



**Testimony of  
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CTIA**

**In Opposition to  
House Bill 382**

**Before the  
House Economic Matters Committee**

**February 12, 2026**

Chair Valderrama, Vice Chair Charkoudian and Members of the Committee –

On behalf of CTIA®, the trade association for the wireless communications industry, I am testifying in opposition to House Bill 382. For the past 20 years, intense competition and record-setting industry investment in networks has resulted in what is an affordability success story for consumers accessing wireless services, leading to substantial benefits for hundreds of millions of Americans nationwide, including low-income consumers. This includes:

- *Lower Prices:* Even as inflation raised prices for most consumer goods and services, the price of wireless service declined by 0.5% over the past four years, while smartphone prices fell by more than 50%. The price per megabyte dropped 62% from 2020 to 2024.
- *More Choice:* 5G wireless home broadband is the fastest growing broadband connection in the nation. In 2024, 5G fixed wireless access added nearly 4 million new subscribers, representing 99% of new fixed broadband subscriptions.
- *Record Demand:* Consumers used a record 132 trillion megabytes of mobile data last year, fueled by a historic 32 trillion MB year-over-year increase, the single largest jump in U.S. wireless history. This marks the third straight year of roughly 35% annual growth.
- *Substantial Investment:* Last year, wireless providers invested \$29 billion in private funding to improve connectivity for consumers, and nearly \$219 billion since 2018.<sup>1</sup>

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<sup>1</sup> <https://www.ctia.org/news/2024-annual-survey-highlights>



Due in large part to these benefits, Maryland consumers can currently choose competitively priced home broadband plans. With this intense competition, providers need to offer competitive pricing to consumers, including low-income consumers.

### **Evidence Demonstrates Mandates Raise Prices and Lowers Competition**

The evidence is clear that fierce competition from wireless carriers drives down broadband prices and fosters investment and innovation. There is also widespread evidence that artificial price mandates and state-level rate regulation, while well-intended, ultimately increase prices and harm consumers.

- A recent analysis by Compass Lexecon found that price floor, rate-setting policies often hurt the consumers they are intending to help. Examples include gasoline price mandates in Hawaii resulting in higher costs for consumers; rent-control markets across the country seeing reduced investment; and price caps on interchange fees leading to higher costs and fewer low-income consumer benefits.<sup>2</sup>
- A recent report conducted by the Advanced Analytical Consulting Group and Northeastern University found that the competitive nature of the wireless industry has served consumers much better than utilities like water and electricity service subject to rate-regulation. In Maryland between 2012 and 2022, electricity rates increased 13% and water rates increased 88% while wireless rates decreased 44%.<sup>3</sup>
- Price mandates drive competitors from the market and deprive consumers of real choice in home broadband service. In 2025, one provider pointed to New York’s broadband “affordability” mandate as the reason for ending its home broadband offering in that state.<sup>4</sup>

### **Price Mandates Invalidate BEAD Funding**

In addition to the negative policy impacts of a pricing mandate, such an approach puts Maryland’s federal Broadband, Equity, Access, and Deployment (BEAD) funding at serious risk. Beginning in June 2025 and as recently as last week, the National Telecommunications and Information Administration (NTIA) has now issued multiple updated FAQs and Policy Notices related to the BEAD Program that expressly prohibit states from setting the price for BEAD

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<sup>2</sup> Compass Lexecon, Adverse Effects of Price Regulation, January 2025.

<sup>3</sup> Advanced Analytical Consulting Group and Northeastern University, State Price Regulation of Wireless Services, January 2025.

<sup>4</sup> <https://www.pcmag.com/news/att-kills-5g-home-internet-service-in-ny-over-15-broadband-law>



subgrantees' low-cost service options (LCSOs). Examples of this emphasis include the following:

- *“BEAD subgrantees must still comply with the statutory provision to offer at least one LCSO, but NTIA hereby prohibits Eligible Entities from explicitly or implicitly setting the LCSO rate a subgrantee must offer. To be clear, NTIA will only approve Final Proposals that include LCSOs proposed by the subgrantees themselves.”*<sup>5</sup>
- *“... [a state must] commit that it will not enforce any law, regulation, or other enforceable obligation that regulates the rates, terms, and conditions of broadband internet service or imposes net neutrality rules, open access, or other utility-style rules on broadband internet service, against a Subgrantee or its affiliates anywhere it provides service within the State, while that Subgrantee has any subgrant that is still within its period of performance, extended period of performance, or federal interest period.”*<sup>6</sup>

Furthermore, NTIA emphasizes this condition 1) applies to all existing *and future* state laws for the duration of the program and 2) applies to *any* service offered by a BEAD subgrantee.

CTIA's member companies throughout the wireless industry are proud of their ongoing work to expand connectivity to more communities and provide affordable connectivity options for Maryland consumers at a time when bridging the digital divide is paramount. Policy approaches that embrace competition and innovation – and reject price mandates and rate-regulation – are proven to work. For these reasons, we strongly oppose House Bill 382.

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<sup>5</sup> <https://www.ntia.gov/sites/default/files/2025-06/bead-restructuring-policy-notice.pdf>

<sup>6</sup> [https://broadbandusa.ntia.gov/sites/default/files/2025-11/BEAD\\_FAQs\\_V16.pdf](https://broadbandusa.ntia.gov/sites/default/files/2025-11/BEAD_FAQs_V16.pdf)