

CITY COUNCIL
CITY OF NEW YORK

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TRANSCRIPT OF THE MINUTES

Of the

SUBCOMMITTEE ON ZONING AND
FRANCHISES JOINTLY WITH COMMITTEE ON
TECHNOLOGY

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B E F O R E: Francisco Moya,
Chairperson of the Subcommittee on
Zoning and Franchises

Robert F. Holden,
Chairperson of Committee on
Technology

COUNCIL MEMBERS:

Costa G. Constantinides
Peter A. Koo
Brad S. Lander
Eric A. Ulrich
Paul A. Vallone
Kalman Yeger

A P P E A R A N C E S

John Paul Farmer
Chief Technology Officer for Mayor's Office,
MOCTO

Michael Pastor
Deputy Commissioner for Legal Affairs and
Franchises and General Counsel

Gale Brewer
Manhattan Borough President

Leecia Even
Vice President for Public Policy at Verizon

Eric Henry
Director of Government Affairs for New York City
for Altice USA

Rodney Capel
Vice President for Government Affairs for Charter
Communications

Alex Camarda
Government Affairs for Charter Communications

Najay Roache
Government Affairs for Charter Communications

Robert Veksler
Co-founder of Brooklyn Fiber

A P P E A R A N C E S (CONT.)

Virginia Lam Abrams
Senior Vice President of Government Affairs and
Strategic Advancement for Starry

Robert Veksler
Brooklyn Fiber

Allie Bohm
New York Civil Liberties Union

Lance Van Arsdale
Local 3

Will Luckman
Tech Action Working Group

Sandra Gresl
New York City Bar Association

Katelyn Andrews
LiveOn

Celina Trowell
Vocal NYC

Beth Finkel
AARP

Mohamad Asgari
NYC Mesh

A P P E A R A N C E S (CONT.)

Noel Hidalgo
Beta NYC

Sarah Part
Advocate for Children of New York

David Dring
Bay Ridge Center

David Jones

Troy Walcott
Local 3 IBEW member

Theo Chino
Part of New York City Privacy

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3 SERGEANT LUGO: Sergeants, if you could please
4 start your recordings. Sergeant Jones, you may begin
5 with your opening statement.

6 SERGEANT JONES: Good afternoon everyone and
7 welcome to today's Remote New York City Council
8 Hearing of the Subcommittee on Zoning and Franchises
9 joint with Committee on Technology.

10 At this time, would all panelists please turn on
11 their videos. To minimize disruption, please place
12 electronic devices to vibrate or silent and if you
13 wish to submit a testimony, you may do so at
14 testimony@council.nyc.gov and again, that's
15 testimony@council.nyc.gov and thank you for your
16 cooperation. And we are ready to begin.

17 CHAIRPERSON MOYA: Good afternoon, I am Council
18 Member Francisco Moya Chair of the Subcommittee on
19 Zoning and Franchises. I am pleased to be joined by
20 Council Member Bob Holden, Chair of the Committee on
21 Technology to hear a very important topic.

22 The COVID-19 pandemic has shined a spotlight on
23 socioeconomic and racial gaps in particularly every
24 sector of society. This includes the divide between
25 those who can rely on the internet for remote work
and learning and those who cannot. This digital

3 left behind. We look forward to hearing from the
4 Administrations about steps it is taking and its
5 plans to make remote learning more accessible.

6 Reliable and affordable internet for all New York
7 City residents should be the long term vision for all
8 of that all of us share. Whether in the Mayor's
9 Office or the City Council. Cities around the
10 country have made strides towards municipal internet
11 and its well established problem that internet users
12 in many other countries pay less money on average for
13 faster internet than we do in the United States.

14 Today's oversight hearing will explore the work
15 the Administration has done to help close the digital
16 divide since our city experienced the earliest known
17 cases of COVID-19. And we will also hear a
18 Preconsidered authorizing resolution submitted by the
19 Mayor pursuant to Section 363 of the Charter for the
20 granting of franchises for the provision of
21 telecommunications services.

22 This authorizing resolution would permit the
23 issuance of request for proposals or other
24 solicitation for the provision of information
25 services in the inalienable property of the city.
Including using pipes, conduits, and similar

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3 CHAIRPERSON HOLDEN: Thank you and good
4 afternoon. I am Council Member Robert Holden, Chair
5 of the Committee on Technology and thank you for
6 joining us for this timely and important hearing. I
7 am pleased to be joining the Subcommittee on Zoning
8 and Franchises Chaired by my Queens colleague Council
9 Member Francisco Moya.

10 Today, we will be focusing on the challenges of
11 broadband internet distribution and access in New
12 York City. We will also be hearing a Preconsidered
13 Authorization Resolution submitted by the Mayor
14 pursuant to Section 363 of the City Charter for the
15 granting of franchises for the provision of
16 telecommunication services. The authorizing
17 resolution sponsored by Council Member Salamanca and
18 Moya by request of the Mayor, would authorize the
19 Department of Information Technology and
20 Telecommunications to grant non-exclusive franchises
21 for the installation of cable wire and/or optical
22 fiber and associated equipment in the nontransferable
23 property of the City of New York to be used in
24 providing one or more telecommunication services
25 within the city.

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3 The COVID-19 pandemic has forced our city to
4 undergo drastic changes, social distancing measures
5 and efforts to reduce the spread of and exposure to
6 the coronavirus have jumped started a rapid
7 transition to the online world.

8 New Yorkers especially rely on quality broadband
9 internet to continue with their daily lives and we
10 know that it's the new normal and the socially
11 distance New York City. Additionally, as a new
12 school year starts, that implements a blended
13 learning model of in-person and online classes, high
14 speed internet access is essential so that students
15 do not fall behind when learning from home. However,
16 the pandemic and its consequence of online transition
17 highlight the disparities between those with home
18 internet access and internet cable devices and those
19 without.

20 The internet has become one of the most primary
21 pathways to participating in modern society from
22 submitting job applications to keeping in touch with
23 loved ones. And during the current pandemic, the
24 internet is proving to be even more crucial as a
25 means of finding information about COVID-19, working

3 from home, going to school and finding places to get
4 tested for the coronavirus.

5 As our city and our society move forward, we must
6 do our utmost to ensure that we do not leave New
7 Yorkers in the dark. We must ensure that the City of
8 New York is a leader on these issues. We look
9 forward to better understanding the challenges faced
10 by those looking to distribute broadband internet and
11 those trying to obtain quality internet services and
12 understanding how the city can better serve its
13 residents and helping bridge this digital divide.

14 We wish to work together with City Hall on this
15 critical issue and look forward to hearing the
16 valuable testimonies from the Administration,
17 experts, community advocates and of course our
18 constituents. This testimony will provide crucial
19 insight into the existing problem and provide the
20 necessary groundwork for future resolution, future
21 solutions, I'm sorry.

22 I would like to thank the Technology Committee
23 Staff, Counsel Irene Byhovsky, Policy Analyst Charles
24 Kim, and the staff of the Land Use Committee for
25 their hard work in preparing for this hearing. I
would also like to thank my Chief of Staff Daniel

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3 Now is the time to push forward more solutions to
4 minimize disparities such as universal broadband for
5 all or allowing students to keep their iPads.

6 Now, we talk about the disparity in the schools
7 but imagine as we are trying to get through and we
8 can't see our loved ones, not having internet access.
9 And what that means if you are sick, in the healing
10 process that comes by seeing your loved ones.

11 I thank the Chairs for allowing me to speak and I
12 look forward to today's testimony. Thank you.

13 CHAIRPERSON HOLDEN: Okay, back to Chair Moya.

14 CHAIRPERSON MOYA: Thank you. Thank you to
15 Public Advocate. Thank you to Chair Holden. I also
16 just want to acknowledge that we were joined by
17 Council Member Rory Lancman.

18 I am now going to turn this over to our Committee
19 Counsel to go over some procedural items.

20 COMMITTEE COUNSEL: Thank you Chair Moya. I am
21 Malaika Jabali Counsel to the City Council's
22 Subcommittee on Zoning and Franchises for today's
23 hearing. I will be moderating with Irene Byhovsky,
24 Counsel to the City Council's Committee on
25 Technology.

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3 We will first hear testimony from the Mayor's
4 Office of the Chief Technology Officer to testify on
5 the oversight topic, followed by the Department of
6 Information Technology and Telecommunications, also
7 known as DoITT. We have tasked both offices with
8 keeping their testimony to concise and to the point
9 to save time.

10 During the hearing, if Council Members would like
11 to ask a question, please use the Zoom raise hand
12 function and I will call on you in order. We will be
13 limiting Council Member questions to three minutes
14 including responses. We will now hear testimony from
15 the Mayor's Office of the Chief Technology Officer or
16 MOCTO and DoITT.

17 Today, we will hear from John Paul Farmer, the
18 Chief Technology Officer. Mr. Farmer will also be
19 available for Q&A. DoITT is being represented by the
20 Deputy Commissioner for Legal Affairs and Franchises
21 and General Counsel Michael Pastor, who will also be
22 available for Q&A. I will now administer the oath to
23 both panelists.

24 Please raise your right hands and we are going to
25 make sure that both of them are available. Please
raise your right hands. Do you affirm to tell the

1 truth, the whole truth and nothing but the truth
2 before this Committee and to respond honestly to
3 Council Member questions?
4

5 MICHAEL PASTOR: I do.

6 JOHN PAUL FARMER: I do.

7 COMMITTEE COUNSEL: Thank you. Before you begin,
8 please state your name and affiliation for the record
9 and Mr. Farmer, you may begin when ready.

10 JOHN PAUL FARMER: Good afternoon Chair Holden,
11 Chair Moya, Committee Members and Public Advocate
12 Williams. My name is John Paul Farmer and I serve as
13 the Chief Technology Officer for the City of New
14 York. I am pleased to be with you today to discuss
15 the Mayor's commitment to universal broadband for all
16 New Yorkers.

17 I will discuss the steps that the Mayor's Office
18 of the Chief Technology Officer has taken in order to
19 shift the broadband market to meet the
20 Administrations goals including ending the digital
21 divide. Reversing digital red lining and racial
22 inequity and ensuring that all New Yorkers have
23 affordable access to high quality broadband including
24 4G and 5G networks.

3 One of the primary roles of the Mayor's Office of
4 the Chief Technology Officer is to address digital
5 inequity through broadband and digital inclusion.
6 The offices work on universal broadband is comprised
7 of demonstration projects, a series of research
8 reports and standards and policy setting. This work
9 has incorporated feedback from stakeholders ranging
10 from community organizations to start up internet
11 service providers to long standing industry
12 incumbents. Our years of work in this area
13 culminated in the release of the New York City
14 internet master plan in January of 2020.

15 The Mayor's internet master plan is the most
16 ambitious plan for citywide broadband in the nation.
17 It has been praised by many of the country's leading
18 broadband experts who have called it groundbreaking,
19 innovative, and the most thoughtful and comprehensive
20 blueprint by any major city. The internet master
21 plan is accompanied by the largest single investment
22 by municipality. \$157 million in capital funds
23 announced by the Mayor as part of the city's COVID-19
24 response in order to advance these goals.

25 The internet master plan is a 5G technology plan,
it's an economic development plan and a digital

3 equity plan. To understand the city's approach, it
4 is critical to understand the challenge. The current
5 system is broken. Letting the market alone determine
6 how to serve New Yorkers has left 3.4 million people
7 behind. 40 percent of households are without the
8 combination of home and mobile connections. An
9 astounding 18 percent have neither. They are
10 completely disconnected.

11 These households are disproportionately in
12 majority, minority neighborhoods with high rates of
13 poverty. Digital inequity is a historic problem
14 built into our city's infrastructure. The pandemic
15 exacerbated New York City's longstanding digital
16 inequities is bare by New Yorkers sudden need to
17 learn, work, receive healthcare, access services and
18 connect with loved ones entirely remotely.

19 In order to reverse the inequity built into our
20 neighborhoods, we must change the way the way we
21 build and deploy this foundational technology.

22 The solution to these challenges is described by
23 the internet master plan, which commits the city to
24 take several actions. First, the city will partner
25 on building or requiring new infrastructure in areas
of lowest connectivity. We will invest in new

3 infrastructure that can be shared by multiple
4 broadband operators and for a variety of different
5 technologies.

6 Second, the city will leverage public real estate
7 to expand 4G and 5G networks equitably. We will
8 remain on the cutting edge of technology advancement
9 but we can't allow the geographic patterns of tech
10 and equity to continue. The city will identify
11 priority neighborhoods, those of lowest connectivity,
12 highest number of COVID-19 cases. Concentrations of
13 NYCHA developments and access requests for high value
14 assets and weigh them in concert with investments in
15 these priority neighborhoods.

16 Third, the city will enable service delivery by
17 supporting and promoting the use of new, shared
18 infrastructure by internet service providers that
19 meet the city's broadband standards for equity,
20 performance, affordability, privacy and choice, in
21 addition to the newly affordable services that
22 households will have. The internet master plan is
23 projected to generate an increase in \$142 billion in
24 gross city product and 165,000 jobs by 2045.

25 Early implementation has been key. After issuing
the master plan, the Office of the CTO took steps to

3 accelerate the impact. We issued a request for
4 expressions of interest with the New York City
5 Economic Development Corporation for rapid response
6 internet service options for NYCHA. This RFEI proved
7 the theory of the master plan that when the city
8 leverages its assets, new internet service providers
9 including MWBE's will offer low cost or even free
10 service options that meet the city's broadband
11 standards.

12 We expect to announce the new low cost service
13 options at select NYCHA developments later this fall.
14 We distributed 10,000 tablets to isolated older
15 adults living in NYCHA. After the COVID-19 impacts
16 made clear that this population was particularly
17 vulnerable. We also assured that every single
18 recipient got digital inclusion support to make the
19 best possible use of these tablets. Working with a
20 senior specific technology nonprofit, tablet
21 recipients received support in learning to operate
22 their tablets, navigate the internet, engage in free
23 classes and community gatherings and connect with
24 family and friends virtually.

25 The office of the CTO's research demonstrates
that this digital inclusion support is a key factor

3 in ensuring successful adoption of technology. We
4 are preparing to release the Request for Proposals,
5 the RFP for universal broadband and the coordinated
6 access to city owned real estate assets, making
7 available open access infrastructure and enabling new
8 internet service options.

9 Steps we have taken already include coordinating
10 participation of more than a dozen different city
11 agencies that are contributing real estate assets to
12 expand these service options. Developing an
13 interactive digital tool for RFP respondents to
14 understand the location and distribution of city
15 assets and for the RFP Review Committee to be able to
16 assess the neighborhood wide impact of proposals.

17 In terms of next steps, once the RFP is released,
18 the city will want to maximize opportunities
19 associated with it, engaging long standing ISPE's and
20 new providers. Identifying and offering digital
21 inclusion resources, coordinating digital offerings
22 from community based organizations such as healthcare
23 providers and educational institutions. Coordinating
24 workforce opportunities with infrastructure and
25 network deployment and measuring the impact of all of
these activities on New York City's economy and on

3 individuals New Yorkers health, safety, prosperity
4 and mobility.

5 The strategies that I have described here
6 represent a shift in how the city's technology will
7 be built. We aim to bring an end to digital red
8 lining. Our approach will present opportunities for
9 new to the market internet service providers
10 including minority and women owned business
11 enterprises, so they can create or expand networks in
12 underserved neighborhoods in line with the Mayor's
13 priorities.

14 For the internet master plan to succeed at scale,
15 coordination and cooperation are key. Industry, city
16 agencies and law makers must align to leverage city
17 real estate assets, regulatory controls and
18 partnerships in order to shift the current market
19 structure and increase low cost internet service
20 options for New Yorkers. The strategy also builds on
21 the best work that city agencies and non-governmental
22 partners have achieved in recent years, expanding
23 MWBE access, increasing jobs and skills, coordinating
24 resources targeted to neighborhoods in need and
25 continually leveraging the city's position to improve
quality of life for New Yorkers. New York City knows

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3 Information Technology and Telecommunications, also
4 known as DoITT.

5 While DoITT does not handle citywide broadband
6 strategy, our franchise authority is a crucial
7 mechanism in bringing broadband providers to the
8 city. I am here today to discuss the authorizing
9 resolution before the committees and the immediate
10 tangible steps we are taking to increase internet
11 access across the five boroughs. Preconsidered
12 Resolution T2020-6730, a proposed authorizing
13 resolution submitted by the Mayor pursuant to Section
14 363 of the City Charter for the granting of
15 franchises for the provision of telecommunication
16 services. It is especially important as it relates to
17 broadband and establishing a reliable source of
18 revenue in these uncertain times.

19 The last authorizing resolution for information
20 services franchise is expired in 2018. The companies
21 who are granted information services franchises
22 typically install and operate fiberoptic cable in
23 city streets for the purpose of offering voice data
24 and/or business to business internet service across
25 the five boroughs. This form of franchise brings in

3 Once again, thank you to the Committee's for the
4 diligence and attention to this important resolution.
5 I am happy to answer any Council Member's questions
6 at this time.

7 CHAIRPERSON MOYA: Great, thank you both for your
8 testimony today. Just a couple of questions before I
9 turn it over to Chair Holden and the rest of my
10 colleagues. Mr. Farmer, I want to go back and talk a
11 little bit about the master plan here.

12 So, in the master plan that was released in
13 January by your office, one of the plans was to
14 coordinate the city's process in preparation for its
15 universal solicitation of broadband. The plan
16 included starting on its coordination during the
17 first quarter of 2020. What specific activities has
18 the coordination included? How is this coordination
19 progressing and then if it is not complete, I just
20 want to get into a little bit of what that phase
21 would look like. Can we unmute Mr. Farmer?

22 JOHN PAUL FARMER: Okay, I think I am unmuted
23 now.

24 CHAIRPERSON MOYA: There you go.

25 JOHN PAUL FARMER: Chair Moya, thank you for the
question. Yes, in the interim master plan, we commit

1 to four actions. The first of which is coordinating
2 city processes and we began doing that immediately.
3 That involves over a dozen different agencies that
4 are participating in a variety of ways. Some are
5 providing expertise; others are providing some of
6 their assets. When we talk about these real estate
7 assets that city controls all over the city, they are
8 controlled by a number of different agencies. And
9 so, having them at the table participating, producing
10 the inventory of the real estate assets that they
11 have in which boroughs is really important. And I
12 mentioned in my testimony, the digital tool that will
13 allow both respondents but also reviewers to see that
14 50,000 foot view of the city where these assets exist
15 and where they can be maximized, their impact. In
16 terms of service where they can maximize and improve.
17

18 So, that's all progress that has happened since
19 the release of the interim master plan in January.
20 Of course, the arrival of COVID, both the healthcare
21 crisis as well as the economic crisis led us to
22 reassess and to think about how exactly we follow up
23 on the master plan itself. And one of the things
24 that happened, was we focused first on the rapid
25 response RFEI with NYCHA in particular and that was

3 something that we hadn't necessarily planned on doing
4 but it was a clear need, a clear opportunity. A
5 group that was particularly under connected and
6 particularly vulnerable given the nature of the
7 crisis.

8 And so, we focused on that first. That is now in
9 the final stages of licensing and agreement and we
10 expect we will announce those shortly. Since then,
11 we have now been focusing on the rest. The bigger
12 picture, where we actually bring these assets
13 together from multiple different agencies and put
14 those out. And so, when you ask about what remains
15 to be done, we believe we are in the final stages of
16 what we are referring to now as the RFP but you can
17 think of as that universal solicitation for broadband
18 and we're in the final stages of ironing out the
19 details on that and expect that to be out shortly.

20 CHAIRPERSON MOYA: Got it. You talked about the
21 RFP a little bit. I want to go back to the RFI. We
22 understand that part of the master plan that's in
23 process is similar to the RFI. Was the RFI issued
24 and when?

25 JOHN PAUL FARMER: So, the RFEI was issued.
Request for Expressions of Interest was issued by EDC

1 city invested in the project that would provide
2 10,000 NYCHA seniors with free internet connection;
3 T-Mobile tablets to connect families and friends
4 digitally. What were the NYCHA developments that
5 were covered and how did you choose them?
6

7 JOHN PAUL FARMER: So, the NYCHA developments
8 covered specifically in the RFEI's, do I understand
9 the question correctly?

10 CHAIRPERSON MOYA: No, so, the city invested in
11 the project, it would provide 10,000 NYCHA seniors
12 with free -

13 JOHN PAUL FARMER: Oh, right, right. Yes.

14 CHAIRPERSON MOYA: With T-Mobile, you guys did
15 the tablets, you know, all of that. So, what were
16 the NYCHA developments that were covered? How did
17 you choose them? What devices were distributed?

