

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

April 12, 2016 (House Rules)

STATEMENT OF ADMINISTRATION POLICY

H.R. 2666 - No Rate Regulation of Broadband Internet Access Act

(Rep. Kinzinger, R-IL, and 19 cosponsors)

The Administration strongly opposes House passage of H.R. 2666, the No Rate Regulation of Broadband Internet Access Act, which would undermine key provisions in the Federal Communications Commission's (FCC) Open Internet order and harm the Commission's ability to protect consumers while facilitating innovation and economic growth.

For almost a century, our laws have recognized that companies that connect Americans to the world have special obligations not to exploit the gatekeeper power they enjoy over access in and out of our homes and businesses. The same philosophy should guide any service that is based on the transmission of information, whether a phone call or a packet of data. The FCC's rules — issued after a lengthy rulemaking process that garnered an unprecedented amount of public input, including comments from four million Americans — recognize that broadband service is of the same importance, and must carry the same obligations as so many of the other vital services do. These carefully-designed rules have already been implemented in large part with little or no adverse impact on the telecommunications companies making important investments in our economy.

H.R. 2666 is overly broad and extends far beyond codifying the FCC's forbearance from applying provisions of the Communications Act related to tariffs, rate approval, or other forms of utility regulation. Even as amended, H.R. 2666 would restrict the FCC's ability to take enforcement actions to protect consumers on issues where the FCC has received numerous consumer complaints. The bill also would hamstring the FCC's public interest authority to review transactions. H.R. 2666 also could limit the Commission's ability to address new practices and adapt its rules for a dynamic, fast-changing online marketplace.

If the President were presented with H.R. 2666, his senior advisors would recommend that he veto the bill.

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