

**Statement of Senator Patrick Leahy (D-Vt.),  
Chairman, Senate Judiciary Committee,  
Hearing on  
“Why Net Neutrality Matters: Protecting Consumers and Competition Through  
Meaningful Open Internet Rules”  
September 17, 2014**

On Monday, the Federal Communications Commission (FCC) closed the public comment period on its proposed rules to protect an open Internet. An astounding 3.7 million Americans made their voices heard on an issue that is of critical importance to consumers and businesses. An overwhelming number of comments called on the FCC to enact meaningful rules that will protect consumers and preserve competition online. I agree, and the FCC should heed their call.

This is the second hearing the Judiciary Committee has convened on this issue. The first hearing, which I chaired in Vermont this summer, was an important opportunity to hear from voices outside of the Beltway. Vermont-based small businesses now have a reach they only dreamed of thanks to the transforming power of the Internet. For the Vermont Country Store, which has long operated two retail outlets and a mail order business, the Internet now accounts for a remarkable 40 percent of its business and one third of its employees. Logic Supply is based entirely online and sells industrial computers to customers around the world.

Their testimony was simple: keep the Internet an open playing field for small businesses so that they can launch and thrive. As Cabot Orton from the Vermont Country Store testified: “All the small business community asks is simply to preserve and protect Internet commerce as it exists today, which has served *all* businesses remarkably well.” He couldn’t be more right.

Martha Reid, the Vermont State Librarian, also testified about the important role that libraries play in communities throughout the country, particularly in underserved areas. She said: “All Americans, including the most disenfranchised citizens who would have no way to access the Internet without the library, need to be able to use Internet resources on an equal footing.”

This testimony and the testimony we will hear today underscore the importance of why net neutrality matters. It matters for our economic growth and competitiveness. It matters because the Internet is an equalizer that can help break cycles of unemployment and poverty. It matters because the online world is the ultimate tool for free expression and democracy—a tool so powerful that it has helped topple totalitarian governments. Allowing the Internet to become a two-tiered system of “haves” and “have-nots,” controlled by a small number of corporate gatekeepers, would destroy everything that has made it one of the greatest innovations in human history. The FCC must act in a meaningful way to protect its openness.

Meaningful rules would stop so-called “paid prioritization” deals that would allow large corporations to drown out smaller competitors. I introduced legislation with Congresswoman Doris Matsui of California that would require the FCC to develop rules to stop these deals. Regardless of whether our bill passes, the FCC should act to block this kind of behavior. Meaningful rules must go beyond the antitrust laws, which play an important role as a backstop but alone are not enough to promote and preserve free speech and innovation online.

The FCC's action will determine whether the Internet as we know it will stay open, vibrant, and competitive, or whether it will become a place where only the most powerful have a say. I know the outcome that this Vermonter wants to see.

I thank the witnesses for coming today and I look forward to hearing your testimony.

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