

The Free State Foundation

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News Release

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May to NYC City Council: Reject Net Neutrality Resolution

FSF President Randolph May Testifies Net Neutrality Mandates Would Be Regressive and Harmful

POTOMAC, MD – In prepared [testimony](#) to be delivered today at a hearing before the New York City Council Committee on Technology in Government, Randolph J. May, President, The Free State Foundation, declared “net neutrality mandates would deter innovation and new investment, dampen competition, and decrease overall consumer welfare.” The Council Committee is considering a [Resolution](#) that calls upon the U.S. Congress to codify strong net neutrality principles. May testified that there is little dispute that there have been only a few isolated instances of claimed net neutrality-like abuses, and those have been quickly remedied. “In other words,” according to May, “the marketplace presently is working to protect consumers and the process of competition without Congress passing new laws.”

May has over thirty years of experience working in communications law and policy, including service as Associate General Counsel of the Federal Communications Commission. He is a past Chair of the American Bar Association’s Section of Administrative Law and Regulatory Affairs. May is the co-editor of two academic books on communications policy, including *Net Neutrality or Net Neutering: Should Broadband Internet Services Be Regulated*, and he is the author of over a hundred scholarly law review articles, essays, and commentaries on communications law and policy topics, including dozens specifically addressing net neutrality.

In his testimony, May stated that it should not be surprising that there is not widespread consumer dissatisfaction with the current practices of Internet providers “because the broadband Internet marketplace is sufficiently competitive to discipline the marketplace and protect consumers.” The testimony recites evidence of the growth of broadband competition and of broadband usage.

In addition, May addressed the Resolution’s apparent concern that broadband providers might charge content providers more for faster data/content delivery, in part, to offset the cost of new high-speed lines. May stated “there may be legitimate economic reasons for broadband providers to offer to prioritize traffic for content providers in some price-related way in order to most efficiently meet consumer demand for all the various types of services that are offered or could be offered.” According to May: “Absent such pricing

flexibility, which is an inherent feature of all competitive free markets, *all* consumers ultimately will be required to pay *more* for Internet access service than they otherwise would in order to cover the increased capacity costs caused by those websites and applications providers that generate especially intensive bandwidth use....Bluntly put, net neutrality mandates that flatly preclude all pricing flexibility, including the flexibility to charge an entire segment of the most intense users of the Internet's infrastructure resources, risk being regressive in the same sense as regressive taxes."

For May's complete New York City Council testimony, click [here](#). For May's comments on the release of the latest OECD broadband statistics, see his blog, [The "Talking Broadband Down" Crowd](#).

The Free State Foundation is an independent non-profit Maryland-based think tank. Its purpose is to promote, through research and educational activities, understanding of free market, limited government, and rule of law principles.

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