



AMERICANS *for* TAX REFORM

Grover G. Norquist
President

August 7, 2019

The Honorable Ken Paxton
Office of the Attorney General
William P. Clements State Office Building
300 West 15th Street
Austin, TX 78701

Dear Attorney General Paxton:

We believe that the T-Mobile–Sprint merger will facilitate healthier broadband competition, greater connectivity, and more economic growth for Texas, and we urge you to support the transaction.

The merger between T-Mobile and Sprint has the potential to transform the lives of the 1.8 million Texans who don't have access to high-speed internet. Increased connectivity would lead to both economic growth and higher standards of living. With high-speed broadband and 5G technology, students could more easily do their homework, ranchers could more effectively track livestock and families could access better health care through telemedicine technologies.

T-Mobile and Sprint's histories show that the companies have consistently offered low prices while providing innovative services to consumers. By combining T-Mobile and Sprint into one company, the New T-Mobile will serve as a stronger competitor for the leading wireless companies, build out a nationwide 5G network and help close the digital divide.

The merger will enhance competition within the wireless industry. The New T-Mobile will have approximately 126 million subscribers, allowing it to compete more effectively with Verizon and AT&T, which have 150 and 142 million subscribers, respectively. Increased competition would incentivize wireless carriers to invest more in their networks, offer competitive pricing and develop innovative services.

The merger will help the United States win the global 5G race. Together, with Sprint's mid-band spectrum and T-Mobile's low-band spectrum, the New T-Mobile will develop a 5G network that will cover people nationwide. 5G will create new industries and employment opportunities because of enhanced connectivity, and experts estimate it will create 3 million new jobs and boost the GDP by \$500 billion.

By aggressively rolling out its 5G network, the New T-Mobile will incentivize other carriers to do the same, helping the United States secure its position as the global leader in 5G deployment.

The merger will create jobs across the United States. To sustain its expanded operations, the New T-Mobile will need more employees — not fewer, as some critics have claimed. The company has already pledged to create 12,400 jobs in small towns and rural America by 2021, create 7,500 customer care jobs by 2024 and open 600 new retail locations across the United States.

The merger will help close the digital divide. The companies have committed to deploy a 5G network that will cover nearly the entire United States, with 85 percent of rural Americans covered within three years and 90 percent within six years. They will also create an in-home broadband product specifically designed for rural or underserved areas.

We thank you for your continued support of free-market values. If you should have any questions or comments, please contact me or Katie McAuliffe by phone, 202-785-0266, or email, kmcauliffe@atr.org.

Onward,

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