

Before the Committee on Housing and Economic Development February 27, 2025

Testimony of Chris Hodgdon on behalf of Comcast

An Act to Prohibit Deceptive Pricing

Chair Curry, Chair Gere, distinguished members of the Housing and Economic Development Committee, thank you for the opportunity to offer the following testimony Neither for Nor Against LD 414 and request that the Committee include the statutory language included at the end of this testimony to clarify our compliance with this legislation. My name is Chris Hodgdon. I am Comcast's Vice President of Government Affairs here in Maine. Comcast Cable serves 18 Maine communities in the Mid Coast region, from Freeport to Woolwich and along the New Hampshire border from Kittery to Sanford. We currently offer our gigabit broadband, video, voice and mobile services to more than 74,000 Maine homes, businesses and institutions including the public sector.

As an internet service provider of wired and wireless services and cable television services already subject to detailed billing, advertising and consumer disclosure regulations including required billing formats, Comcast is concerned that the bill's broad language will make compliance with contradictory federal and state regulations nearly impossible. These requirements would be duplicative and impractical for cable and ISPs. Therefore, we are not asking to be exempted from this bill, but we respectfully request that Comcast and other similarly regulated companies who already fall under substantially similar federal rules and statutes, be deemed in compliance with LD 414.

Comcast operates in a highly competitive marketplace under existing regulatory structures at the federal and state level. Of particular relevance, Comcast is already subject to robust existing federal and state regulations that achieve the consumer disclosure goals of this bill and recent federal rules at the Federal Communications Commission ("FCC") have expanded such requirements.

Maine would be aligned with California and Minnesota who have taken a similar approach in what we are requesting in their all-in pricing statutes. Both states require that all-in pricing disclosures exclude entities already subject to the FCC's broadband label requirements, as discussed further below. And since the time that those states adopted their laws, the FCC has adopted new all-in pricing requirements for video services that capture Comcast. Currently, the

Virginia legislature has passed a bill with language almost identical to the language we are proposing here and it is headed to the governor for his consideration.

Comcast provides internet, multichannel video, voice, mobile and home security services and creates and streams TV programming - all services that consumers rely upon and enjoy on a daily basis. Our services are multi-faceted and include multiple tiers and/or multiple lines of services. Consumers can customize their plans by choosing from a menu of content options and packages. Notably, Comcast has a variety of service offerings, many of which allow consumers to choose individual services separately or select plans in which they "bundle" services and products into a single package. These bundles usually offer customers a discounted rate compared to the total cost if the customer were to purchase the services and products individually, and they give customers the flexibility to subscribe to a combination of services that best serve their needs and preferences. These personalized, money-saving options are good for consumers but make it difficult to advertise a "total" price applicable to every potential customer in Maine. Furthermore, service availability and the cost of broadcast and sports programming may vary by geographic area, so it would not be practical nor useful to consumers to specify a total price in mass-media advertising without knowing a customer's service address. While advertising a total price to all Maine consumers may not be useful for consumers or practical for Comcast, we do provide customers with detailed disclosures describing the terms of service and billing practices and obtain express informed consent before they sign up for service.

As previously stated, Comcast is already required to comply with a raft of federal regulations requiring pricing and other disclosures to prospective and existing customers, as detailed further below, and are subject to additional all-in pricing and negative option regulations at the FCC:

Broadband Disclosures. The FCC mandates that all ISPs include on their homepages a link to the providers' broadband disclosures, including disclosures about commercial terms and bundled services.¹ Moreover, as directed by Congress in the Infrastructure Investment and Jobs Act, the FCC has adopted rules requiring ISPs to display, at the point of sale, consumer-friendly "nutrition labels" that disclose information about broadband prices, introductory rates, data allowances, speeds, and network management practices.² For easy reference a sample of broadband nutrition label is included with this testimony. Among other things, the rules require ISPs to specify the monthly base price for each service plan; whether that price is an introductory rate and what price will apply after that introductory period; any other recurring monthly charges on top of the base price, such as fees associated with regulatory programs or equipment rental; any one-time fees the consumer must pay at the time of purchase, such as equipment purchase or installation fees; any applicable early termination fees; and government taxes.

¹ See Restoring Internet Freedom, Declaratory Ruling, Report and Order, and Order, 33 FCC Rcd. 311 ¶¶ 218-227 (2017) (discussing transparency rules); 47 C.F.R. § 8.1.

² See Empowering Broadband Consumers Through Transparency, Report and Order and Further Notice of Proposed Rulemaking, 37 FCC Rcd. 13686 (2022); 47 C.F.R. § 8.1(a).

