Office of the Chairman

Internet Regulation: Myths vs. Facts

Myth: Title II regulations are necessary to preserve a free and open Internet.

Fact: The Internet was free and open prior to the FCC adopting Title II regulations in 2015.

Myth: Title II regulations haven't reduced infrastructure investment and broadband deployment.

<u>Fact</u>: Among our nation's 12 largest Internet service providers, domestic broadband capital expenditures decreased by 5.6% percent, or \$3.6 billion, during the first two years of the Title II era. Title II also has hurt smaller providers' ability to get financing and reduced infrastructure investment. In short, Title II has slowed broadband deployment and hampered the FCC's efforts to close the digital divide.

Myth: Title II regulations are good for broadband competition.

<u>Fact</u>: Title II is a regulatory framework designed to regulate the Ma Bell telephone monopoly, not to encourage new entrants into the marketplace. And a regulatory framework designed for a monopoly will tend to push the marketplace towards a monopoly. Smaller, competitive broadband providers do not have the same resources as larger companies to cope with increased regulatory costs and have scaled back broadband deployment as a result of Title II.

Myth: Title II regulations are good for online privacy.

<u>Fact</u>: Title II put Americans' online privacy at risk by stripping the Federal Trade Commission of its jurisdiction over broadband providers' privacy and date security practices. Ending Title II will restore the FTC's authority and return to a tried-and-true approach that successfully protected consumers' privacy prior to 2015. It will put our nation's most experienced and expert privacy agency back on the broadband beat.

Myth: Title II regulations are good for innovation.

<u>Fact</u>: The Commission's 2015 Title II Internet regulations have deterred Internet service providers from offering new and innovative services to consumers. For example, 22 small providers, each of which has fewer than about 1,000 customers, has told the FCC that because of Title II "each of us has slowed, if not halted, the development and deployment of innovative new offerings which would benefit our customers."

Myth: Title II regulations are good for free speech and free expression.

<u>Fact</u>: Government regulation is not the friend of free speech, but an enemy. For example, the First Amendment doesn't give the government power to regulate. It denies the government that power. Additionally, greater government regulation of the Internet is strongly supported by many who are fundamentally hostile to free speech.