



April 26, 2018

Senator Ricardo Lara
Chair, Senate Appropriations Committee
State Capitol, Room 5050
Sacramento, CA 95814
RE: Restoring Net Neutrality in California (SB 822)

Dear Senator Lara,

As a representative of the 28 million small businesses in America and the more than 3.5 million in California, Small Business Majority writes today in support of SB 822, which would enforce net neutrality at the state level in California. We support this legislation because a fair and open internet is necessary to promote a level playing field for small firms.

Small Business Majority is a national small business organization with multiple offices throughout California, founded and run by small business owners to focus on solving the biggest problems facing small businesses today. We actively engage small business owners and policymakers in support of solutions that promote small business growth and drive a strong economy. A key component of our work involves outreach and education to small business owners on a range of small business issues, including healthcare, retirement security, access to capital and more.

SB 822 would benefit California small businesses by prohibiting ISPs from violating net neutrality principles by blocking, speeding up or slowing down certain websites or applications. It would also make net neutrality violations subject to enforcement under California's consumer protection and unfair business practices laws, granting the Attorney General the power to hold ISPs responsible for violations. This bill would protect California's entrepreneurs and consumers from unfair practices enabled by the recent Federal Communications Commission (FCC) rule change that walked back guarantees of net neutrality.

Without a fair and open internet, small businesses are at a disadvantage when trying to compete with larger corporations that have the resources to ensure their websites receive special prioritization from their internet service providers. As a result, small employers could lose business because their websites might experience longer load times, or their sites could be blocked entirely from reaching consumers. The majority of small employers are supportive of net neutrality. In fact, Small Business Majority's [recent scientific opinion polling](#) found nearly 6 in 10 small business owners (56%) oppose the FCC's repeal of net neutrality. Nearly half (49%) say the principle of net neutrality is important to the operation of their business. Small business owners in the IT sector, a critical component of California's economy, said net neutrality was important to their business by a 4:1 ratio.

Maintaining an open internet through measures like SB 822 helps ensure fair and equal access to broadband for both small businesses, start-ups and consumers. We support any legislation that will help level the playing field for small business, and SB 822 will do just that.

Sincerely,

A handwritten signature in black ink, appearing to read "Mark Herbert".

Mark Herbert, California Director
Small Business Majority