Video Disclosures. In addition, as providers of multichannel video service, Comcast must comply with the federal Television Viewer Protection Act ("TVPA"), which requires disclosure at the point of sale of a comprehensive list of fees, charges, and government-imposed taxes,³ and reflects Congress's determination that disclosure of the all-in price at the point of sale ensures that consumers are fully informed and do not "face unexpected and confusing fees when purchasing video programming."⁴ Within 24 hours of entering into a contract, the provider must also send the consumer this same information by email, online link, or comparable means (i.e., a second disclosure). Consumers must be provided with the opportunity to cancel their contract with no penalties within 24 hours of receiving that information.⁵ The TVPA also requires electronic bills to include information about charges and fees, the termination date of any promotional discount, and the termination date of the contract.⁶ Comcast has implemented various measures to comply with the TVPA mandates, including detailed all-in pricing disclosures during the point-of-sale process for new customers.⁷

The TVPA is also the authority for the FCC's new all-in pricing rules for video services adopted in 2024. Under these new rules, which apply to Comcast, cable operators and DBS providers must clearly and prominently include the all-in price of video service on subscriber's bills and in promotions materials. These rules went into effect on December 19, 2024.⁸ Other FCC regulations require that all cable subscribers be given a notice at installation, at least once annually, and also upon request, that includes a description of the products and services offered; the prices, options, and conditions of the subscriptions to programming and other services; and billing and complaint procedures, among other information.⁹

The FCC's broadband label rules, the TVPA, and other state and federal cable regulations provide legally binding assurances that internet and multichannel video customers receive

⁴ H.R. Rep. No. 116-329 at 6 (2019) (legislative history accompanying TVPA).

⁵ 47 U.S.C. § 562(a)(2)-(3).

⁶ *Id.* § 562(b). The TVPA also regulates the manner in which ISPs charge for modems and routers used to provide broadband service. *Id.* § 562(c).

⁷ See Comments of NCTA – The Internet & Television Ass'n, MB Dkt. No. 21-501 (Feb. 3, 2022), <u>https://www.fcc.gov/ecfs/document/10203181512169/1</u> (national cable association comments filed in the FCC's docket relating to implementation of the TVPA).

⁸ 47 C.F.R. § 76.310

⁹ 47 C.F.R. § 76.1602(b).

³ See 47 U.S.C. § 562(a)(1) (requiring multichannel video providers, before entering a contract with a consumer, to disclose "the total monthly charge for the [video] service, whether offered individually or as part of a bundled service, selected by the consumer (explicitly noting the amount of any applicable promotional discount reflected in such charge and when such discount will expire), including any related administrative fees, equipment fees, or other charges, a good faith estimate of any tax, fee, or charge imposed by the Federal Government or a State or local government (whether imposed on the provider or imposed on the consumer but collected by the provider), and a good faith estimate of any fee or charge that is used to recover any other assessment imposed on the provider by the Federal Government or a State or local government").

upfront disclosures regarding the price of service, as well as any discounts and fees. As the FCC has concluded its rulemakings, yet another layer of regulation could require separate "all-in" or "total" price in advertising. Comcast is concerned that the proposed legislation would add additional regulatory complexity and enforcement risk in Maine with no benefit to consumers. As Comcast is highly regulated in this field, we respectfully ask for an acknowledgement of compliance like what was enacted in California and Minnesota.

Thus, Comcast respectfully requests the Committee amend the bill to add the clarifying language found below that specifies that certain regulated companies shall be deemed in compliance with the statute.

(a) A provider of broadband internet access service on its own or as part of a bundle that complies with federal broadband consumer requirements codified in 47 C.F.R. § 8.2(a), and its affiliates and subsidiaries, shall be deemed compliant with this section.

(b) A cable operator that complies with the pricing requirements of 47 U.S.C. § 562 shall be deemed compliant with this section.

(c) A multichannel video programming distributor that complies with the all-in pricing rules for video programming codified in 47 C.F.R. 76.310, shall be deemed in compliance with this section.

We thank you for your time and attention to this testimony and are available to assist the Committee as it considers the legislation. Please do not hesitate to reach out with any questions.

Broadband Facts

Signature Plan/Gigabit

Fixed Broadband Consumer Disclosure

Fixed Broadband Consumer Disclosure		
Monthly Price	\$1	89.9
This monthly price is an introductory rate		Ye
Time the introductory rate applies	12 m	onth
Monthly price after the introductory rate	\$1	09.9
Length of contract	24 m	onth
Link to Terms of Contract https://www.example.com/terms-of-contract		
Additional Charges & Terms		
Provider Monthly Fees		
Modem Rental	\$10.00	
Wifi Extender	\$5.00	
One-Time Purchase Fees		
Installation	\$100.00	
Battery Back-up	\$100.00 \$50.00	
	÷30.00	
Early Termination Fee	\$75.00	
Government Taxes	\$27.57	
Discounts & Bundles		
video, phone, and wireless service, and use equipment like modems and routers.	e of your own	
https://www.example.com/discounts		
Speeds Provided with Plan		
Typical Download Speed	1,200	Mbp
Typical Upload Speed	200	Mbp
Typical Latency	47	ms
Data Included with Monthly Price	1,000	GB
Charges for Additional Data Usage		n/a
https://www.example.com/data-usage		
Network Management Policy		
https://www.example.com/network-manage	ement	
Privacy Policy		
https://www.example.com/privacy		
Customer of Summary		
Customer Support		
Phone: (555) 555-5555 Website: https://www.example.com		
Learn about the terms used on this label. Visit to Communications Commission's Consumer Reserved.		
1	fcc.gov/cons	ume
Unique Plan Identifier: F0005937974123ABC456F	MC780	
CONCRETERING CONTRACT SARCASE	IVIL / AM	

Unique Plan Identifier: F0005937974123ABC456EMC789