



**TESTIMONY PRESENTED TO THE SENATE EDUCATION, HEALTH AND ENVIRONMENTAL
AFFAIRS COMMITTEE**

**SENATE BILL 287 -- STATE FUNDS - PROCUREMENT OF SERVICES FROM INTERNET SERVICES
PROVIDERS - RESTRICTION**

March 2, 2018

**DONALD C. FRY
PRESIDENT & CEO
GREATER BALTIMORE COMMITTEE**

Position: Oppose

Senate Bill 287 provides that State funds may only be used to procure services from an Internet Service Provider that does not block content applications, services, and devices, impair or degrade Internet traffic, or engage in commercial traffic preferencing. The Greater Baltimore Committee (GBC) opposes regulating the Internet on a state-by state basis because it is unnecessary, legally tenuous and harms Maryland's competitiveness.

If Maryland moves forward with regulating the Internet, the GBC would be concerned about reduced investments, curbed employment growth, impaired innovation-related economic development and a weakened climate for competitiveness. The GBC supports and encourages innovative companies to continue substantial investments in Maryland's technology infrastructure, including the building out of broadband networks and deployment of state-of-the-art telecommunications services.

The GBC also maintains that regulation of the Internet should be the exclusive domain of the federal government, including the implementation of legal or regulatory changes regarding net neutrality. Senate Bill 287 encroaches on the purview of the federal government and is at odds with existing federal law. As recently as February 26, 2018, the 9th Circuit Court ruled in favor of the Federal Trade Commission (FTC), showing that the FTC has full regulatory authority over privacy and open Internet issues related to Internet Service Providers.

This bill is also inconsistent with one of the key tenets in *Gaining the Competitive Edge: Keys to Economic Growth and Job Creation in Maryland*, a report published by the GBC that identifies eight core pillars for a competitive business environment and job growth. The pillar provides:

Government leadership that unites with business as a partner. Maryland leaders must set a welcoming tone that communicates positive support for business, respect for the private sector as a partner, not an adversary, and reflects a strategic plan for business growth and job creation.

For these reasons, the Greater Baltimore Committee urges an unfavorable report on Senate Bill 287.

The Greater Baltimore Committee (GBC) is a non-partisan, independent, regional business advocacy organization comprised of hundreds of businesses -- large, medium and small -- educational institutions, nonprofit organizations and foundations located in Anne Arundel, Baltimore, Carroll, Harford, and Howard counties as well as Baltimore City. The GBC is a 63-year-old, private-sector membership organization with a rich legacy of working with government to find solutions to problems that negatively affect our competitiveness and viability.

GREATER BALTIMORE COMMITTEE

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