



Connecticut Business & Industry Association

**Testimony of Kevin R. Hennessy
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The Connecticut Business & Industry Association
Before the Energy & Technology Committee
Legislative Office Building
Hartford, CT
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My name is Kevin Hennessy. I am a staff attorney for the Connecticut Business and Industry Association (hereinafter "CBIA"). CBIA represents approximately 10,000 member companies in virtually every industry. They range from large, global corporations to small, family owned businesses. Approximately 90 percent of our member companies have fewer than 50 employees.

Thank you for the opportunity to comment on **HB 6634**, *AA Protecting Certain Telephone and Television Customers*.

CBIA opposes **HB 6634**, *AA Protecting Certain Telephone and Television Customers*. **HB 6634** would subject Voice over Internet Protocol (hereinafter "VoIP") service companies to state regulation. This is problematic for two reasons.

First, it appears that Connecticut does not have the authority to subject VoIP service companies to state regulation. Other states have attempted to assert state regulation over VoIP service providers and the Federal Communications Commission (hereinafter "FCC") ruled that they could not because of federal preemption. On appeal, federal courts have upheld the FCC's decision.

Secondly, and problematic from a business consumer standpoint, subjecting VoIP service companies to state regulation will have a negative impact on businesses. VoIP competition has been beneficial to business customers – they have saved dramatically on their phone bills. Subjecting VoIP service companies to state regulation will undermine the competitive market and cost all consumers money.

Currently, VoIP service companies are investing in new technologies and creating jobs. If Connecticut imposes burdensome regulatory mandates, these VoIP companies will cease investing in Connecticut and choose to invest in the states that have adopted "hands off" policies toward VoIP state regulation.

For the aforementioned reasons, CBIA urges the Energy & Technology committee **to reject HB 6634**.