

## Testimony in Opposition to LD 536:

"An Act to Establish Net Neutrality"

Senator Lawrence, Representative Sachs, and the distinguished members of the Committee On Energy, Utilities and Technology, my name is Harris Van Pate, and I serve as policy analyst for Maine Policy Institute. Maine Policy is a free-market think tank, a nonpartisan, non-profit organization that advocates for individual liberty and economic freedom in Maine. Thank you for the opportunity to submit testimony in opposition to LD 536, "An Act to Establish Net Neutrality."

The Maine Policy Institute opposes this measure because it would increase regulatory uncertainty, stifle private investment in broadband infrastructure, and ultimately harm consumers in Maine, particularly those in our rural communities who most need expanded, affordable access to broadband services.

While proponents of net neutrality often couch their arguments in terms of "fairness" and "open access," in reality, heavy-handed regulation of the Internet would produce the opposite effect. Imposing net neutrality mandates discourages the very private-sector investment necessary to expand broadband access and improve service quality.<sup>1</sup>

When federal "Title II" net neutrality regulations were in effect between 2015 and 2017, private broadband investment declined for the first time outside of a recession. Since their repeal, investment has increased, network speeds have improved, and broadband expansion — including into rural and underserved areas — has accelerated.<sup>2</sup>

LD 536 would resurrect the harmful mistakes of the past by deterring new entrants into the market and burdening existing providers with vague, expansive legal liability. It would allow the state government to intervene in complex technical and business decisions best left to competition and consumer choice.

Instead of greater regulation, Maine should focus on policies that encourage broadband deployment and innovation, such as streamlined permitting and reduced regulatory barriers. Local efforts to force net neutrality not only undermine these goals but may also conflict with federal authority, setting Maine up for costly legal challenges.

Furthermore, experience demonstrates that market competition, not government micromanagement, provides the best protection for consumers. The Federal Trade Commission already has robust authority to address instances of unfair, deceptive, or

<sup>&</sup>lt;sup>1</sup> https://freestatefoundation.org/wp-content/uploads/2023/11/Refreshing-the-Record-on-Net-Neutrality-111423.pdf



anticompetitive conduct by ISPs, making additional state-level intervention redundant and unnecessary.  $^{3}$   $^{4}$   $^{5}$ 

Furthermore, in early 2025, the Sixth Federal Court Circuit struck down an attempt by the FCC to reinstate net neutrality in the case *Ohio Telecom Association v. FCC* (2025).<sup>6</sup> This suggests that there may be potential enforcement difficulties if the federal government officially opposes another state policy in Maine.

In closing, LD 536 represents another instance of government overreach that, while well-intentioned, would backfire against the very people it purports to help. Maine must resist the urge to regulate complex, dynamic industries through static, bureaucratic mandates. We should trust market forces, innovation, and consumer choice, rather than heavy-handed regulations, to guide the future of the Internet.

For these reasons, we respectfully urge the committee to vote "Ought Not to Pass" on LD 536. Thank you for your time and consideration.

<sup>&</sup>lt;sup>3</sup> Section 5 of the FTC Act (15 U.S.C. § 45)

<sup>&</sup>lt;sup>4</sup> www.ftc.gov/about-ftc/mission/enforcement-authority