

Policy Brief

February 2018

SB 460 (DE LEON): CALIFORNIA CONSUMER PROTECTION AND NET NEUTRALITY ACT OF 2018

POSITION: The Chamber's Public Policy Committee voted to OPPOSE for this bill on February 13, 2018.

STATUS: The bill was introduced by Senator Kevin de Leon on February 16, 2017. It was gut and amended and reintroduced in January 3, 2018 with its current language. It is awaiting hearing in the Assembly.

SUMMARY

SB 460 was introduced following the change in Federal Communications Commission directive to repeal net neutrality rules put in place under then-President Obama in 2015. SB 460 would place the California Public Utilities Commission in charge of both creating new net neutrality rules specific to the state, those rules' implementation and oversight of internet providers.

INDUSTRIES IMPACTED

SB 460 is specifically directed toward telecommunication and broadband internet access providers.

SUPPORTERS

ADT Security Services Center for Accessible Technology City of Santa Monica The Greenlining Institute The Utility Reform Network

ARGUMENTS IN FAVOR

According to the author "We cannot allow the profits and political interests of Internet Service providers to outweigh public interest... And if the Trump Administration won't protect consumers, the State of California will."

OPPONENTS

Various Chambers of Commerce Statewide CalChamber

CA Cable & Telecommunications Association California Manufacturers & Technology Association CONNECT

Jobs and Housing Coalition Frontier Communications Hacker Lab San Diego North Economic Development Council Verizon

ARGUMENTS IN OPPOSITION

Legislating in response to the Trump administration is detrimental for any business operating in any state in addition to California as it develops patchworks of regulation that are both costly and ineffective. Further, internet service providers, as an industry, are already heavily regulated and operate within bounds of transparency and consumer choice.

MORE INFORMATION

SB 460 is a direct response to the FCC's adoption of a new, nationwide regulatory framework for internet service providers. Prior to 2015 net neutrality regulations, there were significant safeguards and enforcement of providers that remain unchanged in the current regulatory environment. Senator Scott Wiener has also signaled his interest in the policy area and as such, SB 460 is expected to significantly evolve as additional legislators introduce bills relevant to the topic.