

PRESS RELEASE

Attorney General Frosh and 34 Attorneys General to FCC: Don't Gut Broadband Consumer Protections

Bipartisan Coalition of Attorneys General Oppose Industry Petition Intended to Stop States from Enforcing False Advertising Laws on Internet Speeds

AGs Argue that Ruling Sought by Telecoms Industry Would Exceed FCC's Authority, Upend Longstanding Federal-State Regulation of Deceptive Practices

BALTIMORE, MD (June 19, 2017) – Maryland Attorney General Brian E. Frosh joined a broad, bipartisan coalition of 35 Attorneys General in jointly opposing a cable and telecommunications industry petition to the Federal Communications Commission ("FCC") intended, in part, to stop states from enforcing state false advertising laws related to Internet speeds.

In a comment submitted to the FCC late Friday, the Attorneys General underscored the long-standing central role of state Attorneys General in protecting broadband consumers. As the comment makes clear, the industry is seeking a ruling that exceeds the authority of the FCC, is procedurally improper, and would upend the longstanding dual federal-state regulation of deceptive practices in the telecommunications industry. Ultimately, the changes for which the industry is seeking leaves consumers across the country without the basic state protections from unfair and deceptive business practices that help ensure they are receiving the internet speeds for which they are paying.

The industry's move comes as several state Attorneys General have opened investigations into whether fixed and wireless broadband providers have been truthful in their advertising to consumers, including for consumers in underserved, rural communities.

"As the chief law enforcement officers of our respective states, we understand the vital importance of protecting consumers against unfair and deceptive business practices—including those of broadband providers. Like others providing goods and services to consumers in our states, providers of broadband Internet service must be truthful in their advertisements. Broadband access is an essential aspect of our constituents' work, life and play. The states' traditional consumer protection powers must be left undisturbed to protect consumers from false and misleading claims by broadband providers regarding the provision of services that are an essential part of 21st century life throughout the United States," the Attorneys General wrote.

A <u>full copy of the coalitions' comments</u> can be found here.

The industry's petition was submitted on May 15, 2017 by two trade associations representing fixed and wireless broadband companies (US Telecom and NCTA – The Internet & Television Association). The petition seeks to enlist the FCC in improperly gutting state and federal requirements that bar deceptive advertising of Internet speeds; specifically, it asks the FCC to convert a limited safe harbor from FCC's own enforcement, into blanket federal and state immunity for fixed and wireless broadband companies from liability for false statements contained in advertisements and marketing.

In their comment, the Attorneys General detail several improper aspects of the industry petition, including that the FCC lacks the authority to displace longstanding state consumer-protection enforcement. Just this April, in fact, a federal court (S.D.N.Y.) ruled that, "Congress did not intend for the [Federal Communications Act] to be the exclusive remedy for redressing false advertising and consumer protection claims against common carriers." (*People of the State of New York v. Charter, et al.*, No. 17-cv-01428-CM, 2017 WL 1755958). The court further held that "there is no indication" that the "FCC intended to preempt state-law claims" involving Internet speeds.

The comment was filed by a total of 35 Attorneys General from the following states: Arkansas, Colorado, Connecticut, Delaware, District of Columbia, Florida, Hawaii, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Minnesota, Mississippi, Nebraska, New Mexico, New York, Nevada, North Carolina, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Dakota, Tennessee, Texas, Vermont, Washington, West Virginia, and Wisconsin.