

United States Senate

WASHINGTON, DC 20510

October 29, 2018

The Honorable Ajit V. Pai
Chairman
455 12th Street, Southwest
Washington, DC, 20544

Dear Chairman Pai:

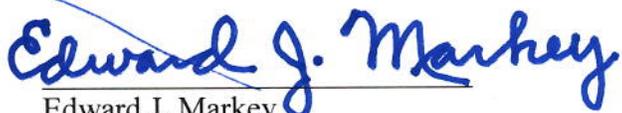
We write regarding the Federal Communications Commission's (FCC) recent vote to proceed with the item, "Implementation of Section 621(a)(1) of the Cable Communications Policy Act of 1984 as Amended by the Cable Television Consumer Protection and Competition Act of 1992" (MB Docket No. 05-311). This proposal would potentially alter, at cable operators' discretion, the terms of the governing agreements between Local Franchising Authorities (LFA) and cable operators. In its current form, the proposal puts at risk critical funding for public, educational, or governmental (PEG) stations as well as broadband connections to schools and other public buildings. Our constituents watch PEG channels to monitor local government proceedings, hear the latest news from nearby college campuses, and consume other locally produced programming including emergency alerts and directives. Your proposal may jeopardize these important functions. We encourage you and your colleagues on the Commission to ensure that any final decision will not threaten the sustainability of PEG stations.

Under the Communications Act, towns and cities across the country are permitted to require as part of cable franchise agreements that cable operators meet demonstrated community needs by setting aside channels for PEG stations. Yet the FCC's current proposal would allow cable operators to assign a value to these channels, and then subtract that amount, and the value the operator places on any other in-kind contributions, such as free service to schools, from the franchise fees the cable operator owes. If this order is eventually adopted in its current form, cities and towns across the country may soon have to decide between supporting local PEG channels and supporting other critical institutions serving the public good. This is a lose-lose choice for LFAs and the residents they serve. We fear this proposal will result in a dire drop in resources for PEG channels throughout the nation.

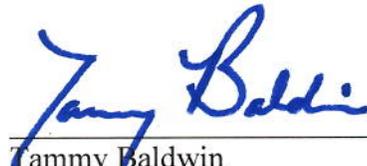
In an era of media globalization and consolidation, PEG access stations continue to give viewers critical information about their communities and offer an important platform for local voices. They catalyze civic engagement and they provide invaluable educational services. As the Commission proceeds on this issue, we urge you to consider the potential impact on PEG stations.

Thank you for your attention to this issue.

Sincerely,



Edward J. Markey
United States Senator



Tammy Baldwin
United States Senator



Margaret Wood Hassan
United States Senator



Benjamin L. Cardin
United States Senator



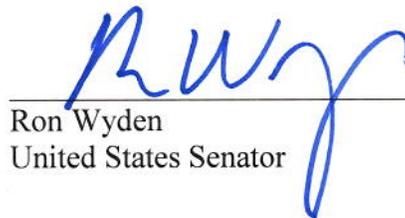
Jeffrey A. Merkley
United States Senator



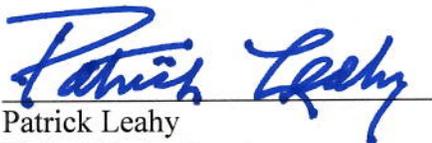
Bernard Sanders
United States Senators



Gary C. Peters
United States Senator



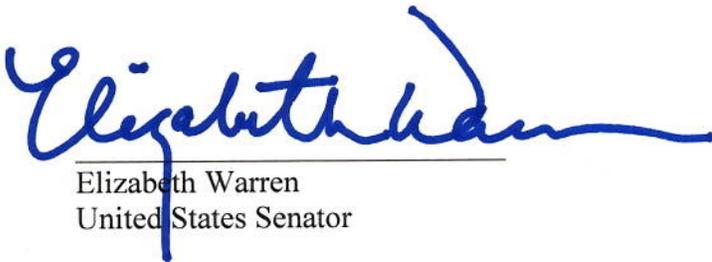
Ron Wyden
United States Senator



Patrick Leahy
United States Senator



Richard Blumenthal
United States Senator



Elizabeth Warren
United States Senator

CC: The Honorable Michael O'Rielly, Commissioner
The Honorable Brendan Carr, Commissioner
The Honorable Jessica Rosenworcel, Commissioner

SILICON FOREST

Comcast: 'We're not your mother's cable company'

Updated Nov 27;

Posted Nov 13



Comcast Vice President David Cohen, right, greets a veteran Monday in Beaverton. (Joy Asico/via Comcast)

93

53
shares

1

By Mike Rogoway, mrogoway@oregonian.com

The Oregonian/OregonLive

A top Comcast executive, David Cohen, was in Oregon on Monday to tout the company's latest expansion of its Internet Essentials program - a service that offers online access to those who could not otherwise afford it.

