HB 4155 A STAFF MEASURE SUMMARY

House Committee On Rules

Action Date: 02/20/18

Action: Do pass with amendments and rescind

subsequent referral to Ways and Means. (Printed A-Eng).

Vote: 5-4-0-0

Yeas: 5 - Holvey, Nosse, Rayfield, Smith Warner, Williamson

Nays: 4 - Barreto, Kennemer, McLane, Wilson

Fiscal: Fiscal impact issued **Revenue:** No revenue impact

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WHAT THE MEASURE DOES:

Prohibits a public body from contracting with a broadband Internet access service provider if that provider engages in paid prioritization, blocks lawful content or applications, or disadvantages lawful Internet content starting January 1, 2019. Applies prospectively. Excludes broadband Internet access service provider that ceases prohibited activities, and contracting determined to provide significant public interest benefits by the Public Utilities Commission. Authorizes rulemaking in advance of effective date. Declares emergency, effective on passage.

ISSUES DISCUSSED:

- Competition among Internet service providers
- History of net neutrality
- Innovation within the wireless and Internet economies in the recent past
- Arguments made before the Federal Communications Commission

EFFECT OF AMENDMENT:

Replaces measure.

BACKGROUND:

Prior to December of 2017, the Federal Communications Commission (FCC) enforced "net neutrality" rules that required Internet service providers (ISPs) to treat all web traffic equally: ISPs were prohibited from blocking or slowing consumers' access to web content and from requiring websites to pay to have their content prioritized. On December 14, 2017, the FCC adopted the Restoring Internet Freedom Order, which repealed the previous 2015 Open Internet Order that served as the legal basis for the FCC to enforce net neutrality rules.

House Bill 4155-A prohibits a public body from contracting with a broadband Internet access service provider if that provider engages in paid prioritization, blocks lawful content or applications, or disadvantages lawful Internet content beginning January 1, 2019. There are exceptions that include contracts entered into before a broadband provider ceases engaging in prohibited activities, or if the Public Utility Commission determines that said contracting provides significant public interest benefits.

Carrier: Rep. Williamson