



THE COUNCIL OF THE
CITY OF NEW YORK

June 19, 2014

Hon. Kathleen H. Burgess, Secretary
New York State Public Service Commission
Empire State Plaza, Agency Building 3
Albany, NY 12223-1350

Dear Secretary Burgess:

As Comcast, the largest cable company in the United States, seeks to acquire Time Warner Cable, the second largest with more than 2.6 million subscribers in this state, please use your new regulatory powers to determine whether or not the merger is in the best interest of existing customers and the residents of New York City and State.

We believe that such a merger would only be in the public interest if paired with net neutrality and a significant expansion of free and affordable Internet access for low-income families and individuals to reduce the digital divide.

The “Internet Essentials” program, launched by Comcast in 2011 to provide low-income households with affordable broadband is a positive first step but major shortfalls must be addressed. Only 2.6 million families of the 7.2 million families making under \$35,000 in Comcast’s service area are eligible for the program, as it only applies to families with children eligible for federal free or reduced price lunch. Of that 2.6 million, a mere 300,000 families have applied. This does little to close the digital divide – the gap between those who can afford Internet access and those who cannot, a division that entrenches social and economic disparities.

We propose that you require an expansion of the “Internet Essentials” plan for New York customers as cited in part C, section One of the petition “The Transaction Will Generate Other Significant Public Benefits.” “Internet Essentials” must go beyond families with children on free and reduced lunch to provide free access to:

- NYCHA Public Housing – 403,120 residents and 175,587 families in 178,557 apartments;
- Unemployment insurance benefit recipients; and
- Institutions serving vital public needs such as 1,700 public schools serving 1.1 million students and 223 public library branches.

Free or affordable access should also be provided to family and individual recipients of income-qualifying federal, state and city subsidies. Loopholes that deny “Internet Essentials” to old customers, those who have missed bill in the past, or those who have unreturned equipment must also be closed.



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Closing the digital divide has been a priority of New York City and, indeed, our nation. The FCC's 2010 National Broadband Plan includes the imperative to "create mechanisms to ensure affordability to low-income Americans," noting that only 40% of adults making less than \$20,000 per year adopted terrestrial broadband at home while 93% of adults earning more than \$75,000 per year have adopted broadband at home.

This has also been a priority of the Mayor and City Council. Mayor Bill de Blasio has laid out a goal of universal affordable broadband to ensure all New Yorkers can carry out the fundamental tasks of accessing information, applying for jobs, communicating with co-workers and loved ones that broadband access facilitates. The City Council included the need to expand free Wi-Fi across our public parks in our budget priorities for the upcoming fiscal year.

As you consider a merger that will provide Comcast with 40% of all broadband customers in the United States, Comcast and Time Warner Cable must also – and equally importantly – voluntarily abide by the FCC's Title II regulations banning unreasonable or unjust discrimination and ensure Net Neutrality. No provider, least of all one controlling such a huge share of Internet access, should control the flow of information on the Internet by speeding up or slowing down traffic for pay or based on content type. Currently, the FCC is seriously considering using its authority under the telecommunications regulation found in Title II of the Communications Act. Comcast and Time Warner Cable should choose to abide by these regulations voluntarily. All Americans and New Yorkers deserve access to the Internet—the same access, no matter their income levels or content types.

The merger between two corporate giants to become providers of one of America's most crucial resources must, if approved, be in the public interest—and only ensuring affordable and unconstrained broadband access will guarantee that. We as representatives of America's most populous city urge you to look towards a future where all families and individuals can reap the benefits of a competitive, free and open Internet.

Sincerely,

James A. Vacca
Technology Committee Chair

Benjamin J. Kallos
Governmental Operations Committee Chair

Ritchie Torres
Public Housing Committee Chair

Stephen Levin
General Welfare Committee Chair

Jimmy Van Bramer

Costa Constantinides



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Majority Leader

A stylized, handwritten signature in black ink, consisting of a series of sharp, angular strokes.

Danny Dromm
Education Committee Chair

Libraries Subcommittee Chair

A handwritten signature in black ink, written in a cursive style, reading "Karen Koslowitz".

Karen Koslowitz
State and Federal Legislation Committee Chair