18 JOHN PAUL FARMER: Certainly, certainly. The
19 devices, pretty straight forward, they are LG tablets
20 connected via T-Mobile and we started with the NYCHA
21 developments that are in the neighborhoods that have
22 been most heavily impacted by COVID, which was
23 happening in late spring and we really wanted to
24 focus first and foremost on health and the need to
25

1 keep people safe, especially those who are most
2 vulnerable.

3
4 We didn't focus on specific developments by name
5 but based on where they were located and we focused
6 on seniors living alone. So, if somebody – if an
7 older adult had a family, would be more likely to
8 have people who could help them, assist them, make
9 sure they had their groceries etc. We decided that
10 wasn't the place that was the absolute highest need,
11 so we focused on seniors living alone, whether they
12 were individuals or couples, for instance.

13 What we found was that we were able to go outside
14 of the initial target areas. So, we ended up
15 delivering tablets to 288 different NYCHA
16 developments around the city and it's about 90
17 percent of the overall number.

18 So, across all five boroughs, in almost every
19 NYCHA development, older adults have received these
20 tablets and have received the digital inclusion
21 support that goes along with them.

22 CHAIRPERSON MOYA: Okay, I'm just going to stick
23 with this for a minute. So, is there browsing
24 history collected?

3 JOHN PAUL FARMER: They do not, no. We wanted to
4 make sure that this really served the role of putting
5 these devices into the hands of older adults who
6 generally did not have them already and because we've
7 seen how quickly society has transformed to digital
8 first. Whether you are ordering groceries, visiting
9 your doctor, whatever it might be, we wanted to make
10 sure these seniors had an ability to do that and the
11 stories that we've heard have been rather inspiring.
12 The anecdotes about seniors being able to connect
13 with family and loved ones. Being able to keep an
14 update on family members who are in the hospital and
15 understand what was going on without exposing
16 themselves to risk and danger.

17 CHAIRPERSON MOYA: And last thing on this,
18 according to the NYCHA journal OATS held six sessions
19 of the digital literacy classes including one in
20 Spanish. 89 NYCHA seniors participated in the first
21 class in addition to the five week course, OATS also
22 held one day workshops that 798 seniors participated
23 in including getting to know your tablet and an
24 introduction to Zoom and intro to Spotify and the
25 Morning Stretch.

3 So, 10,000 devices connected to the internet were
4 distributed yet only 89 users attended a class and
5 only 798 attended the workshop, is that correct?

6 JOHN PAUL FARMER: I would have to check with
7 OATS to confirm those numbers are correct since those
8 I think were collected by that article that you
9 mentioned and not by us directly. But assuming they
10 are, I think what's important to note is that those
11 are just a subset of the interactions. Every
12 recipient of the tablet has been contacted directly
13 by OATS on an individual basis and has been offered
14 the opportunity to engage. And whatever forms of
15 engagement they feel like they need.

16 CHAIRPERSON MOYA: Right, but that only makes up
17 7.9 percent of the overall population. Most seniors
18 are not technology - their literacy and technology is
19 not a thing here right. Like they are the ones that
20 actually need that training, so we're talking a very
21 limited amount. 9,000 in change are still remaining
22 out there, so I'm just curious to know what steps are
23 being done to connect with these folks because to me,
24 that's a very low percentage of people that are
25 actually getting connected with these important
classes on how to use the internet and their devices.

3 under what circumstances. So, if the device is
4 reported missing for instance, there are ways to tell
5 which IP address signal is coming from.

6 So, and I thin ultimately these devices are not
7 treated any differently from other devices that are
8 out there in the market place and that's really
9 important. That we want to make sure that people are
10 treated you know, with respect and dignity and given
11 devices that they could choose how to use.

12 CHAIRPERSON MOYA: Great, thank you. I am going
13 to switch over to Michael from DoITT. Thank you Mr.
14 Farmer for answering my questions. Michael, good to
15 see you. Thank you for your testimony today.

16 JOHN PAUL FARMER: See you Council Member.

17 CHAIRPERSON MOYA: I am sticking with NYCHA right
18 now. So, I wanted to come to you and ask you, how
19 many NYCHA community computer centers have been
20 implemented and at which NYCHA developments? Do you
21 know that?

22 MICHAEL PASTOR: I do not have that information
23 at the ready. Council Member, I am happy to look
24 into that. I do not -- that particular program is not
25 in my individual purview, but I am happy to look into
it and get back to you.

3 CHAIRPERSON MOYA: If you could because this is
4 really important for us here. You know like, we need
5 a lot of answers. Are the centers up and running?
6 You know, who funds these centers? A lot of this all
7 interconnects with what sort of the city's trying to
8 say that they are doing and the Mayor's office trying
9 to say that they are really moving ahead with helping
10 NYCHA seniors and all this and we really need to have
11 these answers. So, I know you will get back to us on
12 that. That's really critical for us.

13 MICHAEL PASTOR: Absolutely.

14 CHAIRPERSON MOYA: So, let me move onto the next
15 one then. How does the internet connection provided
16 by an information service differ from the internet
17 connection that's provided by the cable TV companies?

18 MICHAEL PASTOR: So, generally speaking, it
19 doesn't Council Member. So, an internet connection
20 from the information services franchise, which is the
21 subject of our resolution provides internet to the
22 residents or the business getting it.

23 Currently, the cable companies also provide
24 internet service through their infrastructure to the
25 homes and to the residents that they have but the
goal of the authorizing resolution is to expand the

3 providers who are in this business providing internet
4 service using the fiber that's in the street to come
5 up with new options for residents and businesses.
6 Once that happens, if that happens, the people who
7 tap into those new services will get the same
8 internet service that we are all accustomed to
9 getting most prototypically through what we think of
10 as the cable companies who also provide internet
11 service to most of us in the city at our homes.

12 CHAIRPERSON MOYA: And what is the range, types
13 of customers and the sizes of the businesses who are
14 utilizing the services of information service
15 franchises?

16 MICHAEL PASTOR: So, the information services
17 portfolio now is focused largely on commercial
18 entities that are either large enterprises or midsize
19 enterprises, generally speaking. Another goal of the
20 authorizing resolution, if we were to get it adopted
21 by the Council and proceed with new franchises with
22 these companies would be to expand competition within
23 the commercial market and therefore maybe give some
24 new options to small businesses as well and then to
25 residents.

3 So, the current portfolio is mostly focused on
4 the provision of internet service to large and
5 midsize enterprises through the city.

6 CHAIRPERSON MOYA: And whose purview is this for
7 the internet services?

8 MICHAEL PASTOR: That's DoITT. That's a
9 franchise purview, yes indeed and those companies
10 that are providing the service are providing it
11 pursuant to franchise agreements that have expired.
12 And so, part of the impetus behind coming to the
13 Council is we want to sort of reengage you know, one
14 classic sort of DoITT Charter power, is our power to
15 enter into franchise agreements. And right now,
16 because of the expiration of the prior resolution, we
17 can't reengage with that cadre of companies and with
18 potential new companies with a new franchise
19 agreement that would be better for the city.

20 CHAIRPERSON MOYA: And so, the purview for the
21 NYCHA community computer programs, who falls into
22 that?

23 MICHAEL PASTOR: So, I'm going to have to check
24 for you Council Member. So, in DoITT space, we focus
25 on all of the franchises, which are the provision of

3 CHAIRPERSON MOYA: Okay, so, the cable companies
4 are required to provide a service to every household
5 in their franchise areas. Information service
6 franchisees are only required to run wires in
7 fulfillment of customer orders. What incentives are
8 there for the information services to service
9 residential customers and what barriers to enter in
10 habit like information service franchisees from
11 providing residential broadband services themselves?

12 MICHAEL PASTOR: So, Council Member Moya, I mean
13 one of the barriers you normally would face is that
14 it would be costly to put the fiber in the place. To
15 get the fiber there to then offer the service to a
16 customer.

17 Because a lot of these companies already have
18 fiber but they don't have this franchise mechanism,
19 that is about - to answer your second question I
20 think it was, I mean, the lack of the franchise
21 authority is a form of barrier. In terms of
22 incentives, when we look and John could speak to this
23 as well, when we look at the offerings of the
24 incumbent cable ISP's, I am not going to be
25 shattering any, I'm not going to be breaking any news
to say those offerings are very expensive and so, the

3 incentives, so breaking through the barrier is using
4 a fiber that's there. The incentive is to undercut
5 and say there are customers, millions of customers in
6 the city who may want to get internet at lower rates.
7 You can pull those customers away, that's your
8 financial incentive to do it.

9 CHAIRPERSON MOYA: Okay, and how big is the
10 market for this by the existing service franchisees
11 to join, like, so kind of like, where is this, like
12 the market for them? How is it here in New York
13 City?

14 MICHAEL PASTOR: So, the way I would answer that
15 Council Member and tell me if I am not being
16 responsive. I mean, there are 8.5 million you know,
17 people in the City of New York and then more who come
18 into work. All of those people are getting internet
19 in one way or the other. So, I think you know, the
20 market is for all of those customers if there are
21 opportunities for competition. In addition, there
22 are places where at homes, where the residents only
23 has one internet option at all. Literally just one,
24 if they want to connect, they only have one option
25 and so, that is the market as well.

3 Member Holden some time as well. But we have to talk
4 about neutrality a little bit here. Like, I can't
5 let that go without us having a deep dive into this.
6 We know that the cable television industry has
7 aggressively lobbied to get the Trump Administration
8 to reverse the neutrality policies of President
9 Obama's Administration.

10 Net neutrality prohibits internet service
11 providers from prioritizing content based on fees
12 paid by publishers. In essence, is it a policy that
13 requires - in essences, it is a policy that requires
14 internet service providers to offer their services
15 with neutrality with respect to the content and
16 economic power of the publisher.

17 Having said that, what is the Administration's
18 position on net neutrality and would including net
19 neutrality requirements in all franchises related to
20 the internet services be a good policy?

21 MICHAEL PASTOR: So, what I would say is - I'm
22 sorry, John, do you want to? I think John may want
23 to start.

24 JOHN PAUL FARMER: Thank you. I appreciate that,
25 having trouble unmuting myself again. So, I'm going
to pass it to Michael in just a second to discuss the

3 franchises but broadly speaking, the Administration
4 and the City are very much in favor of net
5 neutrality. Several years ago, the Mayor signed the
6 Mayor's pledge and brought other Mayor's around the
7 country on board to pledge to support net neutrality.
8 We as a city, the Mayor's Office of CTO, DoITT, have
9 submitted comments to the FCC on multiple occasions
10 in support of net neutrality, so I think it's just
11 important to note there is a very clear position here
12 citywide.

13 Michael, if you would like to speak specifically
14 to the franchises.

15 MICHAEL PASTOR: Thanks John. So, totally in
16 agreement with the policy net neutrality, very
17 problematic thing. The problem has been accentuated
18 by COVID. Right, like our reliance on the internet
19 connection and what that means for us, has us
20 thinking about our interface.

21 So, just from the franchise perspective, I would
22 add Council Member, in the area of information
23 services, we think there might be a window to
24 potentially pursue some net neutrality protections in
25 these information services franchises. It is
something that we are still evaluating. I don't want

3 to set it in stone, but I think you had the question,
4 is it something that we could pursue in the
5 information services franchise agreements and we are
6 sort of actively evaluating that possibility.

7 CHAIRPERSON MOYA: Right, and just to tell and
8 inform the public, who would benefit from a net
9 neutrality provision in all information services
10 franchise agreements and why?

11 MICHAEL PASTOR: Okay, just getting unmuted
12 there. So, the people who would benefit would be the
13 people who get their internet service from that
14 franchisee. The risk with net neutrality is that
15 your consumption could be – you could either be
16 slowed in trying to access certain information you
17 want or there could be preferences in terms of what
18 you want.

19 So, if you think about it, the way we interface
20 with the internet now, that's a real problem. So,
21 they would benefit. I don't know John, if you want
22 to speak to –

23 JOHN PAUL FARMER: Well, I think that's exactly
24 right. It's generally, net neutrality benefits
25 consumers and to make sure the consumers are treated
26 fairly to make sure that they have choice. That they

3 can choose what content to engage with. That they
4 can do that on a level playing field. That's small
5 company, small businesses that might be homegrown
6 here in New York have an opportunity to compete on a
7 level playing field with the folks who are already
8 there.

9 A couple of things I just want to add onto
10 because I know they have been brought up and I was
11 stuck on mute. In terms of the personal computing
12 centers, there are 508 of those around the city and
13 Chair Moya, you brought up rightly so, how are we
14 using these assets? They are so important in normal
15 times during 2020.

16 We are working closely with agencies that
17 administer these centers because some are libraries,
18 some are cornerstones administered by DYCD. Others
19 are DFTA focused on older adults. Those senior
20 centers for older adults, in particular, we are
21 working closely with DFTA on a digital strategy for
22 the agency to think about how now and in the future,
23 they have got the abilities to deliver so many of
24 these services that traditionally are done in person
25 and do that online and whether it is effective and
meets their audience where it is.

3 CHAIRPERSON MOYA: Got it and to your knowledge,
4 does the information services providers have any
5 valid objections to including such a provision?

6 MICHAEL PASTOR: I can think of none.

7 CHAIRPERSON MOYA: Got it. So, the information
8 service providers you know, they may argue that they
9 serve as businesses who have been negotiating power
10 to select the quality of their internet services. Is
11 there anything preventing information service
12 providers from providing internet access to
13 residential households and to individuals who do not
14 have the bargaining power to ensure that the content
15 that they generate will have the same access to the
16 internet as their corporate clients?

17 MICHAEL PASTOR: I can't think of any. I think I
18 would answer that question in a way Council Member by
19 you know, looking at sort of what the federal
20 government did in a prior administration looking at
21 this in depth, identifying the problem, weighing this
22 and saying, no, we want net neutrality to be
23 something that is codified and protected and that's
24 been reversed of course.

25 If I can just go back to your earlier question
Council Member with an answer quickly, I think I

3 would flip it in a way and to say, how can we really
4 tolerate any other thing? Meaning, if my means of
5 connecting to the internet, my family being connected
6 to the internet and how I am accessing information
7 and reading things could be influenced by the speed
8 at which I can get something. It's just not an
9 acceptable end state.

10 JOHN PAUL FARMER: And if I may Chair Moya, I
11 would like to add that ISP's are not a monolith. And
12 so, while there may be some that are against net
13 neutrality, there are others, particularly many
14 smaller ones that have advocated openly for it.

15 CHAIRPERSON MOYA: So, but like just, these are
16 the last two that I am following up with here on that
17 neutrality. Based on how net neutrality was
18 implemented during the Obama Administration and Mike
19 you were kind of getting to this but you jumped back,
20 what conclusions can be drawn about the impact net
21 neutrality has on the proliferation of residential
22 broadband internet access?

23 MICHAEL PASTOR: John, I think maybe I will let
24 you take that one or I can go.

25 JOHN PAUL FARMER: Yeah, I appreciate that. The
impact on residential broadband internet access,

3 honestly I don't know specific studies that have come
4 out conclusively with any particular correlation
5 there or causality there. I am happy to check with
6 my staff and get back to you to see if they are aware
7 of anything that I haven't seen.

8 CHAIRPERSON MOYA: And then just who - lastly,
9 this is it guys thank you. Who benefits from the
10 reversal of a net neutrality rules and what impact
11 does that have on residential broadband customers?

12 JOHN PAUL FARMER: So, I can start, large
13 corporations benefit, large ISP's can create a new
14 revenue stream here, make money off of it. Large
15 businesses that can pay for preferential treatment
16 will also benefit. So, it is something that really
17 will diminish the ability for smaller players to
18 compete and will diminish the choice that individual
19 consumers have to identify you know the businesses,
20 the information that they want to get.

21 CHAIRPERSON MOYA: Okay, thank you very much
22 John. Thank you Michael for your testimony today.
23 Thank you Bob for your patience. I want to turn it
24 over to Chair Holden.

25 CHAIRPERSON HOLDEN: Thank you Chair Moya and I
am going to try to limit my questions, so that other

3 Council Members can ask some questions but I just
4 want to direct this to Mr. Farmer. In May of 2014, I
5 know you weren't here yet, but Mayor de Blasio gave a
6 key note address at an internet week conference where
7 he committed to expanding broadband access across the
8 city, arguing that affordable high speed internet is
9 crucial to the city's growing tech sector and to
10 tackling economic inequality.

11 He was quoted in the New York Observer than as
12 saying, "our approach is going to be bold and it is
13 going to be decisive because we simply haven't done
14 enough in this city." The goal he said, is quite
15 simple. "We must have universal affordable high
16 speed internet access throughout this city." It is
17 as simple as that, he said. Broadband is essential
18 for everything this community needs to do. It is
19 essential for everything we need to do to be fair and
20 just city.

21 He said, because we can't continue to have the
22 digital divide that holds us back - that holds back
23 so many citizens.

24 So, a lot of you know, Mr. Farmer, a lot of this
25 happened in the world in the six plus years that have
past. For example, the newspaper he was quoted in,

3 the Observer, has seized print publication but more
4 importantly the coronavirus pandemic showed just how
5 right the Mayor was at the time and how critical
6 broadband access is.

7 In April 2015, Maya Wiley then Counsel to Mayor
8 de Blasio was tasked with leading the efforts of
9 expanding universal access to the internet. Yet the
10 Administration seems to have done very little, if
11 anything to show on this pledge, to show for itself
12 on this pledge. It seems to be that it is another
13 one of the Mayor's many promises that are not being
14 delivered. Can you tell me what progress your office
15 has made on this critical initiative in the past six
16 years other than a master plan report? How many
17 households have access to broadband as a result of
18 the efforts of this Administration?

19 JOHN PAUL FARMER: Well, thank you Chair Holden
20 for your engagement on this issue and you are correct
21 in saying that this is incredibly important. That
22 the Administration realized that and that's why it
23 was highlighted early on in the Administration.

24 In the ensuing years, a number of actions were
25 taken. One of the most high profile is connecting
Queens Bridge Houses. The largest public housing

3 development in north America and their 7,000 New
4 Yorkers, thousands of households are connected today
5 and what we've seen there is adoption rates that
6 rival the wealthiest parts of New York City.

7 And so, we know that in high poverty areas,
8 adoption rates are roughly half, roughly and in the
9 highest income parts of the city, they are over 90
10 percent. Well, now today in Queens Bridge, usage of
11 the internets available there, is over 90 percent.

12 So, we've done a number of things. We have shown
13 that indeed this is an affordability issue at its
14 core and that's something that frankly was still
15 being debated a few years ago and the evidence is
16 clear now that that's not the case. You go beyond
17 the residents of Queens Bridge themselves have been
18 connected. You look at the programs that we put in
19 place for 10,000 older adults. Programs of the
20 Department of Education is put in place for over
21 300,000 school kids to receive tablets. And when you
22 talk about what we've learned there that has informed
23 the internet master plan. The internet master plan
24 didn't just come out of the blue. It has received
25 praise from nationally recognized experts in the
space because it is so responsive to the reality. It

3 recognizes that there is no silver bullet and lots of
4 city's have tried to find that silver bullet. That
5 one deal they could strike that would just solve the
6 problem and make it go away. That's been tried here
7 in New York too and it hasn't worked.

8 And so, instead we've got a portfolio approach
9 that invites in the private sector, big companies,
10 small companies, community groups, identifies the
11 roles that government itself is uniquely suited to
12 play and envisions how this will all work going
13 forward. And to your point of what's happened. I
14 think you just need to look at what's happened in
15 recent months. In recent months with the RFEI for
16 NYCHA residents and the fact that we are on the cusp
17 and we don't have exact numbers yet, but we are on
18 the cusp of what I expect to be tens of thousands of
19 households getting connected in the very near future.

20 And when the RFP comes out, we are aiming to
21 connect hundreds of thousands and so, that's change
22 at scale and to your point of, it didn't come
23 overnight. It took a lot of work and a lot of effort
24 and a lot of consultation with experts with community
25 groups, pilot projects, a lot of work went into this
over the years to get us to where we are right now

3 the RFP. That was three years ago, what's the hold
4 up in issuing the RFP? Should it really take Mr.
5 Farmer, three years to draft?

6 JOHN PAUL FARMER: So, I can't speak to the exact
7 numbers that you are referring to. A lot of the
8 research and drafting happened in the course of 2019
9 and I was here for a large portion of that. Prior to
10 that, the work had begun. I'm not sure about 2017
11 but certainly in late 2018 it was well underway.

