

BRAD HOYLMAN
27TH SENATE DISTRICT

DISTRICT OFFICE
322 EIGHTH AVENUE, SUITE 1700
NEW YORK, NEW YORK 10001
PHONE: (212) 633-8052
FAX: (212) 633-8096

ALBANY OFFICE
ROOM 413
LEGISLATIVE OFFICE BLDG
ALBANY, NY 12247
PHONE: (518) 455-2451
FAX: (518) 426-6846

EMAIL: HOYLMAN@NYSenate.GOV
WEBSITE: HOYLMAN.NYSenate.GOV



**THE SENATE
STATE OF NEW YORK
ALBANY**

RANKING MINORITY MEMBER:
CONSUMER PROTECTION
INVESTIGATIONS
AND GOVERNMENT OPERATIONS

COMMITTEES:
CODES
CRIME VICTIMS, CRIME AND
CORRECTION
CULTURAL AFFAIRS, TOURISM,
PARKS AND RECREATION
HEALTH
JUDICIARY
LIBRARIES

**Testimony of State Senator Brad Hoylman
to the New York City Council
Regarding the Proposed Merger of Comcast and Time Warner Cable**

December 11, 2014

My name is Brad Hoylman and I represent New York State's 27th Senate District, which includes the neighborhoods of Clinton/Hell's Kitchen, Chelsea, Times Square, Greenwich Village, Midtown/East Midtown, the East Village, Columbus Circle, Lower East Side and the Upper West Side. Thank you for the opportunity to submit testimony to the New York City Council regarding the proposed merger of Comcast and Time Warner Cable.

I believe that this merger, by combining the nation's two largest cable operators, would create a highly monopolized environment for cable and internet services, and would therefore be antithetical to the public interest. Not only would this deal have negative consequences for Comcast's and Time Warner's customers, but other cable subscribers throughout the state and the country stand to suffer as well.

With this merger, Comcast would amass 30 million subscribers and a roughly 30% market share of television and internet services nationally. Such domination of this marketplace would likely increase prices, reduce the quality of service, and limit consumer choice. In 2013, Comcast and Time Warner Cable were ranked as the two lowest internet service providers according to the American Customer Satisfaction Index. Even those Americans who do not live in areas covered by Comcast or Time Warner would likely see their service deteriorate and prices rise due to diminished overall industry standards.

The sheer size of this consolidated company would also allow it to exercise enormous influence over the nature of available viewing content, tilt the playing field in its

regulatory favor through intensified lobbying efforts, and provide unfair negotiating power over network licensing fees.

Many consumers, both locally and nationally, are already severely limited in their choice of cable providers, and this merger would present a further constriction of the market. We should, instead, do everything within our power to increase the options for cable consumers, such as precluding the market dominance that this merger would create.

In addition to the direct effects of restriction of consumer choice and deterioration of service that this merger might create, there are likely to be indirect effects as well. Technological innovation, which has recently become a key component of the American economy, also stands to suffer, as it is highly reliant on accessible and dependable internet service. If this deal is allowed to proceed, Comcast would become the sole option for many businesses in 19 of the 20 biggest metropolitan areas around the country. Such exclusivity has the potential to stifle technological developments and hinder our consumption of new technologies.

While preventing this merger is the best option to protect consumers, should it be approved, I stand with many elected officials in calling for expanded broadband access and services to be offered as a necessary condition to any potential merger. Not only would this ensure the highest possible speeds and quality of service for all customers, this plan would especially help lower-income New Yorkers. Specifically, the plan lays out several components:

- **Universal Broadband Access to Bridge the Digital Divide:** Expand broadband and provide free access, training, and equipment for all New York City Housing Authority residents, senior centers, youth centers, community centers, public parks, homeless shelters, domestic violence shelters, congregate care facilities, supportive housing facilities, and mental health group homes. Additionally, establish free Wi-Fi in all New York City Parks.
- **Maintain and Expand Access to Affordable and Quality Broadband Services:** Expand Comcast's "Internet Essentials" program to include family and individual recipients of income-qualifying federal, state, and city subsidies, and expand Time Warner Cable's "Everyday Low Price" Internet tier to provide high speeds at low prices. Provide business Internet service equivalent to the "New York Essentials" plan. Remove connection fees for areas without existing cable services.
- **Improvements in Infrastructure, Jobs, Transparency, and Customer Service:** Upgrade New York City's Hybrid Fiber-Coax plant in the merged entity's service areas to provide at least gigabit network speeds. Guarantee an Open Internet and

operate under Net Neutrality standards. Increase transparency around interconnect transmission data. Establish infrastructure development training fund to train New Yorkers for broadband/information technology construction and operation jobs. Provide additional transparency and customer service improvements.

The merger of Comcast and Time Warner Cable would have deeply negative repercussions for consumers, families, and businesses, not just in New York but throughout the United States. I urge the Council to duly consider the public interest and oppose this merger. If it is approved, it must be conditioned on expanded broadband access for low-income New Yorkers.

Thank you for your consideration of my comments.