The FCC approves strong net neutrality rules

By Brian Fung February 26 at 1:00 PM, Washington Post

Tom Wheeler, chairman of the Federal Communications Commission, testifies on Capitol Hill in 2013. (Gary Cameron/Reuters)

The Federal Communications Commission approved strict new rules for Internet providers Thursday in a historic vote that represents the government's most aggressive attempt to make sure the Web remains a level playing field.

The rules would dramatically expand the agency's oversight of the country's high-speed broadband providers, regulating them like a public utility. They were adopted by a 3-to-2 margin with the commission's Republican members voting against them.

Under the rules, it will be illegal for companies such as Verizon or Cox Communications to slow down streaming videos, games and other online content traveling over their networks. They also will be prohibited from establishing "fast lanes" that speed up access to Web sites that pay an extra fee. And in an unprecedented move, the FCC could apply the rules to wireless carriers, such as T-Mobile and Sprint, in a nod to the rapid rise of smartphones and the mobile Internet.

"This is no more a plan to regulate the Internet than the First Amendment is a plan to regulate free speech," said FCC Chairman Tom Wheeler. "They both stand for the same concept: openness, expression and an absence of gatekeepers telling them what they can do, where they can go and what they can think."

The proposed regulations reflect more than a year of deliberation by the FCC and a surprising turnaround by Wheeler, a former cable industry lobbyist, who had initially supported a proposal that was much friendlier to Internet providers. It's also a significant victory for consumer advocates, grass-roots organizers, Internet companies and Democrats, all of whom spent months pressing for what President Obama called "the strongest possible rules" on net neutrality.

How net neutrality affects you(1:00)

The Federal Communications Commission approved new rules about how Internet service providers get Web sites to you. Confused? Don't worry, PostTV explains what net neutrality is and what it means for your Internet connection. (Alice Li/The Washington Post)

"Providers here in the United States have in fact blocked applications on mobile devices, which not only hampers free expression but also restricts competition and innovation by allowing companies, not the consumer, to pick winners and losers," said Democratic FCC Commissioner Mignon Clyburn.

Internet providers have signaled that they are likely to challenge the rules in court, while conservative lawmakers have slammed them as a government takeover of the Internet and vowed to overturn them.

"We have never argued there should be no regulation in this area, simply that there should be smart regulation," James W. Cicconi, AT&T senior executive vice president of external and legislative affairs, said in a blog post. "What doesn't make sense, and has never made sense, is to take a regulatory framework developed for Ma Bell in the 1930s and make her great grandchildren, with technologies and options undreamed of eighty years ago, live under it."

Brewing presidential politics could pose another threat to the long-term viability of the rules. Should a Republican win the White House in 2016, analysts and industry lobbyists say, a GOPled FCC could decide to reverse any regulations passed by Wheeler's commission.

Republican FCC Commissioner Ajit Pai slammed the rules as an attempt to "micromanage" the Internet. "President Obama's plan to regulate the Internet is not the solution to a problem. His plan is the problem," said Pai, warning that the regulation would "let a Washington bureaucracy — and not the American people — decide the future of the online world."

The FCC opted to regulate the industry with the most aggressive rules possible: Title II of the Communications Act, which was written to regulate phone companies. The rules waive a number of provisions in the act, including parts of the law that empower the FCC to set retail prices — something Internet providers feared above all.

However, the rules gives the FCC a variety of new powers, including the ability to: enforce consumer privacy rules; extract money from Internet providers to help subsidize services for rural Americans, educators and the poor; and make sure services such as Google Fiber can build new broadband pipes more easily.

The rules cover Internet service providers' relationships with customers. But more troubling to the industry is that it also will govern the relationship between Internet providers and major content companies such as Netflix. The agency could inspect, on a case-by-case basis, deals that content companies strike with Internet providers for better access to their customers. (Last year, Netflix, which makes up about one-third of North American Web traffic during peak periods, and Comcast, the country's largest Internet provider, signed such a deal.)

This is the FCC's third attempt to establish net neutrality rules since 2010. The last version of the regulations was thrown out by a federal court that found that the FCC had overstepped its authority.