12 And that involved over 50 consultations with
13 various types of stakeholders. It involved bringing
14 on consultants with expertise in broadband
15 technology, in digital equity, in large
16 infrastructure projects. Bringing that all together
17 and again assessing the value of different pilot
18 projects here in New York and elsewhere to inform
19 what should be done. It doesn't happen overnight.
20 If we look back on it, perhaps we could find some
21 places where we could have tightened up that
22 timeframe but in reality, we produced a ground
23 breaking document, one that has been hailed as the
24 best in the country and we did that in January. And
25 I think it is worth noting that by March, everybody
saw just how important connectivity is.

3 Back in January, there were still a number of
4 people saying, well, this is, you know, this is a
5 luxury and why isn't it okay for us to say, you have
6 to be able to afford a certain amount of money per
7 month otherwise you don't get it. And everybody saw
8 in the spring time, here in New York City, we all saw
9 it, that this went from being something that we could
10 argue as morally right. It was the right thing to do
11 for people and families who couldn't afford it. It's
12 a public health issue.

13 You know, my neighbor down the block, not being
14 able to afford broadband becomes a public health
15 issues for every other family on that block. To make
16 sure people can get their services online, their
17 medications online, visit a doctor online, became an
18 absolute necessity and we are not going back. We
19 have seen the amount of digital transformation that
20 has occurred in recent months and it is just all the
21 more important. So, I want to just highlight the
22 fact that the plan came out prior to the clarity that
23 everyone now has about just how essential broadband
24 is.

25 CHAIRPERSON HOLDEN: Yeah, and again, I know you
weren't here but finally, this summer after nearly

3 seven years of promising universal broadband, Mayor
4 announced an accelerated internet master plan to
5 accelerate broadband built out across all five
6 borough, including well, you mentioned \$157 million
7 investment and ending digital redlining. The Press
8 Release says, this investment will extend new
9 internet service options to 600,000 underserved New
10 Yorkers including 200,000 NYCHA residents over the
11 next 18 months.

12 However, the Mayor promised that the city would
13 announce the partnership by the end of the summer of
14 2020, this year with full deployment of the program
15 occurring throughout 2020 and 2021.

16 Well, some resolver and I haven't seen an
17 announcement and any partnership or an RFP. Mr.
18 Farmer, if you are behind or ready, how do you plan
19 to meet your commitment to providing low cost
20 broadband access to 600,000 New Yorkers by the end of
21 next year, mainly because your office has been
22 promising this and again, not only you but the
23 Administration has been promising this to New Yorkers
24 for the past seven years?

25 JOHN PAUL FARMER: Well, I appreciate the
question and I appreciate the urgency that you feel

3 because let me assure that we in the Administration
4 feel it as well. We want to get this done as soon as
5 humanly possible.

6 We have to recognize that this is an approach
7 that is new. It's brand new not just here in New
8 York City, it is something where there is not a model
9 for this particular approach to closing the digital
10 divide. And so, we have had to deal with that
11 complexity and we have made a ton of progress that I
12 can assure you has been made behind the scenes, even
13 though you might not have seen the results yet and as
14 I mentioned during my testimony, we are on the verge
15 and look forward to relatively soon announcing the
16 initial impact of NYCHA residents. Thousands and
17 thousands of NYCHA residents benefiting from this
18 approach.

19 We still are on track for 2021 to be the year in
20 which substantial at scale progress is made in the
21 city and if indeed that changes, I will let you know
22 but as of now, I can assure you that 2021 is still on
23 track to be the year in which substantial change is
24 made.

25 CHAIRPERSON HOLDEN: Yeah, but we heard, like,
you got to admit though, we heard this over a seven

3 year period, so that's why I am very, very skeptical
4 but hopefully with you onboard, we might have some
5 progress but what is the technical approach you plan
6 to take to give the 600,000 New Yorkers low cost or
7 no cost broadband access? For instance, how are you
8 planning to spend the \$157 million that the Mayor has
9 put at your disposal?

10 JOHN PAUL FARMER: Yeah, that's an excellent
11 question and the solicitation that will be going out
12 has multiple parts. They are described in the
13 internet master plan itself.

14 So, one part of the need for infrastructure
15 because in recent decades, a substantial amount of
16 infrastructure has been built in New York City. We
17 have a lot of fiber for instance that is incredibly
18 valuable. A lot of it being used, some of it not
19 really being fully used right now but there is
20 underinvestment in certain neighborhoods. It's the
21 neighborhoods that we know are generally lower
22 income. Neighborhoods that are majority, minority
23 neighborhoods.

24 These are the parts of the city that have been
25 left behind that today have the fewest options, today
have the least amount of infrastructure in them and

3 so, we need to focus there. We need to level the
4 playing field so the entire city really can
5 participate fully.

6 It's not just the infrastructure, it is also the
7 equipment that's needed and this is where the city's
8 real estate assets come into play and can be so
9 valuable. We can maximize how we utilize rooftops
10 and poles and rooms and buildings. All these things
11 that are controlled by the city all over in every
12 borough. And so, by inviting in participants from
13 the private sector, partners, whether they be small
14 companies or big companies. Inviting them in to tell
15 us what technologies they think are appropriate in
16 which particular neighborhoods given that the
17 customer base that they envision, given the built
18 environment, some neighborhoods in New York City.
19 Very tall buildings, other very low lined, other a
20 mix and so in different places, you might need a
21 wired approach and other places, fixed wireless might
22 be appropriate.

23 And this is again, a type of technology that
24 really wasn't broadly thought of and broadly
25 available even a certain number of years ago but
today it is. So, the internet master plan envisions

3 being flexible enough to respond to the proposals
4 that come from the experts outside of government.

5 Now, we internally will have the ability to vet
6 that, review that, ensure that what's being proposed
7 really does make sense and then as it does, we expect
8 to see a mix of technological approaches to solve
9 these problems. So, some of them will be more
10 intensive in terms of the infrastructure they
11 require. Others much less so and that's going to
12 just depend on the neighborhood, on what
13 infrastructure is already in place, what the built
14 environment looks like and what those proposals look
15 like from the private sector.

16 CHAIRPERSON HOLDEN: Okay, thanks Mr. Farmer.
17 Thank you Chair Moya. I am going to cut some of the
18 second part of my questions for DoITT and give some
19 of my colleagues the chance to ask questions.

20 CHAIRPERSON MOYA: Thank you Chair Holden. I
21 want to acknowledge that we've been joined by Council
22 Member Richards as well. So, I'm going to turn it
23 over to my colleagues who have questions. I'm just
24 taking it by the order in which it was received. So,
25 I want to turn it over right now to Council Member
Lancman for some questions.

3 COMMITTEE COUNSEL: I just want to make some
4 administrative remarks. So, I will call on Council
5 Members to ask questions in the order they have used
6 the Zoom raise hand function and Council Members,
7 please keep your questions to three minutes including
8 responses.

9 If there is a second round of questioning Council
10 Member questions will be limited to two minutes. A
11 Sergeant at Arm will keep a timer and let you know
12 when your time is up. And now, I am turning over to
13 Council Member Lancman.

14 COUNCIL MEMBER LANCMAN: Thank you, good
15 afternoon. First, let me just clarify a couple of
16 things. This Resolution would not result in an RFP
17 that would result in a franchise that would cover
18 spectrum Altice or Verizon's provision of broadband
19 services, right? Those are covered in their existing
20 cable TV franchise agreements.

21 MICHAEL PASTOR: That is correct Council Member.

22 COUNCIL MEMBER LANCMAN: Okay, so briefly, what
23 is the status of those franchise agreements? My
24 understanding is that they have expired. When are we
25 going to be presented with a resolution to consider

3 COUNCIL MEMBER LANCMAN: So, you know, the two
4 Chairs have done a very good job about talking about
5 access to broadband. I want to talk about the
6 resolution specifically and I want to talk about what
7 has been in my view the city's failure to live up to
8 the letter and spirit of the City Charter,
9 particularly Section 363, which relates to requiring
10 that our franchisees, our cable franchisees, our
11 broadband franchisees honor and recognize collective
12 bargaining agreements. For nearly four years now,
13 Spectrum workers have been on strike. There have
14 been numerous examples of Spectrum not negotiating in
15 good faith and in fact, accusations that I find very
16 credible of Spectrum acting in bad faith.

17 And so, what is going to be different in these
18 RFP's, in this RFP in the franchise agreements that
19 result from this RFP that is going to give the city
20 more teeth and more ability to enforce the provision
21 of the City Charter -

22 SERGEANT AT ARMS: Time expired.

23 COUNCIL MEMBER LANCMAN: Thank you. That
24 requires franchisees to honor both in my view, not
25 just the law but the spirit of collective bargaining
agreements from their workers and if there isn't

3 anything that's going to be different in this
4 franchise agreement for broadband services than there
5 exists in the franchise agreement for cable TV
6 services, I don't see how I could possibly vote to
7 authorize that - for that authorizing resolution.

8 MICHAEL PASTOR: Sure Council Member, so I think
9 that with respect to the cable franchises, I mean,
10 every time a new authorizing resolution comes up,
11 it's an opportunity to look and to determine, are
12 there ways in which the city and the Council and the
13 Administration can be more aggressive and I think
14 that's an opportunity we would be willing to take on
15 with you.

16 With respect to the entire world of labor
17 provisions, you know, federal law kind of keeps
18 locality out in terms of their powers in this area
19 but I will say that what is different now for the
20 mobile telecom franchises, which we hope to make
21 different for the information services franchises and
22 ultimately cable is with the mobile telecom
23 franchises we got in place a sort of really advanced
24 reporting requirement to the mobile telecom
25 franchisees that will for the first time give DoITT
data about how the workforce is treated by those

3 franchisees. Which we didn't have before, it's a
4 pending H to our agreement.

5 That is something we would want to advance as
6 well with the information services franchisees and
7 ultimately with the cable companies as well with the
8 idea of being like at the very least, we should be
9 pushing to know more, to demand more information from
10 these entities about their labor practices and then
11 utilize that information in whatever way the city at
12 large could.

13 COUNCIL MEMBER LANCMAN: Well, I'm just going to
14 conclude by saying, I would need to see the language
15 that the city intends to put in the RFP and the
16 language that the city intends to put in the
17 franchise agreement itself and to assure myself that
18 the city is using the maximum authority allowable
19 under federal law to be able to hold franchisees to
20 the letter and spirit of our own City Charter when it
21 comes to honoring collective bargaining agreements in
22 good faith.

23 Thank you and thank you to both the Chairs.

24 CHAIRPERSON MOYA: Thank you Council Member
25 Lancman. I now want to turn it over to Council
Member Kallos.

1 SUBCOMMITTEE ON ZONING AND FRANCHISES JOINTLY
2 WITH COMMITTEE ON TECHNOLOGY

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3 SERGEANT AT ARMS: Time starts now.

4 COUNCIL MEMBER KALLOS: Thank you to the Tech
5 Committee, Chair and Professor Bob Holden. Happy
6 belated birthday as well as Zoning Franchises Chair
7 Francisco Moya for leading this hearing on bridging
8 the digital divide.

9 I am Council Member Ben Kallos that's at Ben
10 Kallos on social media and get hub. When I went to
11 Bronx Science in 1994, it was one of the few schools
12 on the planet that had an internet connection with
13 two computers for the school, which was a big deal.
14 They had x-terminals with a killer app called Mosaic
15 and quite frankly, it changed my life. By 1996, I
16 was building websites with big companies like
17 johnbo.com and local insurance agents at State Farm.
18 Now, fast forward to 2015, one in four households in
19 Brooklyn and one in three households in the Bronx
20 were left on the wrong side of the digital divide.

21 As a Council Member, when Charter sought to
22 purchase Time Warner Cable, I joined then Public
23 Advocate Tish James to fight for and win 1499 on low
24 cost high speed internet for low income children on
25 free reduced school lunch and seniors receiving
supplements on social security.

3 We even got a commitment from Charter not to
4 implement data caps and to commit to net neutrality
5 leaving New York State one of the few jurisdictions
6 with these vital protections even though we have seen
7 FCC rollbacks.

8 As of 2018, we have seen households without
9 internet drop down to 22 percent or lower across the
10 five boroughs. I want to thank CTO John Paul Farmer
11 for the detailed internet master plan, which I
12 support. I am going to focus my question on the
13 fiber franchise before us today to be answered by
14 DoITT Deputy Commissioner Michael Pastor.

15 First question, the resolution proposed today
16 seeks authorization by a reference of what it does
17 not do, in layman's terms, the resolution is for
18 fiber only and those providers and excludes cable and
19 mobile franchises with Charter, Verizon, AT&T, T-
20 Mobile and Sprint, is that correct?

21 MICHAEL PASTOR: That is correct. It excludes
22 mobile, cable and public communication franchises,
23 that's right.

24 COUNCIL MEMBER KALLOS: Can we require fiber
25 franchises to agree to certain labor standards for

2 to incentivize the utilization of fiber much more
3 broadly than it is now. Because of the lack of
4 franchise program, we think that there is fiber that
5 is not being used in places where it could be used
6 both for commercial and residential customers.

7 COUNCIL MEMBER KALLOS: Do you support municipal
8 broadband and could we require fiber franchisees to
9 lay strands of fiber for the city?

10 MICHAEL PASTOR: So, what I will say is, I don't
11 want to speak to municipal broadband more broadly
12 because I sort of focus on the franchise portfolio,
13 Council Member.

14 COUNCIL MEMBER KALLOS: Maybe Mr. Farmer could
15 answer that question.

16 JOHN PAUL FARMER: Yeah.

17 COUNCIL MEMBER KALLOS: But if you could answer
18 the question about requiring the franchisees to lay
19 the fiber.

20 CHAIRPERSON MOYA: But we are on a clock, so
21 we're going to -

22 COUNCIL MEMBER KALLOS: You offered my colleague
23 from Queens extra time; I would love to just get this
24 last question answered please. It's 14 million ten
25 years.

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3 CHAIRPERSON MOYA: We got Ben, we got to speed it
4 up though.

5 JOHN PAUL FARMER: I will just quickly say that
6 the interim master plan is a flexible document and it
7 allows for a variety of approaches and does not in
8 any way rule out municipal broadband. Ultimately, it
9 is about getting to the end state that we all agree
10 and want.

11 CHAIRPERSON MOYA: Great, thank you. Thank you
12 Council Member. I now want to acknowledge Council
13 Member Levin who has joined us but also he is up next
14 to ask a couple of questions. Council Member Levin?

15 SERGEANT AT ARMS: Time starts now.

16 COUNCIL MEMBER LEVIN: Thank you Chair. I just
17 wanted to ask about and I apologize if one of my
18 colleagues have already asked this but how we are
19 able to ascertain the percentage or number of New
20 York City school children who are signed up for
21 remote learning who have adequate access in their
22 homes or wherever they are living, they might be
23 living in a shelter. Whether they have adequate
24 internet connectivity.

25 JOHN PAUL FARMER: I appreciate that question, it
is one that is on all of our minds right now. Making

3 sure that school children have what they need to
4 learn and that that's not dictated by the zip code
5 they live in or how much money their parents have in
6 the bank.

7 One of the realities is that the data that exists
8 today is not as granular or as real time as we would
9 like and that's one of the things that we intend to
10 address going forward. We understand from Department
11 of Education, the students that they have delivered
12 devices to certainly, Department of Education is
13 monitoring usage and ensuring that any complaints of
14 not being able to get online are addressed.

15 I think ultimately to get the clarity that you
16 are asking for, the Department of Education itself is
17 probably the best equipped to answer that today and
18 so, if there are opportunities coming up, that might
19 be the right audience for you. Otherwise, I would be
20 happy to connect you and make sure you get those
21 answers.

22 COUNCIL MEMBER LEVIN: Well, what I would like to
23 see is a framework in place that has your office and
24 DoITT and the DOE working in collaboration. Not so
25 much to just respond to complaints about lack of
connectivity but to proactively ensure that these are

1 happening. I mean, we have half a million of school
2 kids in New York City learning remotely. We have -
3 you know, I mean, frankly, the Department of
4 Education you know, is pulled in a lot of different
5 directions and so, what I would really like to see is
6 you know, a master plan for how to ensure that there
7 is connectivity for every school kid. So, you know,
8 that's what I would be looking for, something that is
9 a strategy in place to do that.
10

11 JOHN PAUL FARMER: Thank you Council Member and
12 we agree. We have to as a city be able to walk and
13 chew gum at the same time. We have to be able to
14 address the new term needs as well as look ahead at
15 the medium term. We have been involved in
16 conversations with the Department of Education. We
17 are fortunate that the Department does have a number
18 of highly qualified technologists on staff who have
19 experienced working hand and hand with the education
20 policy folks and others within the agency because
21 ultimately, it's not just about whether or not a
22 place is clinical connected. It is do they have the
23 type of bandwidth, the speed, the latency that they
24 need to do the type of learning that the school
25 system is looking to provide.

3 So, those two things really do need to be knitted
4 together. We are certainly always available to help
5 them in any way we can.

6 COUNCIL MEMBER LEVIN: And just one last point is
7 particularly for children in shelter, there are over
8 20,000 kids in shelter in New York City. Those
9 shelters are contracted mostly to non-for-profits
10 through the Department of Homeless Services.

11 So, having that relationship with DHS is very
12 important as well, so I encourage that.

13 JOHN PAUL FARMER: Thank you for noting that
14 Council Member. That is something that we have been
15 involved in those conversations as well and we share
16 your urgency and the need to make sure that every
17 child, particularly those who are living in shelters
18 have what they need to learn online.

19 CHAIRPERSON MOYA: Great, thank you. I now want
20 to call on Council Member Grodenchik.

21 SERGEANT AT ARMS: Time starts now.

22 COUNCIL MEMBER GRODENCHIK: I will need three
23 minutes. Thank you Chairs and thank you for this
24 very, very important hearing. I wish to associate
25 myself with much of what has been said today. That
broadband is no longer a luxury, it is absolutely a

1 necessity in this modern nation we live in and
2 certainly during this pandemic where virtually all of
3 us are probably at home today. I see Chair Holden is
4 in his office. I am not sure where Chair Moya is but
5 he may be there as well and I am home, as I have been
6 through most of this pandemic but the thing that I
7 most want to associate myself with is the comments by
8 my colleague Rory Lancman. I am very concerned about
9 provisions for organized labor and for all the
10 employees that work for these companies, particularly
11 those members of Local 3 who have been basically on
12 the street for almost four years now and that is due
13 to the unwillingness of get Spectrum or Spectrum to
14 negotiate a fair contract. And I have known the
15 people at Local 3 literally my entire life and I know
16 that they are reasonable, they understand what needs
17 to be done. They have in many ways, the leadership
18 of Local 3 going back decades has invented many of
19 the rights that people in this country take for
20 granted and so, I am disappointed. I understand
21 there are constraints by federal law. I am hoping
22 that those constraints will be removed in the coming
23 months.
24

3 But in the meantime, as Councilman Lancman said,
4 I am going to have to look very, very closely at any
5 resolution that should come through this committee,
6 the Subcommittee Chaired by Councilman Moya.

7 So, I thank you both for being here today and I
8 thank the Chairs for this very, very necessary and
9 important hearing for all the people of New York City
10 and especially those who currently are living without
11 broadband.

12 So, thank you both and with that, I will end my
13 remarks.

14 CHAIRPERSON MOYA: Thank you, thank you Barry.

15 JOHN PAUL FARMER: If I may respond to Council
16 Members remarks. I appreciate them, I just want to
17 make clear that the interim master plan explicitly
18 supports the rights of workers and that as we think
19 about how we build out these networks that the city
20 needs now and will need in the future, that is
21 clearly stated as one of the things that we expect to
22 see. And so, when we talk about VAR, I see, I would
23 envision that fitting under that umbrella of the
24 principles that the interim master plan is based on.

25 COUNCIL MEMBER GRODENCHIK: Thank you Mr. Farmer.
Thank you again Chairs.

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3 CHAIRPERSON MOYA: Thank you Barry. I am sorry,
4 I just want to make this announcement if it wasn't
5 made earlier. We are only doing one round of
6 questions right now. We have a large panel that is
7 coming in and we have to keep moving this along.

8 I just want to check with you Bob, if you had
9 anything to add here.

10 CHAIRPERSON HOLDEN: I would just like - we have
11 to move on because of time constraint, so.

12 CHAIRPERSON MOYA: Right, thank you Chair Holden.
13 I want to thank both panelists for being here today
14 and thank you again for your testimony.

15 MICHAEL PASTOR: Thank you. Thank you Chair
16 Moya.

17 JOHN PAUL FARMER: Thank you for having us.

18 COMMITTEE COUNSEL: Yeah, we will now turn to the
19 public to testimony from members of the public.
20 Members of the public will be on mute until they are
21 recognized to testify.

