



12 West Street  
Annapolis, MD 21401

**Bill No:** HB 1037

**Title:** Public Service Commission - Broadband and Voice Over Internet Protocol Service - Oversight (Broadband Accountability and Affordability Act)

**Committee:** House Environment and Transportation Committee

**Hearing Date:** March 3, 2026

**Verizon Position:** UNFAVORABLE

**Greetings Chair Korman and Members of the Committee,**

Verizon appreciates the opportunity to provide testimony on House Bill 1037, the Maryland Broadband Opportunity and Fairness Act that proposes to have the state's Public Service Commission (PSC) regulate Broadband and VoIP services. As an industry we believe imposing such state government oversight and burdensome regulations is unnecessary because ISPs like Verizon are already delivering the high-quality, reliable service that Marylanders expect and desire. Such attention to our customers' needs and wants is stimulated by the competitive market in which our industry operates as distinguished from more monopolistic industries that the PSC regulates.

Thus, respectfully urge an unfavorable report on HB 1037 based on the following key reasons:

**1. Network Investment, Reliability and Customer Care**

Like other companies, we invest in our networks and customer experience to provide a great product and reliable service. We also work hard to win awards, which helps us distinguish ourselves from our competitors. For instance, our Verizon FiOS service is consistently recognized for superior network performance, having won JD Power awards for network quality for 35 consecutive years. Such recognition is a testament to our commitment to investing in our network and to the thousands of hard-working network employees here in Maryland who build, maintain, and repair the network in even the most challenging of circumstances. Further, on the occasions when customers do experience issues or have questions, we maintain a dedicated customer service department whose sole responsibility is to listen and help resolve service and reliability matters as quickly as possible via our phone, internet, app, and chat platforms. We value our customers and do not take their investment in us or their loyalty for granted.

Given that the broadband competitive market has proven to be in the best interest of consumers, government intervention is not necessary and would not be the most effective regulator for wireless and Voice over Internet Protocol (VoIP) providers. In today's hypercompetitive environment, consumers have the ability to change providers at any time. Because customers are quick to switch based on service quality, price, and customer service, we are naturally compelled



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to maintain high standards to retain our customer base. Introducing a new layer of 20th-century utility oversight at the Public Service Commission (PSC) is redundant and will only hinder the innovation that drives this competition.

## **2. Federal Preemption and Exclusive FCC Jurisdiction**

House Bill 1037 faces significant legal challenges related to federal preemption. Broadband and VoIP are inherently interstate services. The Federal Communications Commission (FCC) and federal courts have historically barred states from imposing state-level utility oversight on these "information services."

By attempting to establish a "Maryland-only" set of standards for network resilience, reliability, and oversight, the bill invites immediate litigation and conflicts with federal deregulatory policies designed to prevent a fragmented, 50-state regulatory patchwork. Furthermore, the bill fundamentally conflicts with the current statute, which wisely limits the PSC jurisdiction over VoIP to ensure modern services are not hampered by 20th-century utility rules.

## **3. Market Competition is the Best Regulator**

Maryland's competitive broadband market is already driving the deployment of modern, reliable, high-speed services. Unlike the legacy copper-wire era, today's consumers have choices across fiber, cable, fixed wireless, mobile wireless and satellite providers.

In this hypercompetitive environment, providers are compelled to maintain high service quality and network resilience to retain customers. This makes government-mandated "service quality standards" and a new layer of bureaucracy at the PSC unnecessary and redundant. Consumers are already protected by the Attorney General's Division of Consumer Protection, which has the full authority to investigate unfair or deceptive trade practices. Introducing the PSC as an additional regulator will not improve service but will only slow the pace of innovation and network upgrades.

## **4. Undermining Maryland's Economic Competitiveness**

Infrastructure investment, the private capital necessary to expand fiber and 5G, flows to states with stable, predictable, and light-touch regulatory environments. By granting the PSC broad new authority to mandate "remedial actions," conduct audits, and impose state-specific compliance and reporting requirements, HB 1037 creates a hostile and uncertain environment for this capital.

Every dollar spent on meeting duplicative state-specific regulations and administrative confusion, including overlapping authority with the Office of Statewide Broadband, is a dollar diverted from investing in our current and future customers. This bill will directly harm Maryland's reputation as a business-friendly state and place it at a competitive disadvantage in the race for next-generation network investment.



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For these reasons, we believe HB 1037 is the wrong approach for Maryland. While we share the goal of ensuring reliable connectivity for all Maryland residents, this legislation would create an outdated regulatory framework that will ultimately hinder investment, undermine innovation, and place Maryland at a significant competitive disadvantage.

Thank you,

*Paul Brooks Plymouth*

Paul Brooks Plymouth

Director, State Government Affairs and Local Engagement