Bernie Sanders vows to break up huge ISPs and regulate broadband prices

Enlarge / Bernie Sanders speaks to the Organic Farmers Association on December 05, 2019 in Story City, Iowa.
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Presidential candidate and Vermont Senator Bernie Sanders yesterday released a plan to overhaul the US broadband market by breaking up giant providers, outlawing data caps, regulating broadband prices, and providing $150 billion to build publicly owned networks.

“The Internet as we know it was developed by taxpayer-funded research, using taxpayer-funded grants in taxpayer-funded labs,” the Sanders plan said. “Our tax dollars built the Internet, and access to it should be a public good for all, not another price-gouging profit machine for Comcast, AT&T, and Verizon.”

If enacted, Sanders’ “High-Speed Internet for All” plan would be the polar opposite of the Trump administration’s treatment of broadband companies and far more aggressive than the regulatory approach of the Obama administration. Sanders pledged to “use existing antitrust authority to break up Internet service provider and cable monopolies,” specifically by “bar[ring] service providers from also providing content

and unwind anticompetitive vertical conglomerates.”

Perhaps most notably, this could force Comcast to divest NBCUniversal and force AT&T to divest Time Warner. Of course, a US president can’t simply issue an order to break up these companies. But if Sanders is elected, he could nominate Department of Justice officials who are likely to file antitrust lawsuits against the companies that dominate the broadband industry.

Bring back Title II regulation

Sanders also pledged to regulate broadband providers as common carriers under Title II of the Communications Act, reinstate net neutrality rules, and impose other pro-consumer rules. This could be achieved via legislation, appointments of aggressive regulators to the Federal Communications Commission, or a combination of both.

Sanders said he would “eliminate data caps and ban throttling” and “instruct the FCC to regulate broadband Internet rates so households and small businesses are connected affordably.” This would include a requirement “that all Internet service providers offer a Basic Internet Plan that provides quality broadband speeds at an affordable price.”

The FCC is an independent agency, so it wouldn’t have to do what Sanders says. But if Sanders was president, he could nominate commissioners and appoint a chairperson who is likely to carry out his wishes.

$150 billion

Sanders also proposed investing heavily in infrastructure, particularly in government-run networks. He pledged to “provide $150 billion through the Green New Deal in infrastructure grants and technical assistance for

municipalities and/or states to build publicly owned and democratically controlled, co-operative, or open-access broadband networks."

Sanders vowed to preempt 19 state laws that limit the spread of municipal broadband. That could require help from Congress, as the Obama-era FCC's attempt to preempt such laws was overturned in court.

Presidential candidate Elizabeth Warren has proposed an $85 billion broadband plan, while candidate Joe Biden has proposed $20 billion for rural broadband.

Many US residents lack fast Internet service today because broadband monopolies "don't provide service to anyone who can't afford it, or install it in areas where it won't make them as much money as their shareholders demand," the Sanders plan said. Meanwhile, broadband monopolies "exploit their dominant market power to gouge consumers and lobby government at all levels to keep out competition."

Sanders compared his plan to President Franklin D. Roosevelt's "promise to deliver electricity to every home in America in 1935, a time when 90 percent of rural households lacked it."

Sanders' $150 billion proposal includes a Department of Agriculture Rural Utility Service program "to provide capital funding to connect all remote rural households and businesses and upgrade outdated technology and infrastructure, prioritizing funding for existing co-ops and small rural utilities." Sanders said that $7.5 billion should be set aside for tribal areas and that all public housing should provide free broadband to residents.

Sanders said the $150 billion investment will "ensure that communities stay connected during natural disasters." Sanders also proposed a full review of broadband networks to make sure they are "resilient to the effects of climate change."

Sanders aims to lower prices

US government plans for broadband often focus on network access without talking much about lowering prices. Sanders wants to do both. His plan said:

> *Large Internet service providers have enjoyed government funding, protection from competition, and light regulation while gouging customers with some of the highest prices for service in the world. Bernie will regulate these providers like a utility. The FCC will review prices and regulate rates where necessary, ensuring areas without competition aren't able to run up prices.*

Moreover, Sanders proposed eliminating the hidden fees broadband providers use to make the actual cost higher than their advertised rates. ISPs would have to "clearly state the cost of service" and not impose "unexpected rate increases" or "service termination fees."

Sanders also wants the FCC to define broadband as a minimum of 100Mbps download speeds and 10Mbps uploads, instead of the current 25Mbps down and 3Mbps up. Sanders would also "reinstate and expand privacy protection rules," reversing the Trump-era decision to eliminate broadband-privacy rules.

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