

NAR Issue Summary

Business / Net Neutrality

What is the fundamental issue?

Net neutrality is shorthand for the concept that Internet users should be in control of what content they view and what applications they use on the Internet. More specifically, net neutrality requires that broadband networks be free of restrictions on content, sites, or platforms. Networks should not restrict the equipment that may be attached to them, nor the modes of communication allowed on them. Finally, networks should ensure that communication is not unreasonably degraded by other communication streams.

I am a real estate professional. What does this mean for my business?

The business of real estate is increasingly conducted on-line. Streaming video, virtual tours and voice-over-internet-protocol are just some of the technologies that are commonly used by REALTORS® today. In the future, new technologies will be adopted which will no doubt require unencumbered network access.

Some real estate professionals, realty website operators and real estate industry affiliated content providers believe net neutrality provisions are necessary to prevent broadband providers (cable and telephone companies, primarily) from implementing possibly discriminatory practices that could negatively impact real estate professionals' use of the Internet to market their listings and services. Some possible examples include practices that would (1) limit the public's access to real estate websites, (2) limit a real estate firm access to online service providers who may be in competition with network operators' own services, e.g. Internet phone services, or (3) charging certain websites more for the broadband speeds necessary to properly transmit or display audio or video content such as online property tour, podcast or phone services.

NAR Policy:

NAR supports seven principles to guide lobbying efforts on any legislation to require broadband providers to adhere to net neutral practices:

1. consumers are entitled to access the lawful Internet content of their choice;
2. consumers are entitled to run applications and services of their choice, subject to the needs of law enforcement;
3. consumers are entitled to connect their choice of legal devices that do not harm the network;
4. consumers are entitled to competition among network providers, application and service providers, and content providers;
5. network providers should not discriminate among internet data transmissions on the basis of the source of the transmission as they regulate the flow of network content;
6. Broadband providers must be transparent about the service they provide and how they run their network and;
7. These principles should apply to both wireless and wireline networks.

Legislative/Regulatory Status/Outlook

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On December 21, 2010 the FCC issued new rules on Net neutrality. Under these rules, wired broadband providers are "prohibited from blocking lawful content, applications, services and the connection of nonharmful devices to the network." Wireless broadband providers, however, are allowed more flexibility, reflecting the technical limitations on the amount of traffic a wireless network can handle. Both wired and wireless broadband providers are subject to transparency requirements, which require them to let consumers know how they manage network activity. The new rules also allow internet service providers to charge usage-based fees for broadband, so customers using more bandwidth may be charged more for service than customers using less bandwidth.

The new rules have been challenged in court by the incumbent phone companies. In addition, bills have been introduced to negate the FCC's rulemaking. The legislation is not likely to advance, the court action will take several years to reach conclusion, in the meantime, the rules will be implemented as written.

Current Legislation/Regulation (bill number or regulation)

[US HRES 0037](#)

[US S 0135](#)

[US SRES 0006](#)

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