

H.R. 1644, Save the Internet Act of 2019

As reported by the House Committee on Energy and Commerce on April 5, 2019

Millions of Dollars	2019	2019-2024	2019-2029
Direct Spending (Outlays)	0	0	0
Revenues	0	0	0
Deficit Effect	0	0	0
Spending Subject to Appropriation (Outlays)	0	*	n.e.
Pay-as-you-go procedures apply?	No	Mandate Effects	
Increases on-budget deficits in any of the four consecutive 10-year periods beginning in 2030?	No	Contains intergovernmental mandate?	Yes, Under Threshold
		Contains private-sector mandate?	Yes, Under Threshold
n.e. = not estimated; * = between -\$500,000 and \$500,000.			

H.R. 1644 would require the Federal Communications Commission (FCC) to return to the regulatory framework for Internet service providers (ISPs) that was in effect as of January 19, 2017. The bill would effectively shift the oversight of ISPs from the Federal Trade Commission (FTC) and the Department of Justice (DOJ) to the FCC by redesignating mobile and fixed-broadband Internet access services as telecommunications services subject to common-carrier laws under title II of the Communications Act of 1934. Thus, the FCC could take enforcement action regarding any unjust, unreasonable, or discriminatory ISP practices.

H.R. 1644 would repeal the Restoring Internet Freedom Order (FCC 17-166) adopted by the FCC on December 14, 2017, and prohibit its reissuance in substantially the same form. The bill would restore the Open Internet Order (FCC 15-24) adopted by the FCC on February 26, 2015, and any subsequent regulations in effect on January 19, 2017. It also would restore part 8 of title 47, *Code of Federal Regulations*, and any other rule repealed or amended by FCC 17-166.

Restoring the 2015 regulatory framework could increase oversight and enforcement actions by the FCC and could reduce enforcement and oversight by the FTC and DOJ. Spending on such increased FCC activities would be subject to the availability of appropriated funds. Because the FCC is authorized under current law to collect fees sufficient to offset the costs of its regulatory activities each year, CBO estimates that the net cost to the FCC to implement H.R. 1644 would be negligible, assuming appropriation actions consistent with

that authority. CBO estimates that any reductions in spending by the FTC and DOJ would not be significant.

H.R. 1644 would preempt state laws governing broadband service providers that are inconsistent with FCC 15-24. Such preemption would be an intergovernmental mandate as defined in the Unfunded Mandates Reform Act (UMRA). Although it would limit the application of state law, CBO estimates that the preemption would result in no additional spending or loss of revenues.

The bill also would prohibit broadband service providers from participating in blocking, throttling, and paid prioritization of content providers. That prohibition would be a private-sector mandate as defined by UMRA; the cost of the mandate would be revenues lost by service providers because of the prohibition. As a result of consultations with service providers and an assessment of the current use of paid prioritization, CBO estimates that the mandate would not exceed the threshold established in UMRA (\$164 million in 2019, adjusted annually for inflation).

The CBO staff contacts for this estimate are David Hughes (for federal costs) and Rachel Austin (for mandates). The estimate was reviewed by H. Samuel Papenfuss, Deputy Assistant Director for Budget Analysis.