



NEWS FROM THE FEDERAL COMMUNICATIONS COMMISSION

FCC Looks to Further Deregulate Business Broadband Marketplace

Proposes to Eliminate Rate Regulation and Tariffing Obligations

WASHINGTON, August 5, 2025—The Federal Communications Commission has voted to build on earlier efforts aimed at reducing outdated, unnecessary, and burdensome pricing regulations in the marketplace for certain broadband services provided to businesses and other entities. The Commission will begin a comprehensive review of its business data services rules with a focus on eliminating ex ante price controls and tariffing obligations.

For years, the Commission regulated the market for business data services that provide dedicated transmission of data at guaranteed speeds and service levels. These services are purchased by businesses, schools, non-profit organizations, and state and local governments. Because incumbent local exchange carriers historically held local monopolies on circuit-switched telephone service, the Commission has long regulated legacy business data services' rates, terms, and conditions of service. As this market has become more competitive, this approach distorts incentives for private operators to invest in network upgrades and competitively price services.

Recognizing substantial and growing competition in the business data services market, the Commission took significant deregulatory steps beginning in 2017. The Commission streamlined its regulations to remove unnecessary regulatory burdens on legacy circuit-based services and to promote long-term innovation and investment in modern packet-based services. With this Notice of Proposed Rulemaking, the Commission looks to build on this progress by reducing regulatory burdens, increasing competition, and further spurring economic growth.

This action looks to market competition rather than over-regulation to ensure that rates, terms, and conditions of service are just and reasonable. In light of marketplace and technological developments, today's action proposes to eliminate ex ante price controls for business data services provided by carriers nationwide. This item alternatively proposes to modernize the competitive market tests used to determine where there is sufficient competition for certain services that would justify further pricing deregulation. In the interim, while the Commission builds and reviews the record in this proceeding, the Order temporarily pauses the triennial updates to the competitive market tests.

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