22 I will be calling groups of panelists. I will
23 then recognize each member of the public
24 individually. Once your name is called to testify,
25 our staff will unmute you and the Sergeant at Arms
will set the timer to announce that you may begin.

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3 Ms. Eve, before you begin, please state your name
4 and affiliation for the record.

5 SERGEANT AT ARMS: Time starts now.

6 LEECIA EVE: Hi, this is Leecia Eve, good
7 afternoon Chairman Moya and Holden, Public Advocate
8 Williams and Committee and Subcommittee Members. My
9 name is Leecia Even but I serve as the Vice President
10 for Public Policy at Verizon. Focused on driving
11 Verizon's deployment of 5G in New York City. I
12 appreciate the opportunity to testify today and
13 frankly, I am especially proud to do so because
14 Verizon shares with New York City a commitment
15 towards bridging the digital divide and a common
16 history of action directed for that goal.

17 Verizon has longstanding and deep rooted
18 connections with New York City and for more than 100
19 years has played a substantial role in the vitality
20 of our great city. With the help of many thousands
21 of New Yorkers who work for Verizon, we have built
22 and maintained the best in class wireline and
23 wireless services and networks that are the backbone
24 of the 21st economy. Truly a network that is built
25 by New Yorkers and for New Yorkers. We work on an
ongoing basis day after day to maintain and upgrade

3 one half a billion dollars to support stem education
4 and other resourced communities.

5 In New York City, we have the most robust bills
6 program of any city in the nation. 18 schools,
7 Manhattan, Queens, Brooklyn and the Bronx that have
8 reached thousands of students and hundreds of
9 teachers. We invest about \$2 million at each of the
10 schools providing an iPad and Chrome book for every
11 student, every teacher with four years of internet
12 access, training, professional development for the
13 teachers and even a stipend for an instructional
14 coach. We will be bringing 5G labs to many schools
15 across the country including the Patrick Henry School
16 here in New York City by 2021. We have made a \$3
17 million commitment to providing stem programs to
18 elementary and middle school students and low income,
19 specifically NYCHA and in other affordable housing
20 locations in the city. And we recently agreed to
21 provide and very pleased to do so without cost 20,000
22 hot spots to New York City school students as
23 determined by the Department of Education.

24 Last but certainly not least, Verizon through our
25 AOL foundation was also an initial partner of the

3 city's Computer Science for All program and is a
4 founding member of breakthrough New York.

5 Returning to broadband deployment, Verizon of
6 course is actively engaged in establishing citywide
7 fiber optic connectivity pursuant to our cable
8 television franchise agreeable to city. NYCHA
9 housing has been an important and I would say
10 critical part of this rollout. We have to date made
11 file service available through 91 percent of NYCHA
12 households in the city. We have also launched and I
13 am proud to say a low cost broadband program under
14 which we are offering files to internet service to
15 low income customers at prices as low as \$19.99 a
16 month for blazing fast speeds of 200 megabytes per
17 second.

18 Not only can you work from home at 200 megabytes
19 per second and engage in distant learning, you can
20 run a business with those kinds of speeds for \$20.00
21 a month. This current offer for new customers not
22 only includes a year free Disney plus and a waiver of
23 router rental charges for two months but also one
24 year of Hulu.

25 Bridging the digital divide and achieving the
city's broadband goals requires a sound public

3 Landlords should not be permitted to maintain
4 their buildings as single provider depriving their
5 residents of the benefits of a competitive
6 alternative.

7 We believe that the city can and should play a
8 vital role in encouraging building owners and
9 managers to offer access to all providers. In its
10 capacity as the owner of property in, under, or on
11 which providers need to build their facilities and
12 CTO the general -

13 SERGEANT AT ARMS: Time expired.

14 LEECIA EVE: They can put in reasonable and
15 streamline policies to access those facilities so
16 that we can together as a company in public and
17 private partnership, ensure that New York City
18 remains the leading 21st technology city that it
19 deserves, that all New Yorkers deserve. Thank you
20 for giving me the opportunity to share with you
21 information about Verizon's commitment to New York in
22 general and as many of my colleagues at Verizon and I
23 have said in the past on numerous occasions, we are
24 more than happy to meet with you to discuss our plans
25 and potential partnerships in greater detail. Thank
you again.

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3 CHAIRPERSON MOYA: Thank you.

4 COMMITTEE COUNSEL: Thank you. Mr. Henry, before
5 you begin, please state your name and affiliation for
6 the record. You can begin now.

7 SERGEANT AT ARMS: Time starts now.

8 CHAIRPERSON HOLDEN: Can't hear, can we unmute
9 Mr. Henry?

10 ERIC HENRY: Great, sorry about that, thank you.
11 Eric Henry, Director of Government Affairs for New
12 York City for Altice USA.

13 Good afternoon Chair Holden, Chair Moya and
14 Members of the Committee on Technology and
15 Subcommittee on Zoning and Franchises. It is a
16 pleasure to testify here today.

17 The onset of COVID-19 has forced changes in our
18 city, such as remote learning, telecommuting and more
19 isolation and the importance of broadband
20 connectivity for everyone in our community,
21 especially for those with low income. The internet
22 is an essential tool for New York City residents now
23 more than ever and Altice is proud to be a partner
24 providing robust options to meet this need.

25 Altice is proud that it offers state of the art
high speed broadband to every household and business

3 specifically to lower income households with children
4 of retirees that are direct mail, outbound calls,
5 digital advertising on platforms like Facebook and
6 Instagram and Page Search Optimization.

7 To address the potential barriers for individuals
8 adopting the service, we expanded the eligibility
9 requirement for Altice to include any household with
10 a child attending a New York City public school. We
11 enabled eligible households to bypass the online
12 eligibility vendor and purchased Altice Advantage in
13 real time with a sales representative.

14 We lowered the installation costs to \$30.00 to be
15 paid over three months and we partnered with Acer to
16 offer Altice Advantage customers \$150 Chrome book
17 laptops for purchase.

18 In New York City, we actually went a step beyond
19 this and we offered households with children in
20 public schools the opportunity to receive a free Acer
21 laptop if they signed up for Altice Advantage at
22 Optimum New York City stores. In addition, we
23 partnered with several New York City nonprofits to
24 allow community residents to access the internet free
25 of charge and these are located throughout our New
York City footprint.

3 When COVID-19 hit, we made Altice Advantage
4 access free for 60 days to qualifying households with
5 K-12 and/or college students that allow for any
6 outstanding balance, allowing households that were
7 previously ineligible for service to be connected.
8 The company waived the verification process and
9 allowed customers to sign up through a designated
10 phone number, email or online.

11 We then extended this offer to allow families to
12 keep free service through June 30th to coincide with
13 the end of the academic school year and the company
14 continues to defer these outstanding balances for
15 customers that remain in good standing.

16 We also offered schools the opportunity to
17 utilize its student Wi-Fi product for free through
18 the end of the school year, which allows Mac
19 addresses on school issued devices to have access to
20 the Optimum Wi-Fi network at no cost to the students.

21 Altice also opened up its emergency Wi-Fi
22 hotspots throughout the City of New York for
23 subscribers and nonsubscribers alike to access the
24 internet free of charge. We are pleased to announce
25 that we will be bringing back our free Altice
Advantage offer through the 2020-2021 school year

3 allowing for 60 days of free Altice Advantage access
4 for new customers with households with students and
5 this will be made available the week of October 19th
6 and we will also be adding an additional discount for
7 educators.

8 So, one thing that we have discovered is that we
9 recognize the need to develop a sustainable model
10 that would address the digital divide in partnership
11 with our community stakeholders, such as our school
12 districts. Centralized purchasing model allows
13 schools, government and foundations and others to
14 partner with Altice to provide internet to households
15 that currently lack connectivity.

16 We have two solutions for centralized purchase,
17 Alice Advantage for education, fixed line broadband
18 and Wi-Fi starting at speeds of 30 megabytes per
19 second and student Wi-Fi that allows for school
20 issued devices across the Optimum Wi-Fi hotspot
21 network.

22 Now, schools are trusted by parents and they are
23 in the best position to identify those students that
24 lack connectivity either through surveys or now with
25 the student with the student school year underway,
the identification of students that have been unable

1 to affectively participate in remote learning.

2 Schools are also in the best position to work with
3 these households to encourage adoption.
4

5 Currently, this model is in effect with the state
6 of Connecticut and the Dahlia Foundation with
7 partnerships and ongoing discussions with individual
8 school districts happening as well. And we are more
9 than willing to replicate this in New York City and
10 we have engaged with the New York City Department of
11 Education on the feasibility and logistics.

12 Finally, in regards to the authorizing
13 resolution, which is also the subject of this
14 hearing, Altice intends to seriously study the city's
15 proposal, its impact on our current cable and telecom
16 services and opportunities for innovation and future
17 cooperation for the city.

18 We are also mindful that any new
19 telecommunications authorizations must be
20 competitively neutral with compared to the
21 obligations imposed on Altice through its franchises
22 and must comply with federal law to avoid
23 requirements that become regulatory barriers to the
24 provision of our telecommunication services and we
25 look forward to the continued discussion with the

3 city on how we can build upon our success and be a
4 continuing partner in that process today.

5 This has been the executive summary of my
6 testimony. You have the full testimony at your
7 fingertips Council Members but thank you for the
8 opportunity to speak before you here today and I
9 welcome any questions that you might have.

10 CHAIRPERSON MOYA: Thank you for your testimony
11 Mr. Henry. There you go Irene; you are unmuted now.

12 COMMITTEE COUNSEL: I apologize, I was on mute.
13 I want to say thank you for your testimony again and
14 Mr. Capel, before you begin, please state your name
15 and affiliation for the record. You may begin.

16 SERGEANT AT ARMS: Time.

17 RODNEY CAPEL: Sorry about that. Good afternoon
18 Chairperson Moya and Holden and the Members of the
19 Subcommittee on Zoning and Franchises and the
20 Technology Committee. My name is Rodney Capel and I
21 am the Vice President for Government Affairs in the
22 New York City office here for Charter Communications,
23 better known to you as Spectrum. I am joined by two
24 of my Directors for Government Affairs, Alex Camarda
25 and Najay Roache. Thank you for the opportunity to

3 testify today on the important subject of the digital
4 divide.

5 We have submitted lengthier testimony for the
6 record but in the interest of time, we will present a
7 shorter version and provide information about our
8 company and our work in bridging this digital divide
9 issue.

10 Spectrum is a valued employer in New York City
11 and the state. We have about 12,000 employees in New
12 York State of which approximately 4,000 are in New
13 York City. Shortly after COVID hit in March, Charter
14 announced an increase in our minimum wage to \$20.00
15 phased in by 2022 with a \$1.50 immediate increase for
16 certain frontline workers 77 percent of our New York
17 City employers are African American, Hispanic, Asian
18 or Native American.

19 We are also doing our part to support the
20 communities we serve across the country during this
21 challenging time, especially some of those
22 economically challenged communities feeling the
23 greatest impact from this pandemic.

24 We recently announced a \$10 million investment in
25 partnership with the National Urban League and in
National Action Network to support Black and other

1 minority owned small businesses in underserved
2 communities.

3
4 In September, in inaugurated our first class
5 inspection scholars. A scholarship and mentorship
6 initiated in eligible rising college juniors with
7 financial need who identify as Asian Pacific, Black
8 African American, Hispanic Latino or Native American.
9 In addition to our community development initiatives,
10 we have paid close to \$200 million in franchise fee
11 payments to the city since 2016, provided free
12 channels for public education and government use and
13 spent tens of millions in capital investment for
14 nearly all the city's non-for-profit -

15 Yes, did someone call me? In recent months and
16 years, Spectrum has attempted to address the digital
17 divide with the city. We have formerly through
18 discussions and written submissions sought to work
19 with the city to provide discounted internet services
20 to residents in public housing and homeless shelters
21 to educators, students in schools to low income
22 seniors and to other communities in need. We stand
23 ready to partner with the city and immediately
24 deliver discounted services to tens of thousands of
25 disadvantaged New Yorkers.

3 We have five ways this was currently bridging the
4 digital divide.

5 Number one, Spectrum provided four months that's
6 260 day offer periods of free broadband internet
7 service in 2020 to educator or student households
8 without services. In response to the pandemic,
9 Charter announced a remote education offer which
10 provided 60 days of free high speed broadband service
11 to K-12 and college students or educators without
12 existing internet service from Spectrum.

13 The first enrollment period ran from March 16th
14 through June 30th, enrolled roughly 150,000
15 households nationwide, including tens of thousands in
16 New York State and New York City with free 200
17 milobytes per second service and in home Wi-Fi and a
18 free self-installation. And recently on September
19 21st, the offer was relaunched, to provide additional
20 connectivity relief with new subscribers without
21 internet from Spectrum.

22 Number two, Spectrum maintained service for
23 customers experiencing economic hardship because of
24 COVID when they did not pay their bills. We did not
25 charge late fees and forgave \$85 million in customer
debt.

3 Spectrum signed the Keep America Connected with
4 FCC which ensured customers connected with us because
5 of hardships due to COVID-19 would not be
6 disconnected or charged late fees through June 30th.
7 As the benefit of the Keep America Connected we
8 forgave a portion of customers delinquent balances,
9 made their accounts current, and put them in 12 month
10 payment plans to pay the outstanding balances over
11 time.

12 Number three, Spectrum offered Spectrum internet
13 assist high speed discounted internet service for low
14 income students and seniors. Which we launched with
15 then Public Advocate Tish James and Council Member
16 Ben Kallos in 2017 in New York City. This discounted
17 service just \$14.99 per month in New York City,
18 \$19.99 per month with Wi-Fi service while providing
19 speeds of up to 30 milobytes per second for
20 downloading data and 4 milobytes for upload, students
21 households [dropped audio 1:52:42] through their
22 national school lunch program are eligible to receive
23 this Spectrum Internet Assist which includes all
24 students for New York City public schools through the
25 community eligibility provision of the NSLP.

3 Spectrum Internet Assist is also available for
4 all seniors 65 or older receiving supplemental social
5 security income. And before Spectrum launched Stay
6 Connected K-12, a product facilitating the remote
7 learning during the COVID pandemic and beyond.

8 Charter recently launched a new product
9 specifically for schools and school districts. It
10 enables any school district to purchase broadband
11 internet delivered to students and educator
12 households at a cost of \$29.99 per user. This
13 enables schools or a school district to purchase
14 service for a student in need and do so for a
15 flexible time at low price point.

16 The school or district maintains a business
17 relationship with Spectrum. It handles billings and
18 account management in conjunction with Spectrum while
19 Spectrum provides installation, technical and
20 customer service directly for the student by educator
21 household. We believe low cost price offerings like
22 these can make virtual education easier to implement.
23 We spoke twice during the summer to Executives at the
24 New York Department of Ed, regarding our state
25 connected offer which could serve all New York City

1 schools in our footprint. Since every student in New
2 York City school system is eligible for NSLP.

3
4 Lastly, we built 40 learning labs in New York
5 City. We partner with nonprofits like the Athletic
6 leak, changed the American Planning Counsel, YWCA,
7 Easter Seals, LGBT Center, Hispanic Federation,
8 National Network, Catholic Charities, Hudson Gale and
9 recently the Lower East Side Girls Club, to build
10 technology labs to reach economically challenged
11 neighborhoods, where not all families have in home
12 access to internet.

13 Each one of these learning labs costs roughly
14 \$100,000 to equip and maintain with free broadband
15 service for a total commitment for approximately \$4
16 million across the labs that we built.

17 These are just a few of the things that we are
18 doing to help students and families in need. I hope
19 these many initiative demonstrate that Spectrum cares
20 deeply about closing the digital divide and we are
21 working diligently to do our part.

22 In closing, the city faces its greatest
23 challenges in the months and years ahead to overcome
24 the COVID pandemic and its effects. History has
25 shown that the city can overcome this challenge but

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3 its success requires that all stakeholder in the city
4 come together for solutions. Spectrum wants to
5 partner with the city to address these challenges and
6 be a part of the city's come back. If the city
7 [INAUDIBLE 1:55:17] we will embrace in collaboration
8 to face the formidable issues we could likely be
9 facing. We welcome any questions that you may have.

10 CHAIRPERSON MOYA: Thank you Rodney for your
11 testimony. That light behind you isn't doing you any
12 favors but I'm going to turn it over to our Council
13 now. Do we have any more panelists that are -

14 COMMITTEE COUNSEL: I believe that all three
15 panelists that we had for this panel and now, I want
16 to turn to our Chairs for questions.

17 CHAIRPERSON MOYA: Thank you, thank you Council.
18 Good to see everybody, thank you again for your
19 testimony today. Just a couple of questions. One,
20 let me just say, good to finally have all of you here
21 at my hearing. I know we missed a couple of you the
22 last time, so it is good that there has been an
23 improvement now in attendance. So, that's always
24 good.

25 I love that everyone is touting all these great
programs but I kind of want to just right into this a

3 little bit because we talked about sort of the
4 discounted programs and you know, what we've been
5 doing for seniors here but let me ask you this, so do
6 the people on the low income plan and I believe
7 Rodney, you were just talking about this, have the
8 same download and upload speeds as those you provide
9 to customers who pay full monthly price?

10 If we could unmute Mr. Capel.

11 ERIC HENRY: Mr. Chair for Altice, the speeds for
12 the Altice Advantage for the \$14.99 per month at
13 discounted rates are 30 megabytes per second.

14 CHAIRPERSON MOYA: And is that the same though as
15 your full paying customers?

16 ERIC HENRY: So, the tiers vary depending on the
17 price, the plan that individuals sign up for. So, it
18 just varies based upon kind of the customer choice.

19 CHAIRPERSON MOYA: For your discounted senior
20 program and those that you are providing in low
21 income communities. So, you are saying - am I
22 getting this right Mr. Henry, you are telling me that
23 they are given a choice within that \$14.00 a month
24 package that they are being offered or is it one
25 specific package that they get for their internet
service?

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2 ERIC HENRY: The package is the \$14.99 per month
3 at 30 megabytes.

4 CHAIRPERSON MOYA: 30 megabytes and what is the
5 package that a full paying customer that goes to
6 Altice get?

7 ERIC HENRY: So, I have to check to see what
8 exactly the pricing levels are for some of our other
9 plans. I do know that from our experiences and those
10 customers that have taken advantage of the plan, they
11 proved sufficient for the purposes – that this kind
12 of rate ostensibly would go to –

13 CHAIRPERSON MOYA: Right but the speed, the
14 speed. So, let's take your basic package okay. Your
15 basic entry level package, where do you start there?

16 ERIC HENRY: So, I could circle back with my team
17 Council Member in terms of the tiers that exist. I
18 don't have that information directly off hand.

19 CHAIRPERSON MOYA: Okay, so let me go to you
20 Rodney same question.

21 RODNEY ROACHE: I apologize, yeah, I had some
22 difficulties. There is different speeds for our full
23 price service as opposed to the senior price.

24 CHAIRPERSON MOYA: Right, so, but the senior – I
25 am going to ask the question again, right.

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3 RODNEY CAPEL: Yeah.

4 CHAIRPERSON MOYA: So, the low income plan,
5 right.

6 RODNEY CAPEL: Yes.

7 CHAIRPERSON MOYA: Same download speed as those
8 that you are providing to your customers who pay full
9 monthly price?

10 RODNEY CAPEL: It is a different speed. The
11 majority of our full price if you will, as you
12 mentioned is about 200 Mbp per second. Our Spectrum
13 Internet Assist is roughly about 34, it's a slower
14 speed in that way that you are describing but we
15 think it is sufficient for the need for many families
16 who are educating at home who are using Zoom and it
17 meets the FCC standards of which -

18 CHAIRPERSON MOYA: Right. You are basically
19 meaning the basic you know, 30 Mbp's that the FCC
20 requires you to do for your low income package?

21 RODNEY CAPEL: Correct.

22 CHAIRPERSON MOYA: So, you are doing the bare
23 minimum here?

24 RODNEY CAPEL: We are doing the standard that has
25 been given by the FCC.

3 CHAIRPERSON MOYA: The bare minimum. You are
4 offering them the bare minimum right, that's what
5 we're saying. We are starting off at the very
6 bottom, right the least required number that you have
7 to offer, that's where you are starting it off from,
8 right?

