

Contact:

Richard Morrison, 202.331.2273

## **A NEW HOPE FOR FREE MARKETS IN TELECOM**

### *Sen. Ensign Introduces Sweeping Reform Legislation*

Washington, D.C., July 27, 2005—Sen. John Ensign (R-NV) this morning announced wide-ranging legislation that would modernize U.S. telecommunications law and eliminate regulatory disincentives to investment and economic growth.

“The Ensign bill is an important step toward reforming our outdated telecommunications law,” said Competitive Enterprise Institute Technology Counsel Braden Cox. “It creates a more unified national approach for communications policy in broadband and video services that will encourage more rapid deployment of each. It also does a good job of separating basic telephone service, which is still mired in regulations that relate back to the AT&T monopoly era, from new Internet services where competition is heating up.”

The legislation would be the first major update to the nation’s telecom law since the Telecommunications Act of 1996, itself a regime which has long needed a Congressional overhaul. Today’s rules are based on regulatory distinctions that pre-date mass adoption of the Internet, and the assumptions behind them have been carried forward to the present even though they do not apply to today's communication networks.

“Advocates of deregulation could argue that it doesn’t go far enough to deregulate the industry,” continued Cox. “However, stripping away government regulation from the overregulated telecommunications sector will take time. This bill provides some relief to an industry that desperately needs it and keeps open the opportunity for future reform.”

---

CEI is a non-profit, non-partisan public policy group dedicated to the principles of free enterprise and limited government. For more information about CEI, please visit our website at [www.cei.org](http://www.cei.org).

Richard Morrison  
Director of Media Relations  
**Competitive Enterprise Institute**  
1001 Connecticut Avenue NW #1250  
Washington, DC 20036  
202-331-2273 - direct  
202-441-9652 - mobile  
202-331-0640 - fax  
[www.cei.org](http://www.cei.org)