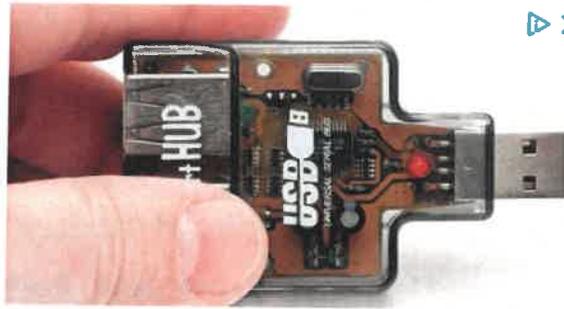
Originally offered to low-income families, Comcast's \$10 monthly service (downloads up to 15 megabits per second) is now also available to people receiving federal housing assistance, low-income veterans and to seniors in some places (though not in Oregon.)

Comcast is the nation's dominant cable and internet provider, with 600,000 subscribers in Oregon and Southwest Washington. And even as Cohen was touting the service to a group of veterans in Beaverton, President Donald Trump was on Twitter attacking the company for alleged antitrust violations.

Comcast, whose networks feature Trump critics on MSNBC and "Saturday Night Live," is just the latest media target of the president. On Monday, Trump appeared to be parroting complaints from the American Cable Association, a group of smaller cable operators who allege Comcast has made it difficult or expensive for them to access Comcast's own entertainment networks.

During his visit, Cohen - a veteran political operative in Comcast's hometown of Philadelphia - took a few minutes to speak with The Oregonian/OregonLive. He addressed the president's critique, competition from video streaming

services and fast 5G wireless technology, and why a self-described "white Jewish guy" is serving as Comcast's chief diversity officer.



Seniors-Still Have a Landline?

If you still have a landline, you need to search this new technology

[ADNation.com](#)

The conversation has been edited for length and clarity

Q: Tell me a little bit about why you're in Oregon today and Internet Essentials

A: I think you know the Internet Essentials program. We launched it in 2011. It was targeted mostly to families with school-aged children, with eligibility initially limited to families eligible to participate in the national school lunch program. Seven years later, we've signed up more than 6 million low-income Americans to internet at home, a million and a half families, exceeding all expectations, including our own.

This year we decided we're in Portland to announce, on Veterans Day (observed) that we are expanding the program to cover low-income veterans. We estimate that there are a



million low-income veterans nationally who could benefit from this expansion of eligibility, and about 26,000 of them live in the state of Oregon. So it's a very large expansion of eligibility and we think targeted to a population that could really benefit from home internet access.

Q: As I'm sure you know, Internet Essentials was originally a condition of the NBC-Comcast merger back in 2011. You probably saw the president's tweet today that alleged anticompetitive practices at Comcast, based on concerns from the American Cable Association. Do you have thoughts on the president's tweet?



Best Selling Gadgets of 2018

18 Cool gadgets that we bet you haven't seen yet

AD Prime8

A: Excuse me for being slightly picky on this, but Internet Essentials was not a condition of the deal. It was a voluntary commitment that we made for consideration of the deal. The voluntary commitment that we made was for three years. We are now more than four years past the expiration of any obligation that we have whatsoever to offer this program.



All I'll say about today's news is, let's understand ACA was against our NBC-Universal Deal.... They have their own agenda which has nothing to do with antitrust policy. It has to do with commercial practices and the marketplace and they will do anything that they can to try and get leverage in the marketplace.

Q: What's the president up to today, then?

A: As a practice I do not comment on the president's tweets, whether they relate to Comcast, to me, or to anyone else. I think you have to ask the White House what the president was up to. We're not concerned with the ACA letter to the Justice Department. We are very comfortable with our practices.

Q: I gather that you're here today, at least in part, in your role as Comcast's chief diversity officer.

A: I believe there's a very significant diversity and inclusion impact to Internet Essentials. Because the basic thrust of Internet Essentials is to level the playing field. Level the playing field for education, level the playing field for vocational opportunities.



When you look at the digital divide, the dirty little secret is that the people who are without internet access are disproportionately poor and they are disproportionately people of color. The more work we do to close the digital divide, we are having a diversity and inclusion impact.

Q: We have a robust tech community here in Oregon. Diversity is very much on people's minds. I do wonder, for a company that has a chief diversity officer - does it make sense for that person to be a white guy from New Jersey?

A: A white Jewish guy. I get that question. I'll tell you the answer, which is that I have a unique passion around diversity and inclusion. I've come to it over the course of my career and quite frankly there are things I can say and do that an African-American woman might not be able to get away with.

Q: Give me an example.

A: I can call people out. I can call people out for things they do within the company that, if we had an African-American chief diversity officer, people would say, well, she's a woman, or she's African-American. That's why she's doing that.

But when I say, as I have said, that half of the workforce in America is women, and I don't understand half of our leadership should not be female, I'm obviously not doing that because I'm a woman who wants to benefit from having half

of our leadership in our company being female. I'm doing it because I believe in it. I can set an example that is a unique example as a white male in this space.