9 RODNEY CAPEL: They are slower speeds, so it's
10 not the bare minimum of speeds.

11 CHAIRPERSON MOYA: But you are required by the
12 FCC to do it at 30, right?

13 RODNEY CAPEL: Correct, correct.

14 CHAIRPERSON MOYA: And so, the reason why I am
15 getting at this is you know, we are touting all of
16 things that we are trying to do within the low income
17 communities and for seniors. We are not getting the
18 same quality services there. It is less, especially
19 now that we are living in this sort of COVID world
20 that we have to you know telecommute from home. We
21 have kids learning remotely. When we know that 18
22 percent of the city's population in low income
23 communities have absolutely zero access to the
24 internet.
25

3 You know, this isn't something that we should be
4 touting that we are doing such a great job here. I
5 mean, you have the ability to change that.

6 And so, I just want to put it into perspective of
7 when you say these things, you know, you are almost
8 coming in here saying like, we are doing this great
9 service here to these communities that have a lack of
10 access. Communities that are Black and Brown
11 communities that have been consistently been left at
12 the way side when it comes to the advancements of the
13 internet.

14 So, I just want to make sure that I am hearing
15 this correctly and when you guys say that we are
16 offering these great programs and these great
17 discounts, that we know exactly what we are getting.

18 LEECIA EVE: Well, Mr. Chairman if I can answer
19 that question on behalf of Verizon and very much
20 appreciate the sentiment behind your question. Let
21 me be clear, our low cost broadband offer does not
22 offer a less than or inferior service to our full
23 paying customers. Full stop, for \$19.99 a month, a
24 person can get a low income individual, lifeline
25 qualified can receive 200 megabytes.

3 My guess is they are probably many members of the
4 City Council who do not have 200 megabyte service at
5 home or at work. Low income New Yorkers for \$19.99
6 can get 200 megabyte service plus a number of other
7 benefits added on there Disney Plus, Hulu, etc., etc.
8 And so, I am very proud to communicate that on behalf
9 of Verizon and to be cleared unequivocal in answering
10 your question, it is not less than for the course of
11 New Yorkers. It is a top quality, best in class,
12 world class service for \$20.00 a month.

13 RODNEY CAPEL: And I also want to follow up and
14 make sure and we can open up the line for Alex and my
15 team as well who can help with this. We are also
16 very proud of this offer as well. We do not give the
17 minimum requirement; we give the requirement that we
18 have been given for families.

19 CHAIRPERSON MOYA: Yes, the one that the FCC
20 requires you to give them.

21 RODNEY CAPEL: And at a cheaper price too, right
22 and so the cost is effective for folks to be able to
23 afford and we believe that it is a great support
24 network for folks who are looking for a low cost
25 internet offer. Alex, can you provide some
additional?

3 ALEX CAMARDA: Yeah, Council Member, just to
4 clarify the FCC standard is 25-3, so we exceed that
5 standard at 34. 30 megabytes per second and 4 for
6 upload, so. But I think what the more important
7 point is this, what's the point of the service?

8 What our service allows for is two users
9 simultaneously to do a multi person call like this in
10 a household. It allows for watching a movie, surfing
11 the internet, so it meets all the basic needs and
12 more for students who are currently learning through
13 virtual learning. That's the most important aspect
14 of the program, not how great the speed is but what
15 you can do with it.

16 CHAIRPERSON MOYA: Well, you guys are touting how
17 great the speed is and how you have gotten into you
18 know, communities of color, into NYCHA buildings.
19 So, I'm just trying to get some clarity here on like
20 where we actually are in those communities. What
21 levels of services are being provided to the poor in
22 New York City. We know that there is a huge digital
23 divide and when we see that this is happening in our
24 communities, I want to just be clear about it.
25

3 You know, you have the opportunity to change
4 these things, I'm just getting clarity as we go
5 through your testimony.

6 So, thank you for that but I am going to stick to
7 this for a second because this is important. So, how
8 do you plan to provide affordable high speed internet
9 to low income customers outside of that 60-day free
10 internet deal that you are offering for first time
11 customers this fall and also is that including your
12 existing customers?

13 RODNEY CAPEL: Najay.

14 NAJAY ROACHE: We have Council Member, there are
15 a few offers that we have worked on and that we have
16 shared with some of your colleagues and with your
17 office over the summer that aside from - in addition
18 to I should say -

19 CHAIRPERSON MOYA: Najay, I am sorry, can you
20 speak a little louder?

21 NAJAY ROACHE: Are we having trouble here, I
22 apologize.

23 CHAIRPERSON MOYA: You are just a little low.

24 NAJAY ROACHE: Okay, sorry about that. Is that
25 better?

CHAIRPERSON MOYA: A little bit.

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3 NAJAY ROACHE: Okay, so we have made a number of
4 sort of offers that would as we believe, provide a
5 more -

6 CHAIRPERSON MOYA: Hey Najay, you are going to
7 have to speak up a little bit more, sorry.

8 NAJAY ROACHE: Alright.

9 CHAIRPERSON MOYA: Maybe it's that 30 megabyte -

10 RODNEY CAPEL: Repeat the question over my time
11 Chairman, just so we have -

12 CHAIRPERSON MOYA: Sure, so how do we plan to
13 provide the affordable high speed internet to low
14 income customers outside of the 60-day free internet
15 deal that you are offering to first time customers
16 this autumn and does that also include to existing
17 customers?

18 RODNEY CAPEL: So, as I mentioned in our remarks
19 earlier on, you know, we have some offers that we
20 think that would be helpful to in particular the
21 student population that is most effected by the
22 pandemic. We have offered our stay connected plan
23 that can be you know, worked through with a
24 relationship with the city which takes the price
25 point away from the actual consumer and works
directly with Spectrum and the Department of Ed.

3 We've reached out to the Department of Ed to work
4 in conjunction with them on this bulk arrangement and
5 then in addition to that, we've also tried to work in
6 relation with bulk arrangements across the city with
7 residential – the RFEI mentioned in the original
8 panel discussed. You know, having an opportunity to
9 provide again that low cost offer for residential at
10 a bulk rate allows for us to be able to have a long
11 term solution beyond that 60-day offer.

12 CHAIRPERSON MOYA: And that includes existing
13 customers or no?

14 RODNEY CAPEL: That can include existing,
15 correct. That can include existing customers as
16 well.

17 CHAIRPERSON MOYA: Got it. So, this is – when
18 you guys say that you know, you are providing this
19 service. I believe Alex you were saying that you
20 know, it was 25 by the FCC's definition for broadband
21 right?

22 ALEX CAMARDA: Correct.

23 CHAIRPERSON MOYA: But 30 that the FCC required
24 as part of the merger with you in Time Warner, right,
25 correct?

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2 ALEX CAMARDA: No, I'm saying the standard for
3 high speed broadband that's stated by the FCC is 25-
4 3. For Spectrum Internet Assist, we offer 30-4, so
5 we exceed the standard, is the point I was trying to
6 make.

7 CHAIRPERSON MOYA: Got it but you had to be at 30
8 because of the merger, is that correct?

9 ALEX CAMARDA: I believe that we set that level
10 above the FCC definition for high speed broadband.
11 That was something that we did.

12 CHAIRPERSON MOYA: Okay, but that was part of the
13 deal was that it had to be 30, right. That was it,
14 correct, 30 no?

15 ALEX CAMARDA: I don't know that that was
16 specified as part of the merger, that speed level.

17 CHAIRPERSON MOYA: Okay, so that speed say, you
18 say that that will get you about two people to be
19 able to operate on their you know, computer. They
20 can be working on Zoom and their kid could be remote
21 learning, right.

22 So, this is the question that goes to everyone
23 here because you know, I have been talking to a lot
24 of parents, the PTA parents from my district that
25 really have talked about the fact that while all of

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3 this is being offered for free if you had an
4 outstanding cable bill with their provider, they
5 would somehow not be able to access the high speed
6 internet until they actually paid their bill. Is
7 that the practice that you guys are doing here?

8 So, if folks were coming in here, they had a
9 delinquent bill, they were behind on their payments,
10 this free access to the high speed internet, they
11 were not able to access because they didn't pay the
12 bill. Is that the practice that is happening here?

13 ERIC HENRY: So, Council Member, for Altice, when
14 eligible households stated that they wanted,
15 regardless of whether they had a past due balance or
16 not, wanted to sign up for the free internet service
17 if you had a child that's living in New York City
18 public school, we deferred the outstanding balances
19 and that was done up until September 30th of this
20 year. And I think that you are going back to your
21 previous question about you know, what options are
22 available. I think this really presents an opportune
23 time to really engage, reengage with the city.

24 We engaged with the city a few months back and
25 with the New York City Department of Education around
 you know that centralized purchase or model, which

3 allows for these high speeds for centralized purchase
4 through the City of New York, through the New York
5 City Department of Education. And you know, this
6 solves for a lot of the issues that you have been
7 talking about. You know, households are eligible to
8 receive internet connectivity regardless of any past
9 due balances. School districts like the DOE identify
10 the households that lack this connectivity and
11 assured that any unuse or subsidized service are
12 solely used for internet connectivity.

13 Our schools don't have to handle service support
14 calls from households. Households are given
15 dedicated customer service lines through Optimum
16 customer service to address any issues and we think
17 that that's one of the, kind of last remaining
18 barriers that we see towards you know, solving for
19 the problem that you mentioned.

20 So, again, we stand at the ready to reengage with
21 the DOE to talk about how we can make that into a
22 reality.

23 RODNEY CAPEL: Is it possible we can unmute Najay
24 for us again?

25 CHAIRPERSON MOYA: Yeah.

RODNEY CAPEL: Sorry.

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3 CHAIRPERSON MOYA: Najay, hold on Najay, I think
4 we had you for a second.

5 NAJAY ROACHE: There we go. Yes, I did want to
6 clarify Council Member that that is not the policy.
7 That customers who did have a past due balance -

8 CHAIRPERSON MOYA: Najay?

9 NAJAY ROACHE: Yes sir.

10 CHAIRPERSON MOYA: You are still really low for
11 me. I am sorry, I don't know if it is me or what.

12 NAJAY ROACHE: It is possible it is not you. I
13 apologize. I am having some technical difficulties
14 here.

15 CHAIRPERSON MOYA: Perfect, there you go.

16 NAJAY ROACHE: Okay, I was trying to clarify that
17 that is not the policy. Customers that have a past
18 due balance, at one point, very early on I want to
19 say within the first week, we did get word that there
20 were some issues and we very quickly reached out to
21 those customers and connected them so they were
22 brought into the offer and that has not been the
23 policy, no.

24 CHAIRPERSON MOYA: So, I lost some of that. What
25 are you saying, the people that were not included in
that in the beginning were later brought on?

3 bit about what they want to do in terms of coming
4 back into the city and talking.

5 So, what have all of the providers that are here
6 today, what kind of outreach did you do this spring
7 to ensure that people were eligible for this no cost
8 60-days of internet? You know, how did they know
9 about the offers and how were they able to take
10 advantage of this? What was that kind of outreach
11 that was done in these communities to let them know
12 that this is there?

13 NAJAY ROACHE: We use direct mail, as we use for
14 our current portfolio. Generally, we work with
15 community partners. We have put a lift on the offer
16 directly in the hands of our partners at senior
17 centers, community service locations that have a
18 footprint in the district and we have also worked
19 with our partners in government and made sure that
20 they were aware if they had any constituent outreach.
21 We spoke with a number of your colleagues about that
22 as well to make sure that the word was getting out
23 and that these households were aware.

24 CHAIRPERSON MOYA: Rodney never called me.

25 NAJAY ROACHE: I'm sorry?

CHAIRPERSON MOYA: Rodney never called me.

2 RODNEY CAPEL: The high speed, the high cost.

3 NAJAY ROACHE: So, we also, like I said, we also
4 in addition to the direct outreach that we do as per
5 usual with SIA, this offer wasn't just limited to SIA
6 eligible households. So, we sent out you know, our
7 marketing team, used their direct mail efforts like I
8 said and we also worked with our partners but heavily
9 relied on our partnerships in the community
10 engagement space because obviously, as things were
11 closing during the pandemic, our usual direct in hand
12 efforts were not as viable in that setting.

13 So, we did work with those organizations whether
14 they had mailing lists, list serve, whether they were
15 churches, whether they were libraries to make sure
16 that we maximize every point of contact that they
17 have within our service area.

18 CHAIRPERSON MOYA: In multiple languages?

19 NAJAY ROACHE: That's correct. We also have
20 language line which is a feature that we offer with
21 our SIA enrollment. Where over 200 languages and
22 dialects are available if a customer calls in and
23 needs language assistance, that language line service
24 is there at their election to help them get through
25 the enrollment process.

3 ALEX CAMARDA: This is an important point Council
4 Member because for the Spectrum Internet Assist
5 program, this is something that as you know and as
6 Council Member Kallos alluded to, we actually began
7 several years ago and for the marketing of that, we
8 have done at least one mailing to the targeted
9 audience per month, dating back years.

10 So, that's an extensive outreach coupled with the
11 direct marketing that Najay spoke of where we are
12 going into neighborhoods, partnering with nonprofits.
13 We have done backpack giveaways where we have given
14 away just in the last month over 2,000 backpacks and
15 inside those backpacks for students was an insert
16 about the Spectrum Internet Assist program that they
17 could enroll and then benefit from.

18 LEECIA EVE: Mr. Chairman, on behalf of Verizon,
19 you know our policy has changed over time and in a
20 way that's good. Let me answer I guess you had two
21 or three questions in what you posed to my colleagues
22 at Altice and Charter. Verizon Institute is
23 something called a Keep American's Connected Program
24 because historically, if you did have a past due
25 balance, you weren't able to get a new service.
Whether you were a low income customer or a high

3 speaking for Verizon but I think the industry and
4 working with the City of New York, we can be doing
5 collectively more outreach to communities, letting
6 them know about the various offers that we provide.
7 We don't provide free internet service but we provide
8 world class 200 megabyte service for \$20.00 a month
9 and so, we are going more to advertise those offers.
10 And I have invited the City of New York specifically,
11 the CTO's office to work in partnership with this
12 office to get the word out to as many New Yorkers as
13 possible.

14 CHAIPERSON MOYA: Great, thank you. I have one
15 more question, I am going to turn it over then to
16 Council Member Holden as well. This is to you
17 Leecia, you had mentioned in your testimony about not
18 gaining access to buildings. Any data that shows the
19 number of property owners who don't allow you to get
20 access?

21 LEECIA EVE: Oh, absolutely. Some of that
22 information is proprietary Mr. Chairman but I can get
23 you that information in very short order because you
24 know, listen, we have made this investment, we want
25 to get to as many customers as possible. In that
respect, the City of New York, the members of the

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3 City Council, the Administration at Verizon, we are
4 100 percent aligned in that goal. To be blunt, my
5 building and the entity that owns my collection of
6 buildings will not let my company in. I am Vice
7 President of Verizon and I am a customer of one of
8 our fierce competitors because we have been fighting
9 to get you know, what I think is the best service
10 into my building, so that I even as a Verizon
11 employee in the City of New York could have it.

12 A little bit embarrassing but that really is a
13 testament to how fiercely some of the building
14 owners and managers have locked out Verizon and
15 reduced the availability for competition for best in
16 class services to many New Yorkers, including
17 unfortunately myself.

18 And so, we can get you that list and would be
19 happy to meet with you at your convenience to bring
20 in members of our operations team to talk about how
21 we can tackle this problem. Because it is not in the
22 best interest of New York City residents that this
23 problem continues to exist. We are ready to spend
24 significant capital resources. One of the things
25 that you know that I didn't mention in our testimony
is, you know, we spent \$17 billion to \$18 billion in

3 every year deploying our networks including billions
4 that we've invested here and we do that without one
5 penny of taxpayer dollars. We don't need President
6 Trump, we don't need Congress, we don't need
7 resources from the City of New York, we just need a
8 partnership and then we are ready to roll and do what
9 needs to be done for New Yorkers.

10 And so, we will get you that information and
11 would welcome any help that you could provide in
12 helping us address this issue for the interest of all
13 New Yorkers.

14 CHAIRPERSON MOYA: Great, you know, I am just
15 going to end it with this because you know, everyone
16 came in here with these great numbers and wonderful
17 presentations of like all the great services and the
18 fast speed internet that everyone is doing you know,
19 for New Yorkers at this moment. But out of this has
20 come out - there needs to be a lot more to close that
21 digital divide in communities of color. In places
22 that look like you and me that don't have the access
23 to high speed internet, that don't have the ability
24 to do it, when people you know, in communities like
25 mine where are mostly immigrant families, the only
way that they can get to the internet is through

2 their mobile phone. We need to do a lot more here
3 and one of the things that I see is that you know,
4 the studies that have been shown say that the U.S.
5 broadband customers are paying more money for low
6 speed broadband than customers abroad.

7 And so, I am leaving it with this, how do we
8 explain that? How do we explain that we come in here
9 and we talk about the wonderful new initiatives that
10 we have going on here and access to high speed
11 internet but yet, we are seeing statistical studies
12 that show that we are paying more money for a low
13 broadband than people abroad? How do you respond to
14 that?

15 LEECIA EVE: Well, I would say in the case of
16 Verizon that that's just simply just not true. 200
17 megabyte service is truly world class service, truly
18 world class service for \$20.00 a month and the faster
19 that we can get into more buildings, I mean, we have
20 covered most of the city but there are pockets where
21 in buildings where we still have challenges. The
22 faster that we can get into those buildings, the
23 competition is good for everybody, right. It is most
24 significantly the City of New York, so again, I just
25 you know, welcome the partnership and I appreciate

3 your leadership in co-hosting this hearing and we
4 stand ready to work with you to move forward on the
5 deployment issue as effectively and as quickly as
6 possible.

7 CHAIRPERSON MOYA: Thank you.

8 ALEX CAMARDA: You know, I think some historical
9 perspective is also instructive. I mean, a decade
10 ago, typical internet service was 8 megabytes and
11 now, we are talking about affordable programs that
12 are 30 and above that and for Spectrum, our flagship
13 offering is 200 megabytes. So, that's all because of
14 the investment that Leecia Eve spoke of. Combined
15 the internet service providers have actually spent
16 \$1.5 trillion since the mid-90's on their networks.
17 That's an enormous amount of money. We have spent
18 \$40 billion just in the last five years at Spectrum
19 and those kind of capital expenditures are what has
20 made the internet as fast as it is today.

21 ERIC HENRY: And for Altice, you know, we have
22 known that the digital divide is something that has
23 kind of effected New Yorkers for a few years which is
24 why we launched Altice Advantage and we wanted to
25 make sure that at this very low discounted rate, as
many New Yorkers were apprised of the offering as

1 possible. So, we reengaged in a heavy research and
2 marketing campaign to make sure that you know, the
3 communities that would benefit most in this offer
4 which would be those with low income, veterans, the
5 elderly, you know actually knew that this existed.
6 We partnered with community organizations. We placed
7 ads on consumer websites and through our school
8 districts and our contacts and our business account
9 reps.
10

11 We waived a lot of the red tape that might deter
12 individuals from wanting to sign up. We really
13 promoted ease of access for our low cost offerings,
14 in addition to when COVID hit, really opening it up
15 and making it free for you know a population of our
16 city that really needed it the most, which is you
17 know, our students. Whether that be K-12 or college
18 students, this was available to them and we continued
19 that line of aggressive advertising, to make sure
20 that they knew this was there.

21 I think that you know, as we get ready to
22 relaunch the program this month, this free program, I
23 think that you know this is a great opportunity again
24 for the city to reengage around you know, centralized
25 purchasing and really promoting you know, ease of

3 access particularly for our students that comes at
4 absolutely no cost to the households that need it the
5 most and I think that it is sustainable. I think it
6 is workable. I think it is feasible. It has worked
7 in Connecticut; it has worked for you know some
8 foundations within our footprint.

9 So, I think that there is definitely room to
10 collaborate here and we look forward to continuing
11 that strong partnership that we have enjoyed with the
12 City of New York over the past years of our
13 partnership.

14 CHAIPERSON MOYA: Well, I could go on all day
15 long with you guys because I have a ton of questions
16 here but I think that there needs to be a lot more
17 improvements that we see here, not just coming in to
18 tout all this fast internet service. We got to work
19 together here and we got to close the digital divide.
20 There is no doubt in my mind that we have an
21 obligation to this city, to the people who are
22 suffering the most throughout this pandemic before
23 the people in communities of color that have been
24 suffering throughout this entire pandemic, still
25 don't have the necessary basic needs to get through
this. And you as the providers, the main providers

3 here in the City of New York have to take on a real
4 responsibility here and I am glad to hear that you
5 want to work with the city but there is a lot of
6 things that we need to do to get this really moving
7 in the right direction, especially in our
8 communities.

9 So, that's it for me. I want to take this
10 opportunity now to thank you all for your testimony
11 today and I just want to turn it over now to Chair
12 Holden for some questions.

