



STATE OF CONNECTICUT

NEWS RELEASE

Consumer Counsel Elin Swanson Katz

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Contact: Elin Swanson Katz

Elin.Katz@ct.gov

(860) 827-2901

Consumer Counsel Elin Swanson Katz, Senator Beth Bye Call Federal Decision Overturning Net Neutrality “Anti-Consumer,” Seek for State Action to Combat Decision

NEW BRITAIN, Conn. (December 15, 2017) -- Consumer Counsel Elin Swanson Katz condemned the Federal Communication Commission’s (FCC) decision yesterday to repeal net neutrality rules, saying repealing net neutrality is going to harm consumers and businesses, and potentially stifle innovation.

“The FCC’s decision to repeal the net neutrality rules is the latest in a line of anti-consumer moves by the FCC, and I need to sound an alarm that every consumer around the country should be angry and alarmed by this decision. Net neutrality regulations prevented internet service providers from implementing pay-for-access tiers, blocking or throttling of internet content, or unfairly promoting their own content websites,” Katz said, whose office includes the State Broadband Office. “Now that net neutrality has been jettisoned, internet service providers can create the equivalent of high-speed express lanes, so that customers may well end up paying more if they want access certain websites or web-based content. Net neutrality ensured that the internet was open, fair, and equally available to all – with the FCC’s repeal of these rules, that will no longer be the law of this country. Individual consumers and small businesses, which won’t be able to afford higher fees for internet express lanes, will pay the price in dollars and in loss of freedom of access to information.”

Katz noted that the repeal of net neutrality rules is just one of several moves by the FCC that will cause serious harm to consumers. She noted that the FCC has also overturned consumer data privacy protections and is considering rules that would allow telephone companies to withdraw traditional “copper line” phone service from consumers without notice and without ensuring there is a comparable alternative for consumers; and taking measures that would take away “Lifeline” phone service from most eligible low-income consumers.

“The FCC is a very scary place right now for anyone who is concerned about consumers, including small businesses, the elderly, and the low-income,” Katz said. “My office is working in concert with other state consumer advocate offices to fight these moves. However, we need legislators and policymakers across the country to join the effort to stop the FCC’s attacks on consumers.”

The net neutrality repeal was approved in a 3-2, party-line vote among FCC Commissioners. When casting her dissent to the proposed order, FCC Commissioner Mignon Clyburn stated at Thursday’s FCC hearing that she fears the anti-consumer results this change of FCC’s consumer protection authority will make because she counts herself “among the millions outraged . . . because the F.C.C. pulls its own teeth, abdicating responsibility to protect the nation’s broadband consumers.”

Katz maintains that states can take action to protect consumers despite the FCC’s action to repeal net neutrality, and has urged Connecticut elected officials and policymakers to consider such actions and preserve a fair and open internet, including the following steps proposed by Washington Governor Jay Inslee:

- Hold internet service providers to commitments not to block websites, throttle speed, or impose prioritization pricing;
- Leverage the state’s power as a large purchaser of telecommunications services to demand companies with state contracts to adhere to net neutrality principles;
- Hold companies accountable for warranties made to consumers; and
- Support new entrants into the currently concentrated market of internet service providers.

“I realize we’re a small state, so we can’t go it alone,” Katz said. “But if we band together with like-minded officials in other states, we can return power to consumers – and hopefully preserve net neutrality.”

State Senator Beth Bye (D-West Hartford), who has worked with Consumer Counsel Katz for years trying improve availability and pricing for high-speed internet access, echoed the call for state action.

“The FCC’s reversal of America’s net neutrality law is a huge win for already profitable business monopolies and a huge loss for consumers and business start-ups, and as elected officials, we need to put every options on the table to protect our citizens,” Sen. Bye said. “Fair and equal access to the Internet is vital to our democracy. The action by the FCC threatens our democracy and threatens our rights as citizens, as consumers, and as business owners. The dismantling of net neutrality only caters to and lines the pockets of massive communications companies like Comcast, Verizon, AT&T and others.”

“I have spent the last few years fighting these types of giant communications monopolies in my quest to bring high speed, affordable gigabit Internet service to Connecticut,” Sen. Bye said. “Now, with today’s action by the FCC, I will be working ever <even?> harder to restore net neutrality right here in Connecticut. It will be a difficult task, given that some of the companies that stand to benefit the most from today’s misguided FCC decision operate right here in our state. But we have to assure an even playing field on the Internet for start-ups and small businesses. We also need to ensure that all students, regardless of income, have access to the technology they need to innovate and succeed.”

Bill Vallee, State Broadband Policy Coordinator, State Broadband Office, has worked with Consumer Counsel Katz for years to develop affordable broadband internet access for all citizens of this state.

“The elimination of the 2015 net neutrality rules are a reverse course back toward concentrating power and money in the hands of massive conglomerates with a primary legal responsibility toward their bottom line and shareholder interests,” Vallee said. “At the SBO and OCC, our total focus is on protecting the communications consumer's experience and interests, while enabling opportunities for individuals, businesses, and community anchor institutions.”

“While we are Connecticut’s cop on the communications beat, our goal is to always balance regulating consumer protections while promoting innovation and investment. Giving the keys of the internet over to incumbent providers is a clear invitation for them to block, throttle or slow down traffic, and to engage in unfair and anticompetitive paid prioritization practices. The market needs balance and certainty for all consumers, internet service providers, the internet companies and throughout the entire ecosystem. The 2015 Order accomplished those goals; this decision by the Pai FCC only benefits the commercial players in the internet market,” Vallee added.

Katz noted that claims by the FCC’s majority that utility rules had somehow stunted investment in infrastructure by incumbent providers in the market have not withstood public investigation, which has revealed increased investments over the years since 2015 totaling approximately 500 million dollars. Perhaps most significantly, nonpartisan polls have revealed that 76% of Americans, 81% of Democrats, and 73% of Republicans all favor keeping the 2015 Net Neutrality rules in effect, believing them to be vital to the integrity, equal access, and fairness of internet access for consumers across the US.

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The Office of Consumer Counsel (OCC) is the State of Connecticut’s advocate for consumers on issues relating to electricity, natural gas, water, and telecommunications, and includes the State Broadband Office. For more information, visit www.ct.gov/occ.