consumer groups, as well as fellow commissioners and staff to develop these policies and present them in a succinct document that can be used by all members in working with both State and federal bodies; *and*

**WHEREAS**, This document finds that cooperative federalism and collaboration among the States, the federal government, and industry is the best way to ensure that communications continue to be universally available, affordable, and reasonably comparable regardless of the end-user's location and the technology used to provide the service; *and*

**WHEREAS**, The Federalism Task Force has developed and sought comment on eight Principles of Cooperative Federalism: Consumer protection, network reliability and public safety, competition, interconnection, universal service, regulatory diversity, evidence based decision making, and broadband access, affordability, and adoption; *and*

**WHEREAS**, There remains a need for Universal Service Fund (USF) support on a going forward basis, NARUC recommends that the States retain a prominent role in all decisions related to USF; *and*

**WHEREAS**, The Federalism Task Force has prepared the attached White Paper entitled, *Cooperative Federalism and Telecom in the 21<sup>st</sup> Century*; *now, therefore, be it*

**RESOLVED**, That the National Association of Regulatory Utility Commissioners, convened at its 125<sup>th</sup> Annual Meeting in Orlando, Florida, adopts the attached *Cooperative Federalism and Telecom in the 21<sup>st</sup> Century* paper; *and be it further*

**RESOLVED**, That changes to the underlying structure of the network or the technology used to carry information do not change the need for reliable, robust, affordable, and ubiquitous communications services that are universally available and reasonably comparable regardless of location; *and be it further*

**RESOLVED**, That any new federal legislation should focus on the principles of cooperative federalism, and, in particular, recognize that:

- Although competition provides a key means for disciplining the market, where competition is not sufficient to offer consumers adequate, safe, high quality service choices, regulation may be needed as a backstop;
- The States remain vital partners with the FCC, other federal agencies, and industry to ensure that customer needs are met in our changing technological environment;
- The States are well positioned to understand the availability of communications services in their own jurisdictions, to respond quickly to consumer concerns, and to provide input on competitive issues and service problems, particularly as they affect service availability, affordability, reliability, quality, public safety, and privacy;
- The FCC should use the Federal-State Joint Boards and other State-federal regulatory coordination mechanisms to seek State input on user needs, consumer problems, broadband deployment and availability, and other issues;
- The States are in a unique position to provide on-the-ground expertise and experience to resolve customer complaints and consumer issues;
- The States should continue to serve as fact finders and, where appropriate under State statutes, adjudicators of issues affecting communications;

- Any amendment of the Telecommunications Act of 1996 should reflect the need for cooperative federalism and the principles provided in the White Paper.

---

*Sponsored by the Committee on Telecommunications*

*Recommended by the NARUC Board of Directors November 19, 2013*

*Adopted by the NARUC Committee of the Whole November 20, 2013.*