



NEWS

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This is an unofficial announcement of Commission action. Release of the full text of a Commission order constitutes official action.
See *MCI v. FCC*, 515 F.2d 385 (D.C. Cir. 1974).

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POLICY SUMMARY OF FCC COMMISSIONER AJIT PAI'S STATEMENT DISSENTING FROM THE FCC'S DECISION TO ADOPT PRESIDENT OBAMA'S PLAN TO REGULATE THE INTERNET

- **For twenty years, there's been a bipartisan consensus in favor of a free and open Internet—one unfettered by government regulation.** So why is the FCC turning its back on Internet freedom? It is flip-flopping for one reason and one reason alone. President Obama told it to do so.
- **The Commission's decision to adopt President Obama's plan marks a monumental shift toward government control of the Internet.** It gives the FCC the power to micromanage virtually every aspect of how the Internet works. It's an overreach that will let a Washington bureaucracy, and not the American people, decide the future of the online world.
- **One facet of that control is rate regulation.** For the first time, the FCC will regulate the rates that Internet service providers may charge and will set a price of zero for certain commercial agreements.
- **The Commission can also outlaw pro-consumer service plans.** If you like your current service plan, you should be able to keep your current service plan. The FCC shouldn't take it away from you.
- **Consumers should expect their broadband bills to go up.** The plan explicitly opens the door to billions of dollars in new taxes on broadband. One estimate puts the total at \$11 billion a year.
- **Consumers' broadband speeds will be slower.** Compare the broadband market in the U.S. to that in Europe, where broadband is generally regulated as a public utility. Today, 82% of Americans have access to 25 Mbps broadband speeds. Only 54% of Europeans do. Moreover, in the U.S., average mobile speeds are 30% faster than they are in Western Europe.
- **This plan will reduce competition and drive smaller broadband providers out of business.** That's why the plan is opposed by the country's smallest private competitors and many municipal broadband providers. Monopoly rules from a monopoly era will move us toward a monopoly.
- **The Internet is not broken. We do not need President Obama's plan to "fix it."**
- **The plan in front of us today was not formulated at the FCC through a transparent notice-and-comment rulemaking process.** As *The Wall Street Journal* reports, it was developed through "an unusual, secretive effort inside the White House." Indeed, White House officials, according to the *Journal*, functioned as a "parallel version of the FCC." Their work led to the President's announcement in November of his plan for Internet regulation, a plan which "blindsided" the FCC and "swept aside . . . months of work by [Chairman] Wheeler toward a compromise."
- **The plan has glaring legal flaws that are sure to keep the Commission mired in litigation for a long, long time.**