



**Testimony of
ANNISSA REED
CTIA**

In Opposition to Vermont House Bill 11

**Before the
Vermont House Committee on Energy and Digital Infrastructure**

February 14, 2025

Chair James, Vice-Chair Campbell, and committee members, on behalf of CTIA®, the trade association for the wireless communications industry, I am here to respectfully oppose House Bill 11, which seeks to impose state-specific net neutrality certification requirements, mandate burdensome data reporting requirements, add unnecessary restrictions on data management practices, and introduce vague and unnecessary restrictions on business practices. This bill introduces unnecessary regulatory burdens that will hinder investment, limit competition, and ultimately harm Vermont consumers and businesses.

U.S. wireless broadband providers are investing, innovating, competing, and offering more choices to Americans. This investment is promoting wireless broadband competition. Wireless competition is driving wireless prices down. The Bureau of Labor Statistics reports that prices for consumer goods and services have all jumped up to 28% since 2017, while the cost of wireless service has decreased 11% in that time. This vigorous competition – without heavy handed regulations like H.11 – is clearly benefiting consumers. According to Oxford



Economics, the U.S. is one of the three most affordable countries in the developed world for wireless broadband.

While prices decline, consumption continues to go up. U.S. wireless data traffic is up more than 36% from 2022 to 2023.¹ Wireless competition is also driving competition across the fixed broadband industry. Over the past two years, 95% of net new fixed broadband subscribers chose 5G home service—and importantly, 1 out of 5 net 5G home adds were entirely new home broadband subscribers, underscoring 5G’s role in helping to bridge the digital divide.¹ All of this being done without onerous regulations like H.11. While prices decline, providers continue to invest and expand 5G and fiber-based networks, offering consumers higher speeds. This virtuous circle of continuous investment in networks, faster speeds, and lower prices for consumers has all occurred without the heavy-hand of regulation, especially state regulation, which will disincentivize investment and make service offerings less competitively dynamic than they are today, to the detriment of Vermont consumers.

First, it is critical to recognize that broadband services, especially wireless broadband, are quintessential interstate services. In fact, the internet is global and does not stop at the borders of Vermont. Neither do the broadband networks of wireless providers. That is why the services they sell to consumers are generally sold under the same terms and conditions

¹ <https://api.ctia.org/wp-content/uploads/2024/09/2024-Annual-Survey.pdf>



across their entire service territories and are not specific to particular states. This bill does not acknowledge these basic facts and instead seeks to impose state-specific net neutrality certification requirements that would create a patchwork of compliance obligations, increasing costs and regulatory uncertainty. Broadband providers already adhere to federal transparency rules, and the FTC is empowered to ensure that broadband providers live up to the commitments they make to their customers through their authority to police unfair and deceptive trade practices. Congress is the appropriate legislative body to address net neutrality policy. The current regulatory approach has allowed the internet and wireless broadband networks to flourish for decades. In January of this year, the United States Court of Appeals for the Sixth Circuit set aside a 2024 Federal Communications Commission net neutrality order, finding instead that the federal Communications Act mandates a nationwide, pro-innovation approach for broadband. The 6th Circuit found that broadband services are conclusively “information services,” not “telecommunications services” under the Communications Act. As that decision noted, because Congress established a national policy of subjecting information services to lighter regulation under section 230, those services cannot be subject to heavy regulation, such as rate regulation, under federal law. The federal Communications Act establishes a national regulatory framework that cannot be thwarted by state regulation that conflicts with those national objectives. Any attempt to apply multiple states’ net neutrality requirements would sow confusion and harm consumers, as a



patchwork of state-level requirements at best would present unnecessary complexities for providers and customers alike.

