



THE CASE FOR MODERN NET NEUTRALITY RULES

All sides of the net neutrality debate strongly support the concept of a free and open internet. All sides also support the federal government having the permanent authority to enforce common sense protections like no blocking, no throttling, and no unreasonable discrimination. The Federal Communications Commission is again engaged in a rulemaking process on net neutrality, an undertaking that started in 2005 with a policy statement followed by rulemaking and enforceable principles in 2010 (which largely were struck down by the courts), and finally a decision in 2015 to regulate broadband internet services under Title II of the Communications Act (which will be further litigated).

All sides agree on the need for net neutrality protections. The disagreement is over the legal authority used to enforce those protections. Congress should step in and make these consumer protections permanent with legislation that will provide certainty for consumers and companies alike. Here's why a clean, updated and permanent approach best serves our connected nation:

Consumers Deserve Modern, Enforceable Net Neutrality Protections

- Our internet was open, dynamic and growing before the FCC imposed utility-style regulations from 1934 onto consumers' broadband service with the 2015 Open Internet Order.
- Since 2014, investment in U.S. broadband network infrastructure has dipped, according to an annual USTelecom survey¹, from \$74 billion in 2014 to \$71 billion in 2016, while U.S. internet traffic growth² increased from 18.1 pedabytes per month to 31.4 pedabytes per month.
- The uncertainty stemming from the FCC's rules has hampered innovation and threatens future network investments. It's time to stop debating and adopt permanent legislation.
- If Congress makes these safeguards permanent, we will return to the modern, bipartisan and pro-innovation policy framework that has defined the formidable success of the internet's evolution from day one.

¹ Patrick Brogan, "Broadband Investment Heads in the Wrong Direction," May 5, 2017, available at: <https://www.ustelecom.org/blog/broadband-investment-heads-wrong-direction>

² Estimated U.S. Internet Protocol Traffic 1990-2015, available at <https://www.ustelecom.org/broadband-industry/broadband-industry-stats/internet-usage/estimated-us-ip-traffic>

Modern Protections = Modern Jobs

- The more our internet grows and thrives, the more people are hired to build, extend and enhance these networks and leverage broadband's many possibilities into opportunities in every sector of our economy and every community in our country.
 - Broadband providers are the leading investors in the U.S. economy—seeding more than \$1.5 trillion into our nation's information infrastructure over the past 20 years.³
 - 84% of all investment in the internet comes from broadband providers—as do 900,000 American jobs.⁴
- As leaders at all levels of government seek to encourage and attract this network investment and innovation to their communities, the answer is a contemporary policy framework —made permanent by Congress—that protects consumers' online freedoms and privacy while ensuring the availability of better, faster, stronger broadband service.

There Is a Net Neutrality Mandate. There is No Broadband Utility Mandate

- There is near-universal support for enforceable net neutrality safeguards and with a legislative fix which would abate consumers' fears of hypothetical future harms and relieve companies' fears of FCC rate regulation interference.
- The light-touch regulatory mindset that's dictated the 25 year history of internet oversight can be restored with modern legislation that permanently protects both the provider and the user, regardless of which party is in the White House or heads the FCC.
- The FCC's action has resulted in a new public utility under Title II bogged down with regulations and stagnant growth. Clear, enforceable rules of the road would allow ISPs to innovate and evolve to meet the dynamic challenges of an internet-based economy, while permanently protecting consumers and internet innovators and entrepreneurs.

³ USTelecom and Yankee Group, available at <http://ustelecom.org/news/press-release/broadband-investment-remains-large-ticked-down-2015>

⁴ Anna-Maria Kovacs, "Telecommunications competition: the infrastructure-investment race," October 13, 2013; available at: http://internetinnovation.org/images/misc_content/study-telecommunications-competition-09072013.pdf.