

CHAMBER OF COMMERCE
OF THE
UNITED STATES OF AMERICA

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TO THE MEMBERS OF THE UNITED STATES CONGRESS:

Between 1995 and 2004, advances in telecommunications and information technology were responsible for as much as 75% of U.S. labor productivity gains. TeleCONSENSUS is urging Congress to update our nation's telecommunications laws to ensure that the United States remains a world leader in communications technology. Only by maintaining its technological leadership position can America promote economic development, provide national security, and guarantee global competitiveness.

The last federal telecommunications law, the Telecommunications Act of 1996, was written before the advent of the Internet Age and, as such, is hopelessly out-of-date. TeleCONSENSUS, a coalition formed by the U.S. Chamber of Commerce, the National Association of Manufacturers, and the National Black Chamber of Commerce, has more than 188 members representing trade associations, local chambers of commerce, telecommunications services providers and equipment manufacturers, businesses, and consumers—all united in support of updated national telecommunications laws. Committed to educating policymakers, the business community, and the public about the importance of advanced telecommunications services to the U.S. economy, the TeleCONSENSUS coalition proposes that:

- Federal telecommunications laws must be updated to foster innovation, expand consumer choice, spur investment, create jobs, enhance efficiency, and increase productivity.
- Telecommunications markets should be driven by consumer demand, advances in technology, and competition between telecommunications companies, while encouraging public safety, consumer protection, access for people with disabilities, and other public interest goals.
- Universal service, which ensures affordable basic telephone service for all Americans and Internet access in the nation's schools and libraries, is an important national commitment and must be preserved.
- Government should not burden consumers with discriminatory or excessive telecommunications taxes, nor should obsolete regulations limit Americans' access to innovative services and choices.
- Consumer choice and private-sector investment should drive the deployment of high-speed Internet access into our communities.
- Additional spectrum should be allocated for innovative wireless services.

As part of its educational efforts, TeleCONSENSUS has developed fact sheets that illustrate how various segments of the business community utilize advanced telecommunications services and why these services are important, not only to the highlighted industry sector but, to the nation as a whole. Moreover, TeleCONSENSUS will host a series of conferences on Capitol Hill to discuss how telecommunications impacts the nation's ability to foster economic development and compete in the international marketplace.

This week, TeleCONSENSUS is presenting its fact sheet, “The Telecommunications Economy: Economic Benefits,” which underscores the significance of advanced telecommunications services to the American economy. For example, modernizing the nation’s telecommunications laws has the potential to generate \$113 billion in new revenues from taxes on increased economic activity.

In addition to illuminating the economic benefits, TeleCONSENSUS will also be demonstrating the importance of telecommunications to the:

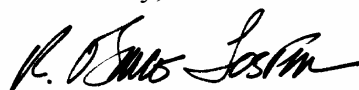
- creation of jobs in the United States;
- health care industry;
- educational community;
- banking and finance industries;
- hospitality industry;
- insurance industry;
- retail sector;
- energy industry; and
- transportation industry

Every single industry in America uses telecommunications to drive competition and meet consumer demands. The United States must transform its telecommunications system from one governed by regulators to one that allows consumer demand, advances in technology, and competition within the telecommunications industry to drive the technology marketplace. Each year of delay will cost the U.S. economy \$12 billion in investment spending and \$127 billion of the gross domestic product and will deter the creation of more than 42,000 jobs.

For more information about the TeleCONSENSUS coalition, we invite you to visit the coalition’s Web site at www.teleconsensus.com.

We look forward to working with you on this most significant issue.

Sincerely,



R. Bruce Josten

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