

Steve Brown, AB, CIPS, CRS, GREEN 2014 President

Dale A. Stinton Chief Executive Officer

GOVERNMENT AFFAIRS DIVISION

Jerry Giovaniello, Senior Vice President Gary Weaver, Vice President Joe Ventrone, Vice President Scott Reiter, Vice President Jamie Gregory, Deputy Chief Lobbyist June 19, 2014

The Honorable Spencer Bachus Chairman Subcommittee on Regulatory Reform, Commercial and Antitrust Law 2246 Rayburn House Office Building Washington, DC 20515 The Honorable Hank Johnson Ranking Member Subcommittee on Regulatory Reform, Commercial and Antitrust Law 2240 Rayburn House Office Building Washington, DC 20515

Dear Chairman Bachus and Ranking Member Johnson:

On behalf of the more than one million members of the NATIONAL ASSOCIATION OF REALTORS® (NAR), we write in advance of your hearing scheduled on June 20, 2014 to express our belief that open internet rules are necessary to protect our members and their customers against the monopoly and duopoly behavior of Internet Service Providers (ISPs) in the U.S.

The Internet has been a driving force for innovation for decades, and our members, their customers, and local communities are benefiting from this innovation every day. The economic growth and job creation fueled by the open Internet is unprecedented in American economic history. This growth has been fostered by the Federal Communications Commission (FCC) under both Republican and Democrat administrations for over a decade.

Our members, who identify themselves as REALTORS®, represent a wide variety of real estate industry professionals. REALTORS® have been early adopters of technology and are industry innovators who understand that consumers today are seeking real estate information and services that are fast, convenient and comprehensive. Increasingly, technology innovations are driving the delivery of real estate services and the future of REALTORS® businesses.

Streaming video, Voice over Internet Protocol, and mobile applications are commonly used technologies in our businesses today. In the future, new technologies, like virtual reality and telepresence among others, will be available that will no doubt require open internet access unencumbered by technical or financial discrimination.

Contrary to the assertions of incumbent ISPs, as of December 2012, 29 percent of US households lived in census tracts with one or zero providers offering fixed Internet service, according to FCC data; the other 71 percent of census tracts had at least two providers. Effectively, U.S. consumers face little or no choice for Internet Service today. Relying upon the anti-trust laws to ensure an open Internet runs the risk of chilling innovation and investment in new technologies.

The FCC has recently proposed and is seeking comment on new Open Internet rules that would permit Internet service providers to discriminate technically against and impose new tolls on American businesses that operate on the Internet. Permitting these actions would be disruptive to our member businesses that have come to rely on an open Internet. Moreover, these actions would be especially harmful for small businesses and start-ups competing against larger companies that can afford such tolls. In order to continue the economic boom enabled by Internet innovation, we support and will urge the FCC instead to adopt open Internet rules that will protect against blocking, discrimination, access charges, and paid prioritization.

The benefits of broadband Internet for innovation and economic development are unparalleled. But we'll lose those tremendous benefits if the Internet does not remain an open platform, where Americans can innovate without permission and with low barriers to launching small businesses and creating jobs. Given this reality, it is important that this Committee work to enact and preserve open Internet policies that promote competition between Internet application and service providers. NAR is ready to work with you on this important issue.

Sincerely,

Steve Brown

2014 President, National Association of REALTORS®

cc: Members of the Subcommittee on Regulatory Reform, Commercial and Antitrust Law House Judiciary Chairman, Bob Goodlatte House Judiciary Ranking Member, John Conyers Jr.