



**Testimony of
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CTIA**

In Opposition to Legislative Document 536

**Before the
Maine Energy, Utilities and Technology Committee**

April 24, 2025

Chair Sachs, Chair Lawrence, and committee members, on behalf of CTIA®, the trade association for the wireless communications industry, I am here to respectfully oppose Legislative Document 536, which seeks to impose state-specific net neutrality requirements, including a broad prohibition on paid prioritization and potential enforcement under the Maine Unfair Trade Practices Act (UTPA). This bill introduces unnecessary regulatory burdens that will hinder investment, limit competition, and ultimately harm Maine consumers and businesses. In addition, Maine already has a net neutrality law that the state enacted in 2019 (Chapter 468). There is no evidence of net neutrality violations under that law making this bill unwarranted.

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 LD 536 – 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 LD 536. 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 Maine consumers.. In addition to the current Maine net neutrality law, broadband providers already adhere to federal transparency rules. The Federal Trade Commission is also empowered to

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



ensure that broadband providers abide by public commitments they make to their customers through their authority to police unfair and deceptive trade practices.

The bill's sweeping prohibition on "paid prioritization" fails to account for the legitimate and necessary ways wireless providers manage network traffic. Wireless networks operate in a mobile and spectrum-constrained environment, where reasonable network management practices, including data prioritization, are essential to ensure a high-quality experience for all users, especially during times of congestion or for latency-sensitive applications like telemedicine. The proposed language could inadvertently capture standard network engineering practices that benefit consumers, such as offering data plans tailored to different usage needs. This ambiguity creates significant legal and operational uncertainty.

Additionally, this bill, if enacted, would sap resources needed for further broadband investment. Most significantly, the proposed private right of action invites needless and costly litigation and risks extortionary demands by unscrupulous attorneys. The bill would force wireless broadband providers into court over and over each time a lawyer thinks there is an opportunity for a windfall. Forcing resources away from broadband deployment into needless lawsuits will not improve the lives of Mainers. Further, the bill risks exposing an overly broad group of entities to litigation given that the scope of the bill is ambiguous and may encompass "any entity that provides electronic communication or remote computation services," two undefined terms. These costs and complications are wholly unnecessary given that the



internet has been and remains neutral and open. 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 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 Maine, where the wireless industry supports more than 14,000 jobs and generates \$1.1 billion in annual GDP growth.

We urge the committee to recognize the highly competitive and innovative nature of the wireless industry and refrain from imposing additional state-level mandates and legal liabilities under the Unfair Trade Practices Act. LD 536 will not benefit consumers, it will only introduce confusion, disincentivize investment, and delay progress in broadband deployment across Maine. Further, there is no evidence of net neutrality violations under Maine's current net neutrality law making this legislation unwarranted.