13 CHAIRPERSON HOLDEN: Thank you Chair Moya. I
14 will now try to be brief and by the way, very good
15 questions. I have been very skeptical of most
16 internet providers and cable companies having dealt
17 with several of them over the past several years and
18 reading the fine print is very, very important and
19 usually these offers are fleeting and they only last
20 for a short period of time and then skyrocket.

21 I just want to ask Spectrum, the Spectrum Reps,
22 we have seen several articles from across New York
23 State reporting that Spectrum plans to raise prices
24 for service in Rochester for instance, Buffalo and
25 Albany. Is that going to happen in New York City?
Are you going to raise prices soon?

2 RODNEY CAPEL: In terms of internet offer, no we
3 have not raised it.

4 CHAIRPERSON HOLDEN: Well, you are raising it in
5 the other cities in New York State.

6 RODNEY CAPEL: We have not raised it in New York
7 City.

8 CHAIRPERSON HOLDEN: But you are planning to do
9 it in other cities?

10 RODNEY CAPEL: I believe that there is a
11 different price for it in other cities. We have made
12 a decision not to do that here in New York City.

13 CHAIRPERSON HOLDEN: Okay, because we have seen
14 companies raise their prices over a period of time.
15 We understand that you have to make a profit but tell
16 me, what is the cost of the company, and this goes
17 for everybody, what is the cost of the company to
18 provide faster internet service for students because
19 I don't think 30 megabytes per second is essentially
20 adequate. I know it is the minimum or near the
21 minimum but I don't think if you have a bunch of kids
22 in the same household, we've seen it in my office,
23 that we will freeze at times even though we have
24 faster internet service.

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3 So, I am not — I don't know what it cost the
4 company to provide 200 versus 30. Can somebody
5 elaborate on that? Why can Verizon offer 200 for
6 \$20.00 and Spectrum can't?

7 RODNEY CAPEL: Najay do want to?

8 NAJAY ROACHE: I was going to just chime in
9 Council Member to say that the infrastructure that
10 has been fully provided in New York City, we are
11 fully built out as it was required by our franchise.
12 And so, if a household has a higher need and has a
13 higher demand for speed and service that there are
14 options available.

15 I want to come back to the point about the —

16 CHAIRPERSON HOLDEN: Do you limit those options?

17 NAJAY ROACHE: If a household, for example, you
18 know, if a household has you know, three you know,
19 activity gamers and maybe you know, students who are
20 using Zoom or Web X or similar platforms to do their
21 e-learning, you know, every households needs are
22 different. And so, I know there has been a reference
23 to the 30 megabytes as sort of a bare minimum, I do
24 want to state that that is — it's not a bare minimum
25 while it is a floor. That floor contemplates the

1 essential needs that an average household has in the
2 21st Century.
3

4 Now, that's not to say that there aren't
5 households that exceed that demand. I am sure among
6 us gathered here, there are some of us that use more
7 data on our various platforms and others but I do
8 want to say that the infrastructure that has been
9 invested, that Charter has invested in New York City,
10 that infrastructure is available throughout our
11 residential service area.

12 So, if a household has higher needs and the level
13 of activity that they conduct requires a higher speed
14 of service, there are multiple plans available but
15 the Spectrum Internet Assist plan is not intended to
16 be you know, a service point for you know, heavy
17 gaming or high demand usage. And I think that that's
18 consistent with what some of our colleagues here have
19 said but it is and it is critical at this point, it
20 is sufficient to allow the average use, that
21 benchmark, that Obama FCC benchmark was set based on
22 what usage trends were and it is still the case. Our
23 customers that are enrolled in Spectrum Internet
24 Assist, you know, have not complained to us that the
25

3 speeds that they receive are inadequate to allow for
4 regular household usage.

5 So, I would just say that I think that's an
6 important point to note in this conversation that the
7 number of the speed itself, while it does correlate
8 to a type of user and a type of internet usage, it is
9 by no means an inadequate standard, as was determined
10 by the federal, state and local government at the
11 time that it was established.

12 And we have consistently been found to meet and
13 exceed the speeds that are promoted. So, while all
14 of us here can maybe speak to anecdotal bits where
15 there are interferences or things of that nature that
16 is sort of the course of business in this space, I do
17 want to just make sure that we underscore that point.
18 That that service that we are offering, it is
19 reliable and it is consistently available in all of
20 the communities that we serve.

21 CHAIRPERSON HOLDEN: Well, we've seen and I've
22 seen it in my house and I have seen it in my office,
23 which we have Charter, we have Spectrum, that the
24 speeds don't always, you don't always get what's
25 advertised. It will drop below depending on a
neighborhood and issues in the neighborhood and also,

3 which is never told, very seldom is this told to a
4 customer, that's it is also depending on the wiring
5 in your house. The cables and so forth, how old it
6 is and the quality.

7 So, I'm not buying any of this really. I also
8 know that in I guess June 17, 2020, Charter filed a
9 petition with FCC to determinate the data caps to let
10 the company out of the commitments it made in 2016 as
11 part of the merger, which was mentioned before with
12 Time Warner.

13 So, it's all disingenuous because we have seen
14 Spectrum, we have seen Charter in action and I'm not
15 totally satisfied with the answers today but let me
16 just move onto Verizon for a second.

17 You said there were 20,000 hot spots you are
18 offering to DOE around schools you said?

19 LEECIA EVE: The Department of Education will
20 ultimately determine what children and families will
21 receive those hot spots but we understand a very
22 significant number of the 20,000 will be going to
23 students in NYCHA facilities. Potentially, some
24 students in shelters and so, but you know, we wanted
25 to provide this critical assistance. We didn't want
to be in the decision of deciding who we thought DOE

3 was best positioned and so, the Department of
4 Education was making those specific decisions.

5 But a large, the focus obviously by definition is
6 with respect to children in need who do not have
7 robust connectivity.

8 CHAIRPERSON HOLDEN: Just to interrupt, so the
9 20,000 priority will be placed in NYCHA or DOE or
10 schools?

11 LEECIA EVE: DOE will be making the determination
12 as to what 20,000 students receive those hot spots
13 but we understand a significant portion potentially
14 as many as 40 percent of the students who will
15 receive them are in NYCHA facilities but it is going
16 to be for DOE to make the determination as to where –

17 CHAIRPERSON HOLDEN: Why are we leaving it up to
18 DOE, why don't you decide? Why doesn't Verizon
19 decide?

20 LEECIA EVE: Listen, I mean, we are great at what
21 we do. We believe however, that DOE is better
22 positioned than we are because it has a better
23 understanding than an individual company as to where
24 specifically the needs are. And so, we defer to DOE
25 but we were pleased and proud to provide these 20,000
hot spots.

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2 CHAIRPERSON HOLDEN: May I ask when you made that
3 offer to DOE? Because I know they notoriously –

4 LEECIA EVE: It was relatively recent Mr.
5 Chairman and I don't want to get ahead of DOE but
6 happy to reach out to you as early as tomorrow with
7 greater specificity but I didn't want to get ahead of
8 whatever deal we may be announcing publicly.

9 CHAIRPERSON HOLDEN: I wish that Verizon would
10 actually offer it to or near the hot spots near NYCHA
11 buildings and make that decision rather than leave it
12 up to DOE to decide where you are putting it because
13 I think you can kind of like, we know where NYCHA is
14 and we know that they are underserved.

15 So, we should be able to solve that without DOE
16 getting involved and adding another layer but that's
17 up to your company but I would just recommend that
18 but let me get into the business, because I know you
19 talk about the resistance from building owners. What
20 incentive do you offer the business, I'm sorry, the
21 building superintendents or the owners to get into a
22 building? Is there any incentive, like a discounted
23 rate for a year or so?

24 LEECIA EVE: Well, I appreciate the question Mr.
25 Chairman. We actually do offer, my colleagues at

3 Charter and Altice referenced this as well Mr. Capel
4 did about bulk offers.

5 So, we have a number of buildings and
6 neighborhoods all across the City of New York as our
7 competitors do where we offer bulk offers. So, we
8 can come into the building and offer a great rate for
9 the building rent large and then it can decide how it
10 wants to make those services available to individual
11 residents by baking in an extra certain amount of
12 money each month into their rent and everybody has
13 the service or individual residents in a particular
14 building can avail themselves.

15 So, the bulk offer process is one that by
16 definition, is a great deal. The building enters
17 into a bulk arrangement that is going to benefit of
18 the building as well as the individual residents and
19 frankly, because I believe that Verizon does provide
20 a best in class service because it is all fiber. All
21 fiber does mean that you have a more robust connect -
22 that's why we can offer 200 megabyte service for
23 \$20.00 a month for low income customers.

24 So, benefit number one, would be a lower cost for
25 the building and individual residents be the bulk
offer and you know, sometimes there will be older

1 buildings where we have to simple because you know,
2 they want us to make sure that we protect certain
3 types of molding and not to get into the minutia, but
4 that can be incredibly expensive using NYCHA as an
5 example.
6

7 We have spent millions of dollars, millions of
8 dollars beyond the basics of our deployment in NYCHA
9 buildings alone because NYCHA had very specific
10 requirements about what specific type of molding we
11 should be placing over the fiber optic cable in those
12 buildings.

13 So, there are certain accommodations that we make
14 that are additional cost to us that we do not pass on
15 to the building owner. So, those are a couple of
16 examples of the incentives and the willingness to
17 work in partnership.

18 CHAIRPERSON HOLDEN: Again, I think the city
19 should see that we have competition within buildings,
20 so I would like to talk to you more about that. I
21 know we have a busy agenda today, so I will cut it
22 short Chair Moya. And I know, I think there is a
23 Council Member with questions.
24
25

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2 CHAIRPERSON MOYA: Yeah, thank you, thank you
3 Chair Holden for your questions. I now want to turn
4 it over to Council Member Kallos for some questions.

5 SERGEANT AT ARMS: Your time starts now.

6 COUNCIL MEMBER KALLOS: Thank you. I know that
7 DoITT is still watching the hearing and I am
8 requesting that submit an answer in writing whether
9 the city can require franchisees to lay strands of
10 fiber for the city's use such as municipal broadband.

11 I want to thank Charter for their partnership in
12 providing high speed 30 megabyte internet to low
13 income families for \$14.99 a month. I want to thank
14 Altice for following this model and I also want to
15 thank Charter for direct mailings that I have also
16 requested and I appreciate this public/private
17 partnership.

18 For contacts, what I want to share is that before
19 Tish James and I weighed in on the Charter Emerged,
20 the lost cost option of every day low price was
21 \$14.99 a month for 3 megabytes. That wasn't before
22 2010, that was like back in 2015, 2016, 2017 and
23 that's ten times slower.

24 So, right now, I am actually fighting the Mayor
25 who is giving kids LT devices and saying it is

1 broadband when it is not and that being said, with
2 all the franchisers expired, I hope I will have the
3 Chair's support demanding a minimum of 100 megabytes
4 for faster speeds as we do these renewals. That when
5 the pandemic began at the urging of banks of Harlem,
6 I asked if Charter would provide free or low cost
7 internet for our public school students shortly after
8 you announced you would and you did it for free, so I
9 wanted to thank you for that as well and just again,
10 it's all about the public private partnerships.

12 I have got two questions I am going to ask them
13 upfront this time. The first question is to Verizon,
14 you mentioned affordable internet through lifeline
15 link up so many times. I just went to sign up at
16 your website and I was referred to a page and so, on
17 this page, I tried to see if I could get them to put
18 this online and share it but on this page, it says
19 that you can only get this \$20.00 a month 200
20 megabyte service in eight counties, none of them are
21 in New York City.

22 So, I guess the first question is, right here,
23 right now, will Verizon commit to lifeline in New
24 York City? Also, lifeline is available for people
25 who qualify for SNAP, Medicaid and SSI. The program

3 that we were able to work out with Charter and Altice
4 is actually for any child on free or reduced school
5 lunch, about 800,000 of them here in New York City.
6 So, will you commit to doing so here and if this
7 website is wrong, will you promise to fix it
8 immediately?

9 The second question is, as you may have read
10 about it in the New York Post, New York City is
11 currently spending \$10.00 for T-Mobile for 4G for
12 300,000 iPads, some \$9 million in the first three
13 months of the pandemic as part of a \$269 million
14 deal. And so, I would just ask, how much would
15 Charter or Altice and I will even commit to Verizon,
16 have charged in March and now in September to offer
17 actual broadband speed at least three times faster to
18 all of our public schools students given the fact
19 that you are currently literally giving it away for
20 free?

21 SERGEANT AT ARMS: Time expired.

22 LEECIA EVE: So, Council Member, you had about
23 five questions baked in there but let me try and
24 answer all of them. One is yes, the website, I am
25 not sure where that is, it might be a dated page.
But we, without question have lifeline customers in

2 New York City, lots of them. It's not just eight
3 counties in other parts of New York State. And yes,
4 if you are lifeline eligible and a new customer, you
5 are eligible for our low cost broadband offer. If
6 there is an outdated page, we will make sure that
7 that is taken down.

8 In terms of your question about DOE, I can't
9 really comment on any discussions that Verizon may or
10 may not have had with the Department of Education in
11 March, but what I will say is that Department of
12 Education has proudly been a Verizon customer for
13 many years. We have a strong working relationship,
14 both on our wireline and wireless side of the houses
15 and we are always looking for opportunities to
16 partner for the benefit of New York City school
17 children.

18 It would be - I would unveiling or disclosing
19 proprietary information if I spoke with any greater
20 specificity but we have a robust partnership which we
21 are strengthening every day with Department of
22 Education for the benefit of the City of New York's
23 children.

24 ALEX CAMARDA: I would just add that you know, we
25 have as part of our suite of affordable offerings, we

3 launched a couple of events throughout our footprint
4 at the Bronx and Brooklyn to make sure that
5 households with children in New York City public
6 schools had the opportunity to get a free laptop at
7 those events which were held last year.

8 In addition, we also have the Free Student Wi-Fi
9 program which we basically extended to the New York
10 City public school system whereas at no charge to the
11 student household, students with a Mac enabled device
12 were able to access the Optimum Wi-Fi network free of
13 charge.

14 So, I think those are some of the things in
15 addition to what I mentioned in regards to the
16 centralized purchaser that we really have made it a
17 really concerted effort to market because it
18 absolutely does no one any good to have a service
19 that no one knows about.

20 And working with our community stakeholders,
21 working with you know, our CPO's that you know,
22 function not just as places of personal and
23 professional development but also recreation and
24 education to get the word out. So, those are just a
25 couple of things that the company has done in regards
to your question Chair.

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3 COUNCIL MEMBER KALLOS: Thank you.

4 CHAIRPERSON MOYA: Okay, thank you very much. I
5 am sorry Counsel; you were going to say something.
6 Irene, were you going to say something?

7 COMMITTEE COUNSEL: Yes, I was muted, I
8 apologize. Council Members, if you have any
9 additional questions to these panelists, please use
10 your raised hand function and as of right now, I do
11 not see any more questions and I would like to
12 welcome our next panel. And our next panel will be -

13 CHAIRPERSON MOYA: Let me just say thank you very
14 much to the panelists for your testimony today. I
15 think this is a start. We really need to come and
16 revisit some of the things that we have been talking
17 about here today. You know, this is going to be
18 around for a while, so I hope that we can continue
19 the dialogue moving forward.

20 LEECIA EVE: Thank you Mr. Chairman for giving us
21 the opportunity.

22 RODNEY CAPEL: Thank you very much. We will be
23 in touch.

24 CHAIRPERSON MOYA: Thank you. Now, I want to
25 turn it back to you Counsel. Thank you for that.

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3 COMMITTEE COUNSEL: Thank you Chair and I would
4 like now to welcome our next panel. Ms. Virginia
5 Abrams from Starry Internet, if she is still
6 available and Robert Veksler from Brooklyn Fiber.
7 Once your name is called to testify, our staff will
8 unmute you and the Sergeant at Arms will set the
9 timer to announce that you may begin. Please confirm
10 that your mic is unmuted before you begin speaking.

11 You testimony will be limited to two minutes and
12 Council Members will have an opportunity to ask
13 questions after each panel of witnesses. Ms. Abrams,
14 before you begin, please state your name and
15 affiliation for the record. You may begin now.

16 SERGEANT AT ARMS: Your time starts now.

17 VIRGINIA LAM ABRAMS: Good afternoon Chairman
18 Moya, Chairman Holden, Public Advocate Williams and
19 distinguished members of the Committee on Technology
20 and Subcommittee on Zoning and Franchises.

21 My name is Virginia Lam Abrams and I am Senior
22 Vice President of Government Affairs and Strategic
23 Advancement for Starry.

24 Starry is a wideband hybrid fiber wireless
25 internet service provider and we have expanded our
affordable high quality broadband services over the

3 last year and a half to New York City. Our mission
4 is to expand affordable broadband access using our
5 innovative last mile wireless technology.

6 Starry connects households to a gigabyte quality
7 internet connection at 100, the cost of laying fiber
8 to the home with little to no disruption to the
9 communities we serve. As you all know, the digital
10 gap in New York City is not about access, it is about
11 affordability. And super-fast broadband is available
12 but It remains frustratingly out of reach for
13 millions of families due to cost. The consequence of
14 an uncompetitive broadband market.

15 So, how do we begin to solve this problem,
16 through healthy, robust, broadband competition.
17 Today, across the five boroughs, competitive
18 residential broadband exists almost exclusively in
19 high density neighborhoods with high income
20 households. This is where innovative broadband
21 technologies like Starry play a critical role in
22 helping drive competition. Our technology efficiency
23 enables us to offer Starry Connect, a partnership
24 program with public and affordable housing owners to
25 provide a \$15.00 high speed symmetrical broadband
option without data caps, costly TV bundles or long

1 term contracts. But most importantly without credit
2 checks or individual eligibility requirements.
3

4 Today, more than 23,000 units of public and
5 affordable housing participate in our Starry Connect
6 program and 15,000 of those units are located right
7 here in New York City.

8 Last week, we announced an innovative partnership
9 between Starry, Microsoft and the City of Los Angeles
10 to bring Starry Connect to more than 9,000 public
11 housing residents and we are actively working to
12 bring a similar program to NYCHA. But there is more
13 work to do and smart policies at the federal, state
14 and local levels are key to advancing these efforts.

15 SERGEANT AT ARMS: Time expired.

16 VIRGINIA LAM ABRAMS: I also echo Verizon's
17 testimony that exclusive agreements that bar
18 competitive broadband access are a key barrier to
19 expanding affordable access in MDU's. We provided
20 additional detail in our written testimony and
21 Chairman Moya, Chairman Holden, and distinguished
22 members of the Committee, I thank you for your time
23 and I am happy to answer any questions.
24
25

3 and Verizon, often they only have a choice of one of
4 these providers.

5 As a small provider, without access to unlimited
6 resources and open ended franchise agreements, we
7 have been running service for our customers through a
8 hybrid model. Fiber runs where we can and fix
9 wireless connections everywhere else. Fixed wireless
10 gives us the ability to bring incredibly high speed
11 internet into practically any building in New York
12 City and our time to deployment is days instead of
13 months or years.

14 The issues we have run into a part from this
15 being an incredible expensive endeavor stem from
16 primarily from access. For instance, we cannot set
17 up on top of NYCHA buildings even though we are the
18 main uplink to several NYCHA focused broadband
19 initiatives.

20 In working with NYCHA, we have had to work around
21 a lack of access by attempting to beam open Wi-Fi
22 networks into buildings. This is what we did for
23 NYCHA residents free of charge during Hurricane
24 Sandy. Needless to say, this is not a liable
25 solution.

3 If access to city buildings and infrastructure
4 became less of a hurdle for companies such as my own,
5 we could then sit up last mileing to millions of New
6 Yorkers that have poor to extremely limited and often
7 times much too expensive options for internet
8 service. We receive calls all day every day from
9 people who are either forced to sign up for
10 egregiously expensive plans or simply have one option
11 for service. That in and of itself is a major cause
12 for concern. These are people that now more than
13 ever need affordable and reliable internet access for
14 their families.

15 The woeful state of New York City's internet
16 infrastructure should be ringing alarm bells
17 throughout the City Council. In all facets of
18 government planning, you shouldn't be looking at this
19 as a pot hole problem in an otherwise road system,
20 you should be looking at this as though the BQE or
21 the Bell Parkway simply cease to exist.

22 And on franchises, instead of providers doubling
23 efforts for coverage or running fiber twice or even
24 three times each area, the city should be running
25 this fiber.

3 The current system causes providers to double
4 their efforts. The city is generating franchise fees
5 through the scheme but it does seem short sided. It
6 would have had a far greater impact if the city
7 lowered or removed these franchise costs all together
8 and ultimately looked at expanding our rural
9 broadband coverage by running city owned fiber and
10 charging providers for access.

