



February 20, 2012

The Honorable Curtis S. Bramble
Utah State Senator
Chair of Senate Committee on Revenue and Taxation
320 State Capitol
P.O. Box 14515
Salt Lake City, UT 84114

RE: SB 229

Dear Senator Bramble:

The Voice on the Net (VON) Coalition¹, which represents the nation's leading companies developing and delivering voice innovations over the Internet, writes to express its thanks for your efforts concerning SB 229. In particular, we appreciate your proposal to ensure that Internet Protocol-enabled services are not included within the definition of a telephone corporation and unnecessarily subject to regulation by the Public Utilities Commission.

IP communications can be a force for increased competition, a platform for innovation, a driver for broadband deployment and a vehicle for continued economic growth. In fact, with the right policies, IP communications competition can save Utah consumers millions of dollars annually – putting real money back into consumers' pockets when they really need it. Further, by harnessing IP communications as a broadband driver (since, for example, VoIP calls are carried over broadband connections), increased broadband adoption in Utah will create jobs as the country works its way out of these difficult economic times.

The Utah Legislature has already provided that "internet service" shall be free from regulation. To help ensure that Utah consumers can benefit from these transformative Internet communications services, SB 229 clarifies that Internet Protocol-enabled service including VoIP would not be subject to state regulation related to the entry, rates or terms of service of IP communications providers. The bill maintains the status quo regarding other statutory provisions, including any currently applicable taxes and fees.

By adopting these provisions, Utah would join federal policymakers and more than 22 states that have recognized that to unleash the vast benefits that IP communications can deliver, the service should not be subject to a potential patchwork of conflicting state regulatory models. These provisions are particularly important for consumers living in rural Utah who may not yet enjoy the benefits of broadband and voice competition.

¹The Voice on the Net or VON Coalition consists of leading VoIP companies, on the cutting edge of developing and delivering voice innovations over the Internet. The coalition, which includes AT&T, Broadvox, BT, Cloud Communications Alliance, Google, iBasis, Microsoft, Nextiva, Skype, Vonage and Yahoo!, works to advance regulatory policies that enable Americans to take advantage of the full promise and potential of VoIP. The Coalition believes that with the right public policies, Internet based voice advances can make talking more affordable, businesses more productive, jobs more plentiful, the Internet more valuable, and Americans more safe and secure. Since its inception, the VON Coalition has promoted pragmatic policy choices for unleashing VoIP's potential. <http://www.von.org>



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Rather than adopting state-specific rules for VoIP, government leaders in states like Florida, Georgia, Maine, Maryland, Michigan, New Jersey, Texas, Virginia and Wisconsin have all taken steps to prevent state regulation of IP communications in order to boost broadband deployment, make phone service more affordable, and harness IP communications vast potential for important public policy goals. We encourage you to follow suit and continue to push for the passage of SB 229.

Please contact the undersigned if you have any questions. And thank you again for your leadership on this critical policy issue.

Sincerely,

The VON Coalition

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