

**ADT Security Services' Testimony
Before the House Economic Matters Committee**

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Chairman Davis and members of the Committee, thank you for this opportunity to testify before your committee today. My name is Holly Borgmann, Vice President of Government Affairs for ADT Security Services, here in support of strong Net Neutrality for Maryland.

ADT is the nation's largest provider of home and business automation and alarm monitoring services in the United States, and we're proud to serve more than six million customers. The vast majority of the electronic security industry, however, is comprised of small businesses. In fact, there are more than 13,000 alarm companies operating in the United States today.

When you think of net neutrality, the alarm industry is probably the last industry stakeholder that comes to mind. What many do not realize is that our alarm data often travels along customer-provided broadband internet lines. And many of the broadband internet lines that carry our signals are owned and operated by companies that offer competing alarm businesses. Absent strong net neutrality regulations, these broadband internet providers have the incentive and ability to block and / or throttle competing alarm providers' data, and could charge hefty fees for competitors' data to reach a central monitoring station. There is also little incentive for these providers to restore service that may have been inadvertently blocked or throttled.

ADT believes that public safety and lifesaving services, including home alarm systems, school and business security, and disaster alert signals, should be able to travel across the broadband network without the threat of blocking, throttling, or de-prioritization.

Consumers, schools, businesses, commercial/industrial properties and governments all depend reliable security and monitoring services, whether they are dealing with life safety threats resulting from an intrusion, a health crisis, a flood, carbon monoxide (CO) threat, or a fire. Such services require reliable and immediate connections to professional alarm monitoring centers and, in turn, public safety officials and first responders.

While small packets of alarm data can run over traditional copper lines or over cellular networks, broadband service is generally required for the larger packets associated with enhanced alarm services that allow customers to view security camera footage, as well as to remotely arm and disarm their systems, and lock and unlock their doors.

Why does this matter? Some first responders will prioritize response to the alarm call when video confirmation of an emergency has been obtained. Some municipalities in the US will not respond at all unless video or on-the-ground evidence that an alarm event has occurred. Throttling or de-prioritizing these types of data transmissions could slow emergency assistance, or deny it entirely.

Concerns that ADT's transmissions could be blocked are not merely theoretical. Broadband providers have blocked ADT's data in the past, preventing ADT's customers from using enhanced alarm monitoring features such as remote operation through smart phone apps and video surveillance. In 2015, a large swath of ADT customers in Puerto Rico using a specific broadband internet access service provider suddenly lost the ability to use ADT's enhanced alarm services that enable customers to control their alarm systems remotely or to access their video surveillance cameras. Upon being approached by ADT's technicians, the ISP initially disclaimed any responsibility, notwithstanding that all of ADT's customers using this ISP lost access to these enhanced services. Further analysis showed that, in fact, this ISP was blocking a critical timing port that rendered the service unusable. The issue took nearly two-and-a-half months to resolve, during which time ADT's customers were without this service and

ADT stopped offering the service to residential and business customers using this ISP's internet service. This blocking occurred during a time that federal net neutrality rules were not in effect. Service was only restored after the federal net neutrality rules were released and were about to be implemented.

In 2016, after net neutrality rules went into effect, another ISP blocked certain ports shutting down ADT's customers' ability to utilize these same services. This ISP, however, was more responsive and the blocking was resolved after approximately two-and-a-half weeks. It is noteworthy that this incident occurred during a time that the now-repealed federal no-blocking rule was in effect.

Strong state-level net neutrality rules offer internet service providers a strong incentive quickly to address network issues as they arise within that state. If ADT, the country's largest alarm monitoring provider cannot resolve a blocking issue for months, the many thousands of much smaller alarm monitoring providers will have little hope to withstand ISP blocking or anticompetitive conduct in the absence of readily enforceable net neutrality rules and their deterrent effect.

In closing, I thank the sponsor for his leadership on this issue respectfully ask that the committee vote to support Net Neutrality in Maryland. Thank you for your time and consideration.