11 This would not only solve the problem of access
12 to all New York City residents but lead to less
13 infrastructure built out and interruption. When
14 considering what speeds are being provided to lower
15 income families through the universal broadband
16 program, I would ask providers about download and -

17 CHAIRPERSON MOYA: We got to wrap it up, time is
18 expired. So, can you wrap it up right now?

19 ROBERT VEKSLER: Yeah, sure. So, I would ask
20 providers about download and upload speeds. The FCC
21 minimums are going to be anemic for any family with
22 multiple children during remote learning or Zoom
23 based classes. Not all the incumbents seem to be
24 providing an acceptable level of service for typical
25 home use today.

We have very specific ideas -

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3 CHAIRPERSON MOYA: Alright, Rob, thank you. I
4 appreciate it. Thank you for your testimony.

5 Okay, we are going to move into Council Member
6 questions. Chair Holden, do you have any questions
7 for the panelists?

8 CHAIRPERSON HOLDEN: Yeah, I just want to
9 mention, I want ask a question of these two
10 providers. Which are, they are wireless right? They
11 are both wireless. Do the exclusive agreements that
12 you are running in with building owners, is that your
13 biggest hurdle with the wireless providers? Anybody?

14 CHAIRPERSON MOYA: Right, let's unmute Virginia
15 if we could.

16 VIRGINIA LAM ABRAMS: Thank you for the question
17 Chairman Holden. I would say that it is two fold
18 issues particularly in urban areas. One, it is these
19 exclusive arrangements that are set up with building
20 owners that can bar competition or at least deter
21 competition in the MDU environment. There is a
22 proceeding currently in front of the federal
23 communications commissions that is looking into these
24 arrangements whether they are exclusive marketing
25 agreements, exclusive revenue agreements or other
essential contracts between incumbent providers and

3 building owners that essentially act as exclusive
4 service arrangements, which are prohibited under the
5 FCC.

6 So, that's certainly in a dense urban environment
7 like New York City is an enormous hurdle. The second
8 piece for us as a fixed wireless provider is the
9 permitting process within the city. Often times that
10 can extend beyond 90-days and those, like they say,
11 time is money and for each month that we can't deploy
12 our network that's a cost to us and it really deters
13 our ability to continue to roll out our affordable
14 broadband access.

15 So, those are the two largest hurdles that we see
16 in this environment.

17 CHAIRPERSON HOLDEN: So, what is the agency that
18 you are having the most problems with in the city?

19 VIRGINIA LAM ABRAMS: So, we work with the
20 Department of Buildings to go through our permitting
21 process.

22 CHAIRPERSON HOLDEN: And they take a very, very
23 long time, surprise, surprise. However, what
24 percentage would you say a building that you approach
25 have that exclusive agreement, the not only marketing
but the access?

3 VIRGINIA LAM ABRAMS: Across all the five metro
4 areas that we operate in today, for apartment
5 building that have 50 units or more, it's 100 percent
6 of all buildings have some type of exclusive
7 arrangement. Whether it is a marketing agreement, a
8 revenue agreement, a wiring agreement, a molding
9 agreement. I echo the previous panels testimony on
10 why it is expensive to deploy in public housing and
11 affordable housing because often the incumbent
12 provider will not allow access to the molding. So,
13 we have to build in our new molding, we have to pull
14 in new wiring, we have to do all that cord drilling.

15 So, these are barriers to entry particularly for
16 startup, providers like Starry and others that are
17 trying to come in and provide competition.

18 CHAIRPERSON HOLDEN: Yeah, I would think that's
19 again, people paying, the customers are paying the
20 price for the lack of competition. So, this should
21 be a number one priority of New York City to try to
22 get rid of this and these service agreements and
23 marketing agreements which you know, like you said,
24 it is a violation obviously and they shouldn't get
25 away with it.

3 So, we need to focus on that. I will have my
4 Committee look at that a little deeper and we will
5 certainly, hopefully address that. For startups,
6 can't get a foothold and the customers are obviously
7 paying the price, New York City resident and if you
8 are saying its 100 percent, in one way or another
9 that's even more alarming.

10 VIRGINIA LAM ABRAMS: Thank you Chairman.

11 CHAIRPERSON HOLDEN: Thank you Chair.

12 CHAIRPERSON MOYA: Thank you Chair Holden.

13 Counsel, is there any other Council Members that have
14 any questions for this panel?

15 COMMITTEE COUNSEL: I do not see any more
16 questions from Council Members and therefore would
17 like now to welcome our next panel.

18 Our next panel will be Allie Bohm from New York
19 Civil Liberties Union, Lance Van Arsdale from Local
20 3, and Will Luckman from Tech Action Working Group.

21 Ms. Bohm, please indicate your name and your
22 affiliation before you start your testimony and you
23 can begin now.

24 SERGEANT AT ARMS: Time starts now.

25 ALLIE BOHN: I am Allie Bohm on behalf of the
26 NYCLU. Thank you for holding this timely hearing.

3 Even as the city slowly reopens, many of us continue
4 to rely on the internet to work and go the doctor,
5 seek entertainment and visit with loved ones.

6 Predictably, the brunt of the digital divide
7 falls on particular communities. More than 40
8 percent of residents in specific neighborhoods in
9 every single borough of the city lack internet
10 access. In the Bronx, there is [INAUDIBLE 3:04:55]
11 east of Riverdale where more than 70 percent of the
12 population has broadband connected.

13 These communities are individuals who
14 disproportionately live at the intersections of
15 poverty and structural racism. 46 percent of city
16 households living below the poverty line do not have
17 internet. Statewide, about 30 percent of Latinx and
18 Black New Yorkers lack broadband connectivity
19 compared to 20 percent of white New Yorkers. The
20 majority of communities lacking connectivity what
21 graded as hazardous by the federal governments home
22 owners loan corporation between 1935 and 1940, which
23 meant that lenders would refuse to make loans in
24 these areas.

25 This discriminatory application of credit known
as redlining is an explicitly raced policy designed

3 to keep racial and minorities in poverty. Today's
4 digital redlining, the internet access serves the
5 same function.

6 We are glad that the city is focusing on ways to
7 expand broadband access and we appreciate [LOST AUDIO
8 3:05:47] but the city looks for different ways to
9 increase access. We encourage Council Members to
10 consider all options including expending franchise
11 authority, distributing local hot spots to students,
12 ensuring internet access at home and shelters and
13 municipal broadband. Whichever approaches the city
14 chooses, it must ensure that those with the most
15 acute need are prioritized, the broadband is
16 affordable and that any new broadband comes equipped
17 with privacy and net neutrality protections.

18 Unfortunately, the city has not always honored
19 these priorities. For example, the Link NYC public
20 kiosks are mostly located in affluent neighborhoods
21 and do not offer the speed and reliability of
22 broadband connection. In addition, they collect
23 personal information about individuals who use them
24 and passersby and to date, we have not seen a
25 detailed list of the sensors included in the kiosks
or how Link NYC consumes the personal information it

2 collects. The city must do better this time. Thank
3 you for the opportunity to testify.

4 COMMITTEE COUNSEL: Thank you Ms. Bohm for your
5 testimony. Mr. Van Arsdale, before you begin, please
6 state your name and affiliation for the record. You
7 may begin now.

8 SERGEANT AT ARMS: Time starts now.

9 LANCE VAN ARSDALE: Good evening Chairman Holden
10 and Moya and Members of the Committee. My name is
11 Lance Van Arsdale, Assistant Business Manager of
12 Local 3 of the International Brotherhood of
13 Electrical Workers, AFLCIO. Local 3 represents
14 nearly 30,000 members who work throughout New York
15 City.

16 As you are aware, Local 3 is the certified
17 collective bargaining representative for
18 approximately 1,800 cable service technicians who
19 work for Charter communications in connection with
20 its cable television franchise. Additionally,
21 approximately 10,000 local 3 journey person and
22 apprentice electricians work for various contractors
23 that install and construct the infrastructure through
24 all types of telecommunications throughout the city.
25 Including that which will be installed by the

3 franchisees of the franchises that would awarded
4 pursuant to the authority of the authorizing
5 resolution being considered today.

6 Although the cable television franchise is not
7 part of the scope of today's hearing, almost four
8 years long labor dispute that continues to this day
9 between Local 3 and Charter should necessitate
10 stronger protections, not only for workers of any
11 franchisees of New York City but also consumers.

12 Even though DoITT determined that there were
13 documented breaches of Charter in the franchise
14 agreement with New York City, Charter has continued
15 to operate without penalty. With the Council's
16 consideration of the authorizing resolution for
17 franchises for telecommunications services today,
18 which will presumably be followed by consideration of
19 an authorizing resolution to cable television at a
20 later date, the Council has an enormous opportunity
21 to ensure that any franchisee of the city be
22 accountable and unable to exploit their workers or
23 cheat the city or its customers.

24 While federal law and regulations do limit the
25 city's ability to regulate telecommunication
franchises and the current state of the federal

1 regulatory framework under the Trump Administration
2 is very pro-telecommunication corporations, the city
3 has the ability to regulate its inalienable property.
4

5 Additionally, with the presidential election just
6 a few weeks away, there is a very good possibility
7 that a Biden Administration would succeed the current
8 administration and reverse a lot of the unfavorable
9 regulatory changes that have been implemented.

10 Given that prospect, the city might be prudent to
11 delay the franchise process until at least after the
12 presidential election and a potential for a start of
13 a new administration.

14 Should the Council proceed before that point
15 however, it should ensure to include in any
16 authorizing resolution additional provisions designed
17 to protect the public to optimize revenue to be
18 derived by the city and to prevent the exploitation
19 of workers. Local 3 has previously proposed to Chair
20 Moya a revised authorization resolution for any
21 future cable TV franchise, which would certainly be
22 adapted for these other franchises or could be
23 adapted.

24 The proposal would require more extensive and
25 more frequent independent auditing of DoITT

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3 LANCE VAN ARSDALE: Okay. A public option
4 municipal broadband is the way to go that could
5 deliver for New Yorkers.

6 CHAIRPERSON MOYA: Thank you Mr. Van Arsdale for
7 your testimony. I just remind everyone we do have a
8 time limit. If you don't get through your entire
9 testimony, you can still submit it at

10 testimony@council.nyc.gov, testimony@council.nyc.gov

11 and I thank you for your cooperation with this. I am
12 turning it back to our Counsel Irene.

13 COMMITTEE COUNSEL: Thank you Mr. Chair and Mr.
14 Luckman, before you begin, please state your name and
15 affiliation for the record. You may begin now.

16 SERGEANT AT ARMS: Time starts now.

17 WILL LUCKMAN: Good afternoon. My name is Will
18 Luckman, I am Brooklyn resident in the 36th District
19 and a volunteer organizer with the New York City
20 democratic socialist of America Tech Action Working
21 Group. Thank you Chairpersons Moya and Holden for
22 calling this hearing today. I am grateful for the
23 opportunity to discuss the city's efforts to bridge
24 the digital divide and the need to do so with a
25 publicly owned and operated municipal broadband

1 network. My oral remarks are an excerpt of written
2 testimony being entered into the record.
3

4 As the Public Advocate mentioned in his remarks,
5 internet access is not some luxury commodity, rather
6 it is a fundamental requirement and participation of
7 contemporary daily life. As such, internet access
8 must not be contingent upon someone's ability to pay
9 or whether it is profitable for a private company to
10 connect them.

11 The onus is on the government itself to ensure
12 everyone is connected. There seems to be some broad
13 agreement today that we need universal broadband in
14 NYC. If the city is going to commit major capital
15 outlays to get us there and if we want some controls
16 over the speed price neutrality, labor protections,
17 that instead of further subsidizing private
18 providers, the city must act as a direct provider.
19 We need to make an important distinction here; the
20 internet master plan is not in fact a new strategy as
21 claimed by the CTO. At its core, the strategy
22 outlined relies on private public partnerships with
23 private internet service providers. The city has
24 tried this before and the ISP's have proven time and
25 again they are terrible partners.

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3 CHAIRPERSON MOYA: Thank you.

4 WILL LUCKMAN: Thank you.

5 CHAIRPERSON MOYA: Thank you for your testimony
6 today, thank you.

7 COMMITTEE COUNSEL: Thank you. Council Members,
8 if you have any questions for the panelists, please
9 use the raise hand function and I see that Council
10 Member Kallos -

11 CHAIRPERSON MOYA: Before we go to the Council
12 Member, I just want to ask a question really quickly.

13 COMMITTEE COUNSEL: Oh, certainly, I apologize.

14 CHAIRPERSON MOYA: No, it's okay, no worries.
15 Mr. Van Arsdale, are you still on?

16 LANCE VAN ARSDALE: Yes.

17 CHAIRPERSON MOYA: So, can you just go back, when
18 you were going through your testimony, so tell me
19 again, you had said and I missed it, I am sorry. You
20 had some suggestions of how to amend this authorizing
21 resolution. Can you just go back to that?

22 LANCE VAN ARSDALE: The authorizing resolution
23 needs protections for the consumers and the workers.
24 As the last panelist stated, Charter was caught lying
25 about internet speeds, not building out in rural
communities. In upstate New York using addresses

3 along the Gowanus Canal saying that they were
4 building out on rural communities and this franchises
5 Verizon that have not wired parts of the city. What
6 we are proposing is that there is worker protections
7 as far as collective bargaining and standards,
8 prevailing wages, apprenticeships, local hiring.

9 We are also proposing a municipal broadband
10 option for the city to go into. Right now, the City
11 of New York is laying fiber throughout the city in
12 their agencies and that should be used as a stop gap,
13 not to wipe out private competition but to be part of
14 the competition to make it honest.

15 CHAIRPERSON MOYA: Great, thank you Mr. Van
16 Arsdale for that. And with that now, Chair Holden,
17 do you have any questions? No, alright, now I want
18 to turn it over to Council Member Kallos.

19 COUNCIL MEMBER KALLOS: I want to start with a
20 thank you to Lance Van Arsdale from IVW Local 3 as
21 well as your leadership at HTC for accepting my
22 invitation for you to come here today and just speak
23 up for our workers and everything they have been
24 going through. And so, I guess, my question for is
25 just what has been the impact of some of the trade
practices you have seen on people who live and work

in the city and their ability to access the internet?

3 And then I guess for both you and Will Luckman from
4 DSM, just say that I support a public option, whether
5 it comes to healthcare or broadband. I think public
6 options increase competition and stop market
7 pollution and other problems that we see in the
8 private sector.

9 So, I think you guys may have seen in the first
10 couple of panels, I was trying to get to a commitment
11 for municipal broadband and I think just as Mr. Van
12 Arsdale referred to a commitment to get fiber laid
13 for a municipal broadband as part of this current
14 franchise.

15 So, I guess, would you support that and that kind
16 of public private partnership to get to where we need
17 to be?

18 And last but not least, if you guys want to
19 continue working with me on this, if you email me
20 policy@benkallos.com, I want to get this municipal
21 broadband so badly it hurts. We need to bridge the
22 digital divide.

23 LANCE VAN ARSDALE: Local 3 proposes that
24 municipal broadband would be installed and serviced
25 by prevailing wages that provide a pension and

3 healthcare and retirement and a wage that is a
4 livable wage in the City of New York and by city
5 employees. Right now, city employees, Local 3
6 members are installing fiber for the agencies in
7 every part of the borough. FDNY our members are
8 installing a fiber system to all the pole stations on
9 the corners and the fiber that's being installed
10 through good management and the FDNY has enough
11 capability to expand on these services. And if the
12 tax structure is appropriate, once the Biden
13 Administration gets in and cleans out the FCC and has
14 regulations where the city can actually provide taxes
15 on the internet providers right now, to provide a
16 subsidy for this where the city isn't laying out
17 billions of dollars to do it. And also, where it is
18 an honest competitor to the rest of these services.

19 The Chairman just brought up the speeds on their
20 low court service that nobody knows about and nobody
21 can get and 30 megabytes, if you have two kids in a
22 room doing their homework, nothing is going to
23 happen. And that's what we are living with right
24 now. There is close 1 million households in the
25 city. It's not 600,000, it's close to 1 million that
do not have broadband. Nobody has talked about the

3 elderly yet. Nobody has talked about the people that
4 have to live in homeless shelters. Those are the
5 people that need it and all the kids in NYCHA that
6 can't do their homework right now.

7 WILL LUCKMAN: Yeah, I would just add that we
8 totally agree with IBEW stands on this. We think
9 that we see this as a form of competition and you
10 know, the plan is the city has outlined it. It
11 claims you know that we will compete, we will
12 increase competition but we don't want them just
13 auctioning off and giving away public assets before
14 first assessing and seeing what capabilities we
15 already have as a city.

16 You know, we've seen city agencies like at the
17 FDNY, like the NYPD are perfectly capable of building
18 out massive broadband infrastructure. A lot of it
19 already exists and we just think that the city itself
20 should not just be handing these things over and
21 giving them away and then asking for price controls.
22 Asking for labor things after the fact when we could
23 just be doing that ourselves.

24 COUNCIL MEMBER KALLOS: Thank you.

25

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3 CHAIRPERSON MOYA: Thank you Council Member
4 Kallos. Counsel, do we have any other Council
5 Members that have any other questions?

6 COMMITTEE COUNSEL: I do not see any more
7 questions from Council Members and would like to
8 welcome our next panel. Our next panel will be
9 Sandra Gresl from New York City Bar Association,
10 Katelyn Andrews from LiveOn, Celina Trowell from
11 Vocal NYC and Beth Finkel from AARP. And Ms. Gresl
12 before you begin, please state your name and
13 affiliation for the record. You may begin now.

14 SERGEANT AT ARMS: Time begins now.

15 SANDRA GRESL: Thank you. Good afternoon and
16 thank you Council Members. My name is Sandra Gresl
17 and I am as Senior Staff Attorney at Mobilization for
18 Justice. I am also a member of the New York City Bar
19 Association and today, I am testifying on behalf of
20 the City Bar Social Welfare Law Committee.

21 We submitted written testimony jointly with the
22 Education Committee outlining in more detail the
23 devastating impact of the stark digital divide on New
24 York City's homeless population. But there are just
25 a couple points I want to emphasize this afternoon.
COVID-19 exacerbated what was already a homelessness

3 crisis. While state regulations require that certain
4 services be provided to shelter residents, city
5 funded shelters overwhelmingly lack one essential
6 service. Access to technology, including reliable
7 high speed internet. Even pre-pandemic, the lack of
8 internet access was a huge barrier to individuals and
9 families attempting to transition out of shelter and
10 into permanent housing.

11 You need the internet to search for apartment
12 listings, scan remain ads and access Housing Connect,
13 the city's online affordable housing portal.
14 Obviously, the pandemic has exacerbated the impacts
15 of the digital divide and raised the stakes to
16 literally life or death. New Yorkers now need
17 internet to apply for essential government benefits
18 like food stamps and homeless parents are now forced
19 to risk their child's health and safety for the sake
20 of their education. Or allow them to fall further
21 behind with limited or inconsistent access to remote
22 learning due to poor internet and cell service in
23 shelters.

24 In short, we are all dealing with a public health
25 emergency and the city must act quickly in order to
meet its basic responsibilities.

2 The Mayor's internet master plan is a start but
3 does not reference the unique access needs of shelter
4 residents. The Administration needs to clarify
5 whether homeless shelters are included in the master
6 plan, and if so, how are they being prioritized?

7 There have been numerous references this
8 afternoon to expanding residential broadband options
9 but -

10 SERGEANT AT ARMS: Time is expired.

11 SANDRA GRESL: We thank the Council for holding
12 this hearing and urge you to work with the Mayor's
13 Office and city agencies to ensure that homeless
14 shelters are prioritized in any plans to expand
15 broadband and internet access. Thank you.

16 CHAIRPERSON MOYA: Thank you.

17 COMMITTEE COUNSEL: Thank you very much for your
18 testimony. I apologize for mispronouncing your name.
19 Ms. Andrews, before you begin, please state your name
20 and affiliation for the record.

21 SERGEANT AT ARMS: Time begins now.

22 KATELYN ANDREWS: Hello, my name is Katelyn
23 Andrews, I am the Director of Public Policy at LiveOn
24 New York.

3 Really quickly, LiveOn New York is a nonprofit in
4 New York City that represents more than 100 community
5 based organizations that operate senior centers and
6 other important programs throughout neighborhoods
7 across the city.

