



MEMORANDUM
OFFICE OF THE
COUNTY EXECUTIVE OFFICE
COUNTY OF PLACER

TO: Honorable Board of Supervisors
FROM: Joel Joyce, Management Analyst
DATE: March 10, 2015
SUBJECT: Public Benefit Position as a condition of approval for the proposed Comcast acquisition of Time Warner Cable.

ACTION REQUESTED:

Authorize the Chairman to sign a position letter requesting a Public Benefit as a condition of approval for the proposed Comcast acquisition of Time Warner Cable.

BACKGROUND:

On March 27, 2012 your board approved a resolution to promote Broadband services in the unserved and underserved communities located within the unincorporated areas of Placer County. Under-served and unserved communities continue have a difficult time interacting with government agencies, applying for jobs, and pursuing education opportunities in the digital age.

Recently, in partnership with the United Auburn Indian Community, Placer County was able to bring Broadband services to Sheridan Elementary School through WAVE Broadband. To continue to promote the County's efforts to bridge the digital divide in unserved and underserved communities, staff recommends sending a formal letter requesting Comcast include a public benefit component as a condition of their proposed merger with Time Warner Cable.

Under section 310(d) of the Communications Act, the Federal Communications Commission (FCC) determines whether a proposed transaction (merger) will serve the public interest, convenience, and necessity. As a condition of Comcast's merger with NBC Universal, the FCC required Comcast to include a public benefit component to their service, which resulted in an income-based high speed broadband tier called "Internet Essentials," offering low-cost Internet service, computer equipment, and free digital literacy training to families with at least one child eligible to participate in the National School Lunch Program.

Placer County's letter will urge the FCC to require Comcast to adopt a public benefit component as a condition of the proposed merger with Time Warner Cable that builds on Internet Essentials by expanding Internet Essentials to all low-income households, and create an enrollment quota; work through non-profits, libraries, and schools to promote the program; and create an oversight committee. The FCC is expected to vote on the merger as early as late March, but could delay the decision until the summer 2015.

FISCAL IMPACT:

There is no fiscal impact associated with this action.

Attachment:

Letter to Federal Communications Commission

County of Placer Board of Supervisors

175 FULWEILER AVENUE
AUBURN, CALIFORNIA 95603
530/889-4010 • FAX: 530/889-4009
PLACER CO. TOLL FREE # 800-488-4308

JACK DURAN
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JIM HOLMES
District 3

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District 4

JENNIFER MONTGOMERY
District 5



March 10, 2015

Chairman Tom Wheeler
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

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

Dear Chairman Wheeler:

On March 27, 2012, the Placer County Board of Supervisors adopted a resolution promoting the deployment of Broadband services in the unserved and underserved communities located within our unincorporated areas. On behalf of the Placer County Board of Supervisors, I encourage the Commission to require an affordable and easily accessible high-speed internet as a public benefit as a condition of approval for the proposed Comcast acquisition of Time Warner Cable.

Today, 25 percent of all U.S. households including 10 million Californians do not have high-speed internet access at home. This means that we are unable to reach 25 percent of our residents with public information and government services online that could save us operating costs and impacts the quality of life and economic vitality in all of our communities. Our economy increasingly relies on the ability of an individual to utilize digital services and without the ability to quickly access information, individuals and disadvantaged communities fall behind in economic growth and the ability to pursue educational opportunities.

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 many 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

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million households. That will include more than 3 million K-12 students—87% of all California students qualifying for free-or-reduced lunch. We need your support to secure a widely-available affordable broadband program and urge your action to ensure Internet For All Now.

Sincerely,

COUNTY OF PLACER

Kirk Uhler,
Chairman, Placer County Board of Supervisors

Cc: Commissioner Mignon Clyburn, Federal Communication Commission
Commissioner Ajit Pai, Federal Communication Commission
Commissioner Jessica Rosenworcel, Federal Communication Commission
Commissioner Michael O’Rielly, Federal Communication Commission
Honorable Dianne Feinstein, United States Senator
Honorable Barbara Boxer, United States Senator
Honorable Tom McClintock, United States Congressman
Honorable Doug LaMalfa, United States Congressman
Placer County Board of Supervisors
David Boesch, Placer County CEO
Holland and Knight

