



**Testimony of
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CTIA**

**In Opposition to
Senate Bill 571**

**Before the
Senate Finance Committee**

February 26, 2026

Chair Beidle, Vice Chair Hayes and Members of the Committee –

On behalf of CTIA®, the trade association for the wireless communications industry, I am testifying in opposition to Senate Bill 571.

For the past 20 years, intense competition and record-setting industry investment 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:* In the past year, wireless prices are down 5%, and since 2010, the price of unlimited wireless plans has been cut almost 70%, adjusted for inflation, while the price per MB of mobile data has dropped 99%.¹
- *More Choice:* In 2025, 5G fixed wireless access added nearly 4 million new subscribers, representing 99% of new 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.
- *Substantial Investment:* Last year, wireless providers invested \$29 billion in private funding to improve connectivity for consumers, and more than \$219 billion since 2018.²

¹ U.S Bureau of Labor Statistics

² <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 among wireless carriers drives down prices and fosters investment and innovation. There is also widespread evidence that artificial price mandates and rate regulation 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 seeing reduced investment; and price caps on interchange fees leading to higher costs and fewer low-income consumer benefits.³
- A recent report by the Advanced Analytical Consulting Group and Northeastern University found competition in 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%.⁴
- Price mandates drive competitors from the market and deprive consumers of choice in home broadband service. In 2025, one provider pointed to New York's broadband price mandate as the reason for ending its home broadband offering in that state.⁵

This Legislation Threatens 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. Over the past year, the National Telecommunications and Information Administration (NTIA) has issued multiple FAQs and Policy Notices related to the BEAD Program that expressly prohibit states from setting the price for BEAD subgrantees' low-cost service options (LCSOs):

³ Compass Lexecon, Adverse Effects of Price Regulation, January 2025.

⁴ Advanced Analytical Consulting Group and Northeastern University, State Price Regulation of Wireless Services, January 2025.

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



- *“... [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.”⁶*

If adopted into law, the following provisions in the bill directly violate this NTIA guidance:

- Would require BEAD subgrantees to offer an LCSO that was not “proposed by the subgrantees themselves.”
- Would enable the state to “explicitly or implicitly set the LCSO rate subgrantees must offer.”
- Would require *all* Maryland broadband providers to offer a “low-cost service option.”

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 Senate Bill 571.

⁶ https://broadbandusa.ntia.gov/sites/default/files/2025-11/BEAD_FAQs_V16.pdf