

January 2015

Chairman Tom Wheeler
Commissioner Mignon Clyburn
Commissioner Ajit Pai
Commissioner Jessica Rosenworcel
Commissioner Michael O’Rielly
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: Comcast-Time Warner Cable: *Docket #14-57*

Dear Chairman Wheeler, Commissioner Clyburn, Commissioner Pai,
Commissioner Rosenworcel, and Commissioner O’Rielly:

As Local Elected Officials we are deeply concerned about the increasing disparities across our country with a full quarter of the population being stuck on the other side of the Digital Divide and being left behind at an accelerating pace. The United States cannot be competitive globally with so many of its people unable to participate fully in the economy nor reach their highest potential for creativity and productivity.

Today, 25% of all California and U.S. households do not have high-speed Internet access at home. This impacts the quality of life and economic vitality in all of our communities. It means that we are unable to reach 25% of our residents with public information and government services online that could save us operating costs. And, it excludes 25% of our constituents from participating in today’s democracy. Yet, we were elected to represent 100% of the people, not just 75%.

Federal law says there must be a finding of public benefit to approve the proposed Comcast acquisition of Time Warner Cable and exchange of service territory with Charter Communications. This review process provides an opportunity for the FCC to hold Comcast accountable to improve its Internet Essentials program and achieve acceptable performance. Comcast launched Internet Essentials, a \$9.95-a-month broadband plan for families of students eligible to receive free or reduced school lunch, to secure federal government approval to purchase NBC Universal in 2010. While this is a very good price point for affordability, the program currently is failing to reach millions of Americans who could benefit most from an affordable connection to the Internet.

In 3 years, Comcast has signed up only 14% of currently-eligible households because of several problems with the subscription process and the lack of sincere partnerships with trusted organizations that know how to reach and engage the key populations. Conservative analysis shows that an estimated 1.375 million California households would be eligible for Internet Essentials in the new combined service territory of approximately 3.7 million households. That will include more than 3 million K-12 students—87% of all California students qualifying for free-or-reduced lunch. A significant portion of the remaining 13% of California students will live in areas served by other companies planning or considering merges. Thus, for California, this corporate consolidation is the “ballgame” and we need your support to secure a widely-available affordable broadband program. We urge your action to ensure *Internet For All Now*.

We strongly urge you to require the following **5 Recommendations** if you approve the Comcast-TWC-Charter and/or other corporate consolidation:

1. **Include All Low-Income Households:** Extend Comcast Internet Essentials to all low-income households, not just those with school children. Require Charter and all companies resulting from corporate mergers or acquisitions to offer a similar affordable offer to all low-income households. Low-income seniors, people with disabilities and returning veterans are not covered today.
2. **Set Performance Goals:** Set a goal for Comcast to increase Internet Essentials subscribership for expanded eligible households to reach 45% in 2 years, and to continue the program until 80% adoption is achieved in all low-income neighborhoods in each major market within the combined service territories. Set a similar goal for Charter and all other companies.
3. **Capitalize an Independent Fund and Coordinate with States:** Work through and collaborate with states that have an adopted plan to close the Digital Divide. In states, such as California, that are major Comcast-TWC markets and have a strategic plan to close the Digital Divide, require Comcast to dedicate a sufficient amount to an independently-managed fund to engage experienced community-based organizations, libraries and schools to assist in achieving the 45% subscription sign-ups and overall 80% adoption rate. Apply this same approach to states that become dominant Charter markets. The management of such a fund should be selected by a state agency through an open competitive process.
4. **Establish an Advisory Oversight Committee:** Establish a national advisory oversight committee to provide feedback and input to the FCC in monitoring performance and progress. The program has been riddled with problems and there is a lack of transparency on data regarding eligibility and progress. There must be a reliable process and mechanism for public accountability.
5. **Offer Stand-Alone Internet Service:** Require Comcast, Charter and other merged companies to offer all consumers the opportunity to purchase stand-alone Internet access at a reasonable rate instead of being forced to pay for bundled services.

Now is the time to hold Comcast accountable for delivering a real, measurable public benefit. In fact, the same requirements should be a condition of all pending corporate mergers or acquisitions. Our nation's economic well-being and ability to compete globally are at risk unless we get all residents connected to high-speed Internet access at home. You have all the power and authority to ensure *Internet For All Now*.

Sincerely,

Signed

Local Elected Leaders