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COMMITTEE ON SMALL BUSINESS & ENTREPRENEURSHIP
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December 8, 2017

1055

The Honorable Ajit Pai Chairman Federal Communications Commission 445 12th Street Southwest Washington, DC 20554

Dear Chairman Pai:

In advance of the Federal Communications Commission's (FCC) upcoming vote on proposed changes to the existing net neutrality rules, we are writing to emphasize the importance of an open and free Internet to the nation's small business community. The structure of these crucial regulations must maintain a level digital playing field for businesses of all sizes and we implore the FCC to fully honor the unique challenges that small businesses face in an online market and to reject changes that could disadvantage this important sector of our economy.

The concept of a fair and open Internet prevents discriminatory practices that could favor larger companies online - like higher costs for faster delivery speeds or prioritization of provider content. Small businesses are particularly dependent on high quality Internet services in order to increase their consumer base and expand their operations and are much less likely to have the resources to invest in this kind of 'pay-to-play' system. Research shows that 47 percent of people expect a web page to load in two seconds or less and 40 percent will abandon a web page if it takes more than three seconds to load. Increased costs or slower speeds could severely limit the small business community's ability to attract customers, communicate with vendors, manage data and recruit talented employees.

Inequities in Internet service can also limit our nation's economic growth by increasing launch costs for entrepreneurs and companies seeking to expand. Many new and smaller businesses rely on high-speed Internet access to build name recognition and seek out investors without incurring initial major overhead costs. In 2014, startups created approximately 2.5 million jobs, representing roughly 2.1 percent of total U.S. employment. Changes to the net neutrality rules could inflate entry barriers and loosen the control that small businesses have over how they reach their customers.

As the lynchpins of many local communities, small businesses deserve our support. We ask that the FCC closely examine how changes to the current net neutrality regulations could unfairly disadvantage small businesses and give full consideration to comments submitted for the record addressing such concerns before the Commission's scheduled December 14 vote. Thank you for your immediate attention to this matter.

Sincerely,

Jeanne Shaheen

United States Senator

Benjamin L. Cardin United States Senator

Tammy Duckworth United States Senator Maria Confued

Maria Cantwell United States Senator

Mazie K. Hirono United States Senator

CC: The Honorable Mignon Clyburn, Commissioner The Honorable Michael O'Rielly, Commissioner The Honorable Brendan Carr, Commissioner The Honorable Jessica Rosenworcel, Commissioner