

Fairfax County Small Business Commission
Small Business: Legislative and Policy News

By: Koorosh Cyrus Sobhani, Esq. Dranesville District—February 2017 Newsletter

Virginia Broadband Deployment Act Introduced into Virginia Legislature

On January 10, 2017, Virginia Delegate, Kathy Byron (R) introduced the Virginia Broadband Deployment Act, HB 2108 to the Virginia House of Delegates. Ms. Byron's proposed legislation will prohibit municipal broadband deployments except in very limited circumstances. Additionally, localities will be prohibited from offering internet service if the existing service already provides Ten (10) Mbps Download speeds and One (1) Mbps Upload speeds to 90% of potential customers.

Opponents of the bill argue that Delegate Byron's bill is disadvantageous for small business owners in that, internet access for small businesses after implementation of the bill, will be lagging.

Delegate Byron's bill also inspired opposition from those who claim the bill would limit economic growth. Roanoke city manager, Chris Morrill, in a Roanoke Times editorial critical of HB 2108, indicated, "Twenty-first [century] economic development is all about broadband and workforce." By limiting broadband expansion, small businesses' growth and visibility is likely to be hindered.

On the other hand, small businesses expect broadband expansion to allow for increased visibility of their business to consumers and prospective clients and employees.

Delegate Byron defended her bill in a Roanoke Times editorial by asserting that the bill would "expedite development and reduce the price of broadband in the commonwealth of Virginia." Ms. Byron contends that small business owners will save money due to her legislation.

For more details, please visit:
<http://lis.virginia.gov/cgi-bin/legp604.exe?ses=171&typ=bil&val=hb2108>

Federal Court Backs Labor Department Rule meant to protect retirement savers

On February 8, 2017, Judge Barbara Lynn, of the Northern District of Texas, upheld an Obama-era rule intended to revamp parameters of the advice that financial consultants must provide to retirement savers. The rule requires that brokers act in the best interests of their clients. Judge Lynn ruled that the DOL did not exceed its authority by creating the fiduciary rule.

Supporters of the ruling celebrated Judge Lynn's decision as a pro small-business measure. Stephen Hall, legal director of Better Markets, a non-profit organization stated that "The decision issued today. . .sends a message that. . .put[s] a stake through the heart of industry efforts to destroy this common-sense rule." The ruling now helps protect small business owners from financial brokers who had previously placed their own self-interest ahead of their clients.

Opponents of the fiduciary rule regarding financial advisors expressed disappointment with Judge Lynn's ruling. In a Reuters' article, collective groups vowed to "pursue all of our available options to see that this rule is rescinded." They argue that the rule will make retirement advice too costly and may harm low income consumers.

The rule's implementation, however, is far from certain. The Labor Department, directed by the new administration, requested the Court for a stay to continue reviewing the fiduciary rule. Scholars argue that this request may be a strategic move by the new administration to delay the regulation.

For more details, please visit:
<http://www.reuters.com/article/us-usa-labor-fiduciary-idUSKBN15N2HF>

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