

Myth vs. Fact

Setting the Record Straight on Chairman Pai's Restoring Internet Freedom Order

MYTH: This is the end of the Internet as we know it.

• <u>FACT</u>: The Internet was free and open before the Obama Administration's 2015 heavy-handed Title II Internet regulations, and it will be free and open after they are repealed.

MYTH: Startups will not be able to compete without Title II regulations.

• <u>FACT</u>: Entrepreneurs starting new businesses online thrived long before Title II regulations, and they will continue to flourish with more opportunities to innovate once those regulations are repealed. Indeed, companies like Google, Facebook, Netflix, and Twitter all started and experienced tremendous growth under the previous light-touch rules.

MYTH: Internet service providers will block you from visiting the websites you want to visit.

• <u>FACT</u>: Internet service providers didn't block websites before the Obama Administration's heavy-handed 2015 Internet regulations and won't after they are repealed. Any Internet service provider would be required to publicly disclose this practice and would face fierce consumer backlash as well as scrutiny from the Federal Trade Commission, which will have renewed authority to police unfair, deceptive, and anticompetitive practices.

MYTH: Investment has flourished under the current regulatory framework.

• <u>FACT</u>: Following the adoption of the Obama Administration's 2015 heavy-handed Internet regulations, broadband investment has fallen for two years in a row—the first time that's happened outside of a recession in the Internet era.

MYTH: Broadband providers will charge you a premium if you want to reach certain online content.

• <u>FACT</u>: This didn't happen before the Obama Administration's 2015 heavy-handed Internet regulations, and it won't happen after they are repealed.

MYTH: The current regulatory framework is good for competition.

• <u>FACT</u>: Title II regulations are bad for competition. They disproportionately burden the small Internet service providers and new entrants that are best positioned to introduce more competition into the broadband marketplace.

<u>MYTH</u>: This will result in "fast lanes" and "slow lanes" on the Internet that will worsen consumers' online experience.

• <u>FACT</u>: Restoring Internet freedom will lead to better, faster, and cheaper broadband for consumers and give startups that need priority access (such as telehealth applications) the chance to offer new services to consumers.

MYTH: Internet service will be provided in bundles like cable television as has happened in Portugal.

• <u>FACT</u>: The Obama FCC itself made clear that the current rules in the United States permit bundled offerings—or "curated" services, as they called it. So the law regarding bundled services will not change. Furthermore, the Portugal comparison is false; Portugal *has* net neutrality rules, yet plans are still offered there that allow consumers to supplement their mobile data plans with additional data packages containing specific bundles of apps.

MYTH: Title II regulations are good for innovation.

• <u>FACT</u>: President Obama's 2015 heavy-handed Internet regulations have deterred companies from introducing new services and features. For instance, one major Internet service provider has stated that it put on hold its plans to build out its out-of-home Wi-Fi network because of the uncertainty surrounding the rules.

MYTH: Reversing Title II regulations will compromise consumers' online privacy.

• <u>FACT</u>: Repealing the Obama Administration's heavy-handed Internet regulations will promote consumers' online privacy. Those regulations stripped the Federal Trade Commission of authority to protect Americans' broadband privacy. The plan to restore Internet freedom, by contrast, will put the federal government's most experienced privacy cop back on the beat.

MYTH: Repealing Title II regulations will make it harder for disadvantaged Americans to get online.

<u>FACT</u>: Restoring Internet freedom will lead to greater investment in building and expanding broadband networks in rural and low-income areas as well as additional competition—leading to better, faster, cheaper Internet access for all Americans, including those on the wrong side of the digital divide.

MYTH: The Federal Trade Commission is not well equipped and has far fewer powers to protect consumers from misconduct by Internet service providers.

• **FACT**: The Federal Trade Commission has broad authority to police unfair, deceptive, and anticompetitive practices online and has brought over 500 enforcement actions to protect consumers online, including actions against Internet service providers and some of the biggest companies in the online ecosystem. And unlike the FCC, the Federal Trade Commission can order consumer redress (such as refunds) for violations of federal law.

<u>MYTH</u>: More than 22 million people have filed comments with the agency. They overwhelmingly want the FCC to preserve and protect net neutrality.

• FACT: The commenting process is not an opinion poll—and for good reason. For example, one third of all comments consist of a single, pro-Title II sentence: "I am in favor of strong net neutrality under Title II of the Telecommunications Act." These 7,568,949 identical comments, however, are associated with only 50,508 unique names and street addresses. Indeed, 7,562,080 of these comments come from 45,001 "individuals" using email addresses from fakemailgenerator.com and submitting the same comment more than 90 times each. In another example, over 400,000 comments supporting Title II purport to come from "individuals" residing at the same address in Russia. In any case, as required by federal law, the Chairman's plan is based on the facts and the law rather than the quantity of comments. You can see this for yourself at http://transition.fcc.gov/Daily_Releases/Daily_Business/2017/db1122/DOC-347927A1.pdf.

MYTH: You can't abandon the court-approved Title II rules without a change in circumstances.

<u>FACT</u>: The Supreme Court has reviewed and upheld only one framework for the Internet—the light-touch framework that the FCC is returning to. And court precedent makes clear that the FCC can return to that framework without any change in circumstances.

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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).