

Telecom policy tilts in favor of industry under Trump's FCC

March 17 2017, by Tali Arbel



In this Thursday, Feb. 26, 2015, file photo, Federal Communication Commission Commissioner Ajit Pai speaks during an open hearing and vote on "Net Neutrality" in Washington. Trumpism is slowly taking hold on your phone and computer, as the FCC starts rolling back Obama-era measures, known as "net neutrality" rules, which were designed to keep phone and cable giants from favoring their own internet services and apps. Pai, President Donald Trump's hand-picked FCC chief, wants to cut regulations that he believes are holding

back faster, cheaper internet. (AP Photo/Pablo Martinez Monsivais, File)

Trumpism is slowly taking hold on your phone and computer, as the Federal Communications Commission starts rolling back measures that upset the phone and cable industries.

Consumer advocates complain that hard-fought protections on privacy and competition are at risk, though the new regime says consumers win if businesses have incentives to invest.

The changes are small and easily overlooked. But they're the first shots in what could turn into a full-fledged war over Obama-era "[net neutrality](#)" rules, which were designed to keep phone and cable giants from favoring their own internet services and apps.

"Death by a thousand cuts is a constantly overused cliché, but that's sort of what they're aiming for right now," said Matt Wood, the policy director of consumer group Free Press, referring to the Republicans now in power at the FCC.

DEATH TO NET NEUTRALITY

It's no secret President Donald Trump's hand-picked FCC chief, Ajit Pai, wants to cut regulations that he believes are holding back faster, cheaper internet.

Pai takes special aim at net neutrality rules, which regulate broadband as a utility and bar providers from playing favorites by offering speedier access to, say, their own streaming-video services. Pai considers these rules a mistake that slows investment in internet infrastructure. His goal is to expand internet access, especially in rural areas where choices are

limited.

But an aggressive overhaul of net neutrality could be politically and legally difficult. For a telecom policy, net neutrality is popular with consumers, drawing attention from comedian John Oliver and spurring people to flood the FCC with roughly 4 million comments (not all in support, of course). A federal appeals court upheld the rules in June.

This may explain why the FCC has so far opted for a piecemeal attack—an approach that may continue for a while.



This June 19, 2015, file photo, shows the Federal Communications Commission building in Washington. Trumpism is slowly taking hold on your phone and computer, as the FCC starts rolling back Obama-era measures, known as "net neutrality" rules, which were designed to keep phone and cable giants from favoring their own internet services and apps. President Donald Trump's hand-picked FCC chief, Ajit Pai, wants to cut regulations that he believes are holding back faster, cheaper internet. (AP Photo/Andrew Harnik, File)

NIBBLING AROUND THE EDGES

A broad attack on the landmark 2015 net neutrality rules is expected. But under Pai, the FCC has made only some tweaks to the agency's approach. These rules have barred broadband providers from blocking and slowing some websites and creating faster access for their own services. But the rules also gave the FCC broader powers to stop telecom companies from hurting competition and consumers in other ways that weren't spelled out.

When Barack Obama was president, the FCC used those broader powers to go after "zero-rating" plans, which give subscribers free data so long as they stick with their carrier's own streaming-TV service, like AT&T's DirecTV Now . Zero rating may be popular with consumers—hey, free data!—but the FCC under Obama had argued that letting internet providers play favorites undermines streaming-video competition and ultimately leaves consumers worse off. After Pai took office, the FCC reversed that stance and gave a thumbs-up to AT&T and other carriers with zero-rating policies.

The agency also exempted additional smaller broadband providers from a net neutrality regulation that required companies to spell out their pricing, such as specifying how long promotional rates last and whether services capped monthly data usage.

Until the FCC or Congress goes full-bore on net neutrality, the agency will likely "stand down" from enforcing it unless there's a "really extreme" violation, said Marc Martin, technology and telecom attorney with Perkins Coie.

ONLINE PRIVACY REDO

The agency has also blocked part of a broadband privacy measure that requires companies like Comcast and Verizon to take "reasonable measures" to secure customer information like financial data or web browsing histories.

The remaining privacy rules, which aren't in effect yet, are now under threat. Under these rules, phone and cable companies must ask permission before using or selling your data. Phone and cable companies have complained that these rules are tougher than what internet-advertising behemoths like Google and Facebook face. Pai says he wants to work with the Federal Trade Commission, another D.C. regulator, to come up with broadband privacy rules that are more in line with the laxer standards for internet companies.

Republican lawmakers have proposed spiking them completely. Democrats say that would leave consumers vulnerable and allow companies like Verizon or AT&T able to sell consumer information to advertisers. There are vaguer privacy requirements that still apply under the net neutrality rules, but the agency may be loath to enforce them, Martin said. And the net neutrality rules are expected to be undone in any case.

BROADBAND ACCESS AND PRISON PHONE RATES

Other efforts that were intended to address inequities, like the high cost of prison phone calls and broadband for lower-income people, are seen as endangered.

The agency refused to defend in court an FCC rule that capped rates for in-state calls made to people in prison. And it has limited the availability of government-subsidized internet service for poorer Americans by pulling nine providers from a program called Lifeline. The agency cited concerns about fraud and waste. The FCC says Lifeline still had dozens

of companies offering discounted broadband as of December. The FCC may be open to reconsidering its decision.

© 2017 The Associated Press. All rights reserved.

Citation: Telecom policy tilts in favor of industry under Trump's FCC (2017, March 17)
retrieved 25 April 2024 from

<https://phys.org/news/2017-03-telecom-policy-tilts-favor-industry.html>

This document is subject to copyright. Apart from any fair dealing for the purpose of private study or research, no part may be reproduced without the written permission. The content is provided for information purposes only.