Q: We all think of Comcast as our cable company. Obviously the model is changing. People are getting their video, their entertainment from other sources. What is Comcast becoming? How is it going to adapt?

A: We're not your mother's cable company anymore. When you want cable service, we don't send somebody to your house with a big drill to put a hole in the wall and run a coax cable through and screw it into the back of your TV.

Broadband is a much more significant part of our business today than video. I'll also note that with the acquisition of (British satellite TV company) Sky, we now have 195,000 employees. Twenty-five percent of our revenues are international. I think we are right now the largest media company in the world.



In terms of the trends around the way people watch video, we have not stood still while that has happened. We've put Netflix on our X1 platform (Comcast's main video box). We have Pandora on the X1 platform. We have YouTube on the X1 platform. We have stated our intention to be a conglomeration of content.

Q: You have had one major competitive advantage for many years: you're in so many homes because you did drill holes in the walls a generation ago and you do have cable running to and inside homes. If we move to a future where wireless provides a plausible alternative for home internet connection, for broadband, how does Comcast respond to that?

A: We think we're going to do a very good job competing against 5G. Remember, 5G in most of the spectrums doesn't go through walls and windows. So there are some real technological limitations.



I, by the way, don't think our competitive advantage has much to do with the fact that we drill holes in people's walls. I think it's more the investment we that made in our (physical) plant and infrastructure.

We made the announcement less than a month ago that we've now rolled 1 gig service out to our entire footprint. Note the way we roll that out as compared to other competitors: We roll it out to everyone. We don't cherry pick neighborhoods. We don't cherry pick high-income customers.

We now have the largest 1 gig network in the United States and that's going to give us a big competitive advantage because, at least in its current engineering iteration, 5G is not 1 gig.

Clarification: This article has been updated to clarify that Comcast's low-cost Internet Essentials program is not available to seniors in Oregon.

-- [Mike Rogoway](#) | twitter: [@rogoway](#) | 503-294-7699

SPONSOR CONTENT

Style and color enhance window options





By Renewal by Andersen

The appearance of a home's windows may not have the same obvious impact as installing the latest trend in kitchen countertop material, but the architectural influence of windows plays a subtle role in...

[Learn More](#)

Se

If y
tecl

1 

[AD](#)

Use of and/or registration on any portion of this site constitutes acceptance of our **User Agreement** (updated 5/25/18) and **Privacy Policy and Cookie Statement** (updated 5/25/18).

© 2018 Advance Local Media LLC. All rights reserved (**About Us**).

The material on this site may not be reproduced, distributed, transmitted, cached or otherwise used, except with the prior written permission of Advance Local.

Community Rules apply to all content you upload or otherwise submit to this site.

Your California Privacy Rights

Ad Choices



F E D E R A L C O M M U N I C A T I O N S C O M M I S S I O N
WASHINGTON

OFFICE OF
THE CHAIRMAN

November 27, 2018

The Honorable Elizabeth Warren
United States Senate
317 Hart Senate Office Building
Washington, D.C. 20510

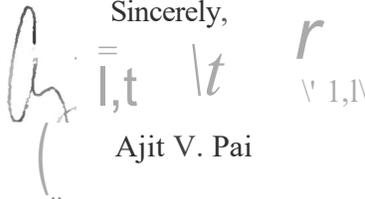
Dear Senator Warren:

Thank you for your letter regarding the impact that the statutory cap on franchise fees has on funding for public, educational, or governmental (PEG) channels. As you know, the Communications Act limits franchise fees to 5% of cable revenues and defines "franchise fee" to include "any tax, fee, or assessment of any kind imposed by a franchising authority or other governmental entity on a cable operator or cable subscriber, or both, solely because of their status as such." 47 U.S.C. § 542(g)(1). The U.S. Court of Appeals for the Sixth Circuit has held that the terms "tax" and "assessment" can include nonmonetary exactions. *Montgomery County, Md. et al. v. FCC*, 863 F.3d 485, 490-91 (6th Cir. 2017).

In response to a remand from the Sixth Circuit, the Commission unanimously issued its Second Further Notice of Proposed Rulemaking to consider the scope of the congressionally-mandated statutory limit on franchise fees. Among other things, the Commission observed that Congress broadly defined franchise fees; indeed, with respect to PEG channels, it only excluded support payments with respect to franchises granted prior to October 30, 1984 as well as capital costs required by franchises granted after that date. 47 U.S.C. § 542(g)(2)(B) & (C). The record of this proceeding remains open, and I encourage all interested parties and stakeholders- including local franchising authorities- to provide us with relevant evidence regarding these issues so that the Commission can make the appropriate judgment about the path forward, consistent with federal law. Your views will be entered into the record of the proceeding and considered as part of the Commission's review.

Please let me know if I can be of any further assistance.

Sincerely,



Ajit V. Pai