For wireless providers, problems multiply in the case of mobile broadband: questions will arise over whether mobile wireless broadband transmission is subject to the laws of the state where consumers purchased service, where they are presently located, or even where the antenna transmitting the signal is located. State-by-state regulation even raises the prospect that different laws will apply as a consumer moves between states. For example, a mobile broadband consumer could travel through two (or more) states during a train ride, or even during a morning commute, subjecting that rider's broadband service to multiple different legal regimes even if the rider spent that trip watching a single movie. In the mobile environment, state-by-state rules would be especially burdensome, difficult to comply with, costly, and subject providers to differing state interpretations and enforcement of facially similar net neutrality requirements – creating further business uncertainty.

Second, H.11's broadband data collection and reporting mandates duplicate existing federal and state requirements, adding unnecessary administrative burdens without improving broadband deployment. Providers already submit detailed data to the FCC. These duplicative requirements, especially when multiplied over 50 different states, would inject unnecessary complexity into business operations and could divert resources from expanding connectivity — particularly in unserved and underserved areas.



Third, H.11's restrictions on data management practices, including data caps, fail to account for legitimate network management needs. Wireless networks operate in a spectrum-constrained environment, and reasonable data management practices help ensure a high-quality experience for all consumers. Wireless networks are unique. The mobile aspect of the network and the use of the finite resource of spectrum makes network management a necessity. Each customer's usage can affect the quality of the connection of other customers. We use network management, including data plans, to ensure that every customer has the best experience possible. American consumers in 2023 used over 100.1 trillion megabits of data on U.S. wireless networks, marking the biggest year-over-year increase in history and an 89% increase since 2021. To meet this demand, our members are investing tens of billions of dollars annually to update the nation's wireless networks, including in Vermont, where the wireless industry supports more than 6,700 jobs and generates \$500 million in annual GDP growth.

Mobile broadband services are highly dynamic and operate in a continuously changing environment. Wireless carriers offer consumers numerous options and data plans that best meet their needs, including unlimited plans and plans that offer options on network use and service quality. These plans change rapidly to respond to customer demand, and as mentioned above, the only constant is that prices decline while speeds go up. One way that wireless carriers may help to manage their networks is by offering data plans with tiered or



usage-based pricing. These types of plans allow consumers to choose the plan that best fits their needs.

Moreover, many provisions of H.11 are overly vague, introducing significant compliance uncertainty. For instance, the bill requires providers to ‘track complaints’ without defining what constitutes a complaint, what level of documentation is required, or how long records must be maintained. Similarly, it mandates that ‘equipment or service fees must reasonably correlate to the cost’ but provides no objective standard for determining what is considered ‘reasonable.’ This lack of clarity exposes providers to potential legal disputes and inconsistent enforcement. Additionally, the bill seeks to prohibit ‘burdensome conditions’ that ‘unfairly restrict’ the ability to cancel service, but without defining these terms, providers are left without clear guidance on compliance. Such ambiguities create regulatory unpredictability that discourages investment and innovation in Vermont’s broadband market.

Additionally, H.11 does not recognize the existing pro-consumer policies wireless carriers already follow. CTIA and its members established the [Consumer Code for Wireless Service](https://www.ctia.org/the-wireless-industry/industry-commitments/consumer-code-for-wireless-service) — an evolving set of principles designed to help consumers make informed decisions when selecting wireless services.² This Code, which is followed in all 50 states, has been regularly updated since it was first created nearly 20 years ago. Importantly, more than half of the principles contained in the Code speak to this important issue, with disclosure of rates and

² <https://www.ctia.org/the-wireless-industry/industry-commitments/consumer-code-for-wireless-service>



terms of service being the first commitment. Further, Principle 5 establishes a commitment to “clearly and conspicuously” disclosing material charges. Finally, it should be noted that Vermont already passed a net neutrality law – Act 169 of 2018. Net neutrality should not be required as a condition of doing business in Vermont for the reasons set forth above

CTIA urges Vermont to recognize the dynamics within the competitive wireless marketplace and refrain from imposing new state laws on the industry that would be unnecessary, duplicative, and not in the consumer interest given existing regulations.