8 Since March, these programs have been offering
9 services virtually and technology has been a huge way
10 in which older adults continue to remain connected to
11 the services and then programs that are important to
12 them. We really applaud the providers for continuing
13 to make social engagement a priority and available
14 during this time and LiveOn New York actually created
15 a website where older adults can find all the virtual
16 programming that might be of interest to them during
17 this time, while they remain safe at home.

18 Unfortunately, as has been indicated today, price
19 and costs of internet access is a huge barrier for
20 older adults and has been increasingly problematic
21 during the pandemic when older adults are forced to
22 remain home to remain safe.

23 The inability to afford internet access means
24 missing out on real time information such as best
25 practices regarding COVID. How to access food,
online job opportunities and more.

3 LiveOn New York recommends that the city expand
4 its own investment into the technology infrastructure
5 of senior center providers in addition to older
6 adults directly. The 10,000 NYCHA tablets are a
7 great start. That was funded through CDBG federal
8 funds and we believe that could be expanded.

9 I also want to note that senior centers have
10 computer labs that have been shuttered since the
11 pandemic began and that really means that there are
12 so many older adults that don't have a way to access
13 the computers and technology that they once might
14 have utilized.

15 So, we really need a comprehensive plan for how
16 to reopen senior centers and physically and safely
17 allow computer labs to remain or to become accessible
18 to older adults again and what that might look like.

19 We also want to quickly draw attention to a state
20 bill.

21 SERGEANT AT ARMS: Time is expired.

22 KATELYN ANDREWS: Sure, 6679-C, that's a mouthful
23 but it's really important. We are encouraging City
24 Council to encourage the Governor to sign this bill,
25 which has already been passed and would allow for an

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2 extensive survey of broadband connection throughout
3 the state.

4 Thank you for the opportunity to testify and for
5 all that has been said in support of access to
6 internet for older adults. Thank you.

7 COMMITTEE COUNSEL: Thank you very much for your
8 testimony and our next panelist is Ms. Trowell. Ms.
9 Trowell, before you begin, please state your name and
10 affiliation for the record. You may begin.

11 SERGEANT AT ARMS: Time begins.

12 CELINA TROWELL: My name is Celina Trowell and I
13 am a Homelessness Organizer of Vocal New York and I
14 am sharing testimony on behalf of Vocal New York
15 Leader Felix Guzman who doesn't have stable enough
16 internet access or enough cell minutes to sustain the
17 time that we had to wait to testify.

18 So, in the words of Mr. Felix Guzman, we cannot
19 yet provide applause for the Mayor's plan of so-
20 called innovation and inclusion that falls short of
21 making any mention of our neighbors in shelter and
22 unhoused on the street who are disproportionately
23 Black and Brown and have experienced tremendous
24 setback from lacking access to libraries, cafés, New
25 York City Link kiosks, subways for internet access.

3 I firmly believe that the right to internet
4 access during and after COVID-19 is a human right for
5 all. Having become homeless as a result of my mental
6 health deteriorating as a male experiencing abuse at
7 the hands of my former partner and my building being
8 turned into a shelter, I was unprepared to navigate
9 homelessness in New York City shelters.

10 The experience was debilitating, disempowering,
11 and demoralizing. I spent 15½ months in the shelter
12 trying to leave of my volition into appropriate
13 housing which would not have been possible without
14 the access to internet.

15 Those amongst us who qualify for Medicaid are
16 provided a lifeline mobile device. When phones are
17 provided as lifelines have set accounts and or data
18 to keep connected. Life turned into a game of trying
19 to stay ahead of technologic limitations. An
20 individual who is connected to resources can navigate
21 homelessness in a much healthier manner than those
22 without.

23 Another reason to push Wi-Fi for all or be that
24 currently for some, hotlines that assist and maintain
25 in safety, sobriety, and to a greater degree, life
are limited to their access. Where hotlines for

3 domestic abuse, recovery support and suicide
4 prevention are favorite numbers and on speed dial for
5 some, not provided in a manner to stay continuously
6 connected during COVID-19 pandemic is dangerous.

7 People who are systemically oppressed and
8 disadvantaged are the biggest consumers of mental
9 health services, reoccurring intervention services
10 and are prone to becoming and staying homeless.

11 SERGEANT AT ARMS: Time is expired.

12 CELINA TROWELL: Thank you.

13 COMMITTEE COUNSEL: Thank you so much and now our
14 next panelist is Ms. Finkel. Ms. Finkel, before you
15 begin, please state your name and affiliation for the
16 record.

17 SERGEANT AT ARMS: Time begins now.

18 BETH FINKEL: Hi, I am Beth Finkel, I am the
19 State Director for AARP New York. We have over $\frac{3}{4}$ of
20 a million members in New York City and over $2\frac{1}{2}$
21 million in New York State, and I am here today
22 because I really want to thank Chair Holden, Council
23 Members Moya and Ben Kallos. We really appreciate
24 you having this hearing today and giving us the
25 opportunity to speak.

2 about the full census spot. Otherwise, we are
3 comparing apples and oranges.

4 I also want to make sure that as LiveOn New York
5 stated, that again, back to this data issue that
6 there is -

7 SERGEANT AT ARMS: Time is expired.

8 BETH FINKEL: So, we need the Governor to sign
9 the SA 805 and A-6679 which was passed unanimously by
10 the state assembly and also by the state senate which
11 would require the public service commission to
12 collect more granular data.

13 So, again, I want to thank you. I know everyone
14 explained why this is important to older people. Our
15 members are 50 plus, telehealth [INAUDIBLE 3:33:30] I
16 think you have already heard it. I want to thank you
17 very much and everything is in my written testimony.
18 Thank you.

19 COMMITTEE COUNSEL: Thank you so much for your
20 testimony and I want to turn to our Chairs, if they
21 have any questions to this panel.

22 CHAIRPERSON MOYA: Thank you. I just, one quick
23 question. I want to go back to Sandra, is she still
24 on? Do we still have Sandra or did we lose her?

25 COMMITTEE COUNSEL: I am checking right now.

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3 CHAIRPERSON MOYA: Okay.

4 SANDRA GRESL: I am here, sorry.

5 CHAIRPERSON MOYA: No worries. Listen, you
6 brought up an important issue and Mr. Van Arsdale
7 touched upon it a little bit. But it really dealt
8 with homeless kids and homeless students.

9 So, I just want - I am going to ask you this, if
10 you know the answer great but if not, but it is
11 important to put out there. So, you being on the
12 ground there, like, what is the best way to ensure
13 the homeless students, both living in shelters and
14 doubled up who are unsheltered as well are able to
15 connect to the internet at the places where they are
16 living, so that they can keep pace with the
17 classmates during remote learning?

18 SANDRA GRESL: That is such a good question and
19 full disclosure, I am not an education specialist and
20 I don't typically work with children or youth but our
21 other Committee Members can follow up with you. Our
22 written testimony has some recommendations and I
23 would also refer you to the City Bar Justice's report
24 they issued in May on shelter access issues.

25 But basic summary is that the devices are only so
good as the means to access their potential and so,

3 my understanding is that there have been a lot of
4 difficulties actually using the devices that students
5 are getting due to some shelters having very poor
6 cellular service. Some shelters not having any
7 cellular service. So, you need the device. You need
8 the space as you alluded to, to use the device in a
9 meaningful way and you need the ancillary equipment
10 which might mean access to a printer or related
11 devices and you need the connectivity, whether that's
12 internet, cell service, both ideally. But our
13 Education Committee Members can follow up with you
14 with more details.

14 CHAIRPERSON MOYA: Great, thank you.

15 CHAIRPERSON HOLDEN: I just have a question for
16 Sandra again. Have you seen the lack where certain
17 shelters or even hotels, hotel rooms don't have
18 access, internet access and are counseling services
19 delivered through Zoom or online in some of these
20 shelters?

21 CHAIRPERSON MOYA: Can we unmute Sandra?

22 SANDRA GRESL: Thank you, yes, I am unmuted now.

23 CHAIRPERSON HOLDEN: Alright.

24 SANDRA GRESL: So, that's a really good question
25 and again, the City Bar Justice Center did a survey

3 MOHAMAD ASGARI: Hi, my name is Mohamad Asgari.

4 Thank you Chairman Moya, Holden, Council Member
5 Kallos and staff for organizing this hearing. I
6 appreciate the opportunity to testify.

7 I would like to talk about the importance of
8 community networks and community access to public
9 infrastructure as it relates to the digital divide
10 and today's resolution.

11 When the internet master plan was unveiled in
12 January, broadband internet access was characterized
13 as essential to life and work in the city. No one
14 could have predicted that in the months to follow,
15 broadband access would determine one's ability to
16 receive an education or to be able to work. The gap
17 in broadband coverage disproportionately effects
18 Black and Hispanic communities and is therefore a
19 racial and economic issue.

20 The network infrastructure we have today, which
21 was built by the private sector, continues to expand
22 alongside segregated neighborhood lines. This should
23 not be surprising. Since a profit driven model for
24 infrastructure development will inevitably serve rich
25 neighborhoods more than it serves the poor.

3 In contrast, a community network can serve the
4 bridge the broadband gap during this crucial time by
5 allowing communities to mobilize and to create
6 infrastructure that is critical to their every day
7 lives.

8 The city should look to successful
9 implementations of community networks and support
10 them. NYC mentions one example of such networks.
11 NYC mentions a nonprofit and community owned and
12 operated fixed wireless mesh network. It is
13 resilient, fast, net neutral, and open for all New
14 Yorkers to use and join free of charge.

15 The majority of the network users reside in
16 neighborhoods with low and moderate low broadband
17 adoption according to the master plan and I encourage
18 you to compare the maps which I have included in the
19 written testimony.

20 Community networks and big player ISV's do not
21 operate on a level playing field. So, the process of
22 granting franchises as described in this resolution
23 does not necessarily benefit community networks. The
24 big ISV's which currently monopolize the market have
25 greater buying power and a greater network of
information and influence to rent city property with

1 no incentive to serve neighborhoods that are not
2 profitable.

3
4 Any regulatory regime should work to break up
5 these large monopolies. I have four suggestions for
6 actions the city can take to support broadband
7 infrastructure for all.

8 SERGEANT AT ARMS: Time is expired.

9 MOHAMAD ASGARI: One, give nonprofit community
10 networks access to a fiber optic municipal broadband
11 to build fixed wireless mesh networks on top of.

12 Two, give nonprofit community networks priority
13 access to the city rooftops and facilities to install
14 wireless routers.

15 Three, make all processes addressing the digital
16 divide open and participatory. Actively involve
17 advocates and community organizations in the process.

18 And four, have clear forums for community
19 oversight and implement community ownership of
20 network infrastructure.

21 Thank you very much.

22 CHAIRPERSON MOYA: Thank you.

23 COMMITTEE COUNSEL: Thank you very much for your
24 testimony and our next panelist is Noel Hidalgo. Mr.

3 Hidalgo before you begin, please state your name and
4 affiliation for the record.

5 NOEL HIDALGO: Hello, my name is Noel Hidalgo. I
6 am a Gemini; my organization is Beta NYC and it is a
7 real pleasure to be in front of the City Council
8 Member Moya and Holden and Council Staff. Thank you
9 for your dedication to this particular issue.

10 I have written remarks that I am going to reserve
11 and email in but I want to focus exclusively on the
12 fact that and echo some of the comments that were
13 made throughout this testimony. First and foremost,
14 it is remarkable that we are seven years into this
15 administration. There has been at least three
16 different declarations of broadband for all
17 initiatives and yet, we are once again at a master
18 plan. We hope that the other attempts were really
19 kind of experimentations and understanding of where
20 we are but it is really remarkable that we are 14
21 months until this Administration walks out and they
22 have produced a massive unbelievable internet master
23 plan, which is great. I don't want to discount that
24 at all.

25 What I want to point out is that for this master
plan to actually exist and to work well is that we

3 need digital illiterate elected officials and
4 government staffers. We need non green corporations
5 and we need a public that can hold the two
6 accountable.

7 With that, I want to point out that this report
8 doesn't necessarily address the city's aging digital
9 government services. The CTO coordinates strategy
10 but implementation is vague. The cost of the master
11 plan is somewhere between \$4.4 billion to \$6.7
12 billion and it still leaves out public spaces like
13 all of the city's parks, governors, Wards Island and
14 Rikers Island.

15 Now, in regards to the Resolution, it would be
16 great if the Mayoral administration would put the
17 master plan as a priority for the next 14 months,
18 though with the changing cast of technology
19 leadership that we've had in this Administration, we
20 find that unlikely.

21 We would hope that the franchise -

22 SERGEANT AT ARMS: Time expired.

23 NOEL HIDALGO: Thank you. The franchise profits
24 support digital literacy programs and that the
25 McBride principles clause that are truly baked into
the franchise agreement.

3 Lastly, we called for a database of all franchise
4 agreements that DoITT has. We would like those
5 databases to be machine readable because we cannot
6 search scanned PDF's and I will leave the details of
7 the database desires into my written testimony.

8 Thank you.

9 COMMITTEE COUNSEL: Mr. Hidalgo, thank you for
10 your testimony and our next panelist is Sarah Part.
11 Ms. Part before you begin, please state your name and
12 affiliation for the record. You may begin now.

13 SERGEANT AT ARMS: Time begins.

14 SARAH PART: Good afternoon. Thank you for the
15 opportunity to speak with you about the digital
16 divide. My name is Sarah Part and I am Policy
17 Analyst at Advocates for Children of New York.

18 For nearly 50 years, Advocates for Children has
19 worked to ensure a high quality education for New
20 York students who face barriers to academic success
21 focusing on students from low income backgrounds.

22 The digital divide has major consequences for
23 public education. Particularly at a time when nearly
24 all students are expected to learn remotely between
25 two and five days per week.

3 While online learning is a poor substitute for
4 the in person classroom experience for the vast
5 majority of students. For those who do not have
6 broadband internet at home, the challenges of remote
7 instruction are exponentially greater. And as low
8 income children, children of color and children from
9 immigrant families are among the least likely to have
10 reliable high speed internet access, we are deeply
11 concerned that the digital divide will further
12 exacerbate existing racial and socioeconomic
13 disparities in the coming year.

14 But we appreciate that the city has distributed
15 several hundred thousand iPads with free cellular
16 data to students who need such devices. This by no
17 means solves the problem.

18 In the past few weeks, AFC has heard from dozens
19 of families whose children were unable to participate
20 in online instruction because they had yet to receive
21 an iPad or because their device was not working due
22 to lack of connectivity or other challenges.

23 We have particular concerns about city shelters,
24 most of which lack Wi-Fi and some of which do not
25 even have the cellular reception needed for the iPads
to work.

3 It is unacceptable that nearly seven months after
4 remote learning first began, students around the city
5 including students living in city contracted shelters
6 are still unable to get online for school.

7 With the pandemic magnified, the impact of the
8 digital divide, unequal access to broadband
9 contributed to educational inequities long before
10 COVID-19. Even when classroom instruction is fully
11 in person, internet access is often required or at
12 least extremely helpful for completing homework
13 assignments.

14 In addition, more and more the DOE is relying on
15 parents to have reliable internet access in order to
16 get critical information about their childrens
17 education.

18 For example –

19 SERGEANT AT ARMS: Time is expired.

20 SARAH PART: Families of students receiving
21 yellow bus service are no longer receiving hard copy
22 letters with information about their child's route.
23 Knowing what time to have your child ready for pickup
24 requires logging in to your NYC schools account
25 online.

3 Kindergarten, middle and high school applications
4 have also moved online in recent years. Meaning the
5 extent to which a family is able to participate in
6 these processes and research a wide range of schools
7 depends on our level of digital literacy and their
8 access to the internet.

9 In 2020, equitable access to a quality education
10 cannot exist without equitable access to the
11 internet. The city must act urgently to ensure that
12 every student has the fast, reliable, connectivity
13 they need in order to participate in remote learning
14 this year and access to educational information in
15 the long term. Thank you.

16 COMMITTEE COUNSEL: Thank you very much Ms. Part
17 for your testimony. And our next panelist is David
18 Dring. Mr. Dring before you begin, please state your
19 name and affiliation for the record. You may begin
20 now.

21 SERGEANT AT ARMS: Time begins.

22 DAVID DRING: Hello and thank you for the
23 opportunity to testify on this important low cost
24 high speed connectivity topic as well as bridging the
25 digital divide for older adults.

3 I also want to praise the state for the
4 comprehensive broadband connectivity app that was
5 mentioned earlier. It states the legislature hereby
6 defines and declares that access to high speed
7 internet is a fundamental right and it is incumbent
8 upon the state to ensure the provision of this right
9 to every New Yorker.

10 It is terrific to hear that access to high speed
11 internet is a fundamental right however, it doesn't
12 say that it is affordable high speed internet
13 connectivity. We surveyed our members in March and
14 discovered that 40 percent of them are without
15 connectivity.

16 In order for connectivity to be a fundamental
17 right, it must be affordable for all, which is the
18 third principle of the Mayor's internet -

19 SERGEANT AT ARMS: Time is expired.

20 DAVID DRING: So, I just want to end with saying
21 that connectivity is an essential ingredient to
22 bridging the digital divide and that I really
23 appreciate the City Council for taking on this
24 hearing and that Bay Ridge Center is happy to partner
25 or collaborate with the City Council or the Mayor's
Office to figure out the best ways to ensure that all

3 older New Yorkers have access to the internet. Thank
4 you.

5 COMMITTEE COUNSEL: Thank you very much Mr. Dring
6 for your testimony and our next panelist is David
7 Jones. Mr. Jones before you begin, please state your
8 name and affiliation for the record. You may begin
9 now.

10 SERGEANT AT ARMS: Time begins.

11 DAVID JONES: Hello, I am David Jones, founder of
12 the Cold[SP?]. We are launching it. We are actually
13 implementing throughout New York City schools and/or
14 the community and the premise of the Cold is to take
15 students from being consumers of technology to
16 building of technology. Basically, sparking the next
17 mind of a Mark Zuckerberg and or creating Mark
18 Zuckerberg's competition.

19 And so, we have been supported and championed by
20 Brooklyn Borough President Eric Adams as well Senator
21 Kevin Parker and I actually want to thank Charter
22 Spectrum for their donation of laptops whereas we are
23 utilizing those laptops to actually create a computer
24 lab this week in Vanderveer Estates and or Flatbush
25 Gardens as currently called and or affectionately
known as Veer for people who live in the community or

2 the City of Brooklyn. And also, we will just be
3 disseminating those laptops throughout the schools
4 that we are working with for our coding program.

5 And I was going to speak about you know, the
6 importance of broadband and or the importance of
7 equipment and that's been spoken about, so I kind of
8 want to jump to training. DoITT and it was shown or
9 it was spoken not many of the people that may have
10 sent information to, to participate in their
11 trainings, not many participated. Well, you would
12 have to think that if a person is just receiving a
13 device, it is highly likely or highly unlikely that
14 they have Microsoft office and or know how to use
15 Microsoft office.

16 So, it is very important that on the ground that
17 we have training for people who actually receive
18 broadband, who actually receive the devices and I
19 would think that DoITT would have to use more
20 grassroots methods. Because again, if a person is
21 not digital savvy, then they are not going to receive
22 that information. So, more grassroots efforts as far
23 as getting the information out there from broadband
24 companies and their services and or just information
25 itself as far as training is concerned. Working with

3 TROY WALCOTT: Can you hear me? Troy Walcott,
4 Local 3 IBEW member on strike from Spectrum for three
5 and a half years now.

6 I just want to briefly speak. It is a little
7 different than a statement I wanted to give. I was
8 listening to some of the statements as the testimony
9 was going on. I thought it was definitely funny how
10 Verizon, the company, the only one with a union
11 workforce seemed to offer the best services available
12 to the underserved areas. I found that interesting.

13 I wanted to speak about specifically Spectrum
14 Cable as they come and also tried to give their best
15 face forward as what they have provided for the city
16 and give some back story about what they have done in
17 the city as far as I have seen.

18 The spoke briefly about them having a 70 percent
19 minority workforce, meanwhile there is an 80 percent
20 workforce that minorities that they disbanded in
21 order to put people in place that they can have total
22 control over.

23 Related to their relationship with labor, there
24 has also been evidence where Spectrum has taken
25 workers who are in supervisory positions and put them
in positions of technicians in order to try to put a

3 continue unimpeded, I see it only getting worse from
4 here on out.

5 COMMITTEE COUNSEL: Mr. Walcott, thank you for
6 your testimony and our next panelist is Theo Chino.
7 Mr. Chino before you begin, please state your name
8 and affiliation for the record. You may begin now.

9 SERGEANT AT ARMS: Time begins.

10 THEO CHINO: Can you see me? I am having
11 problems, hold on, sorry. I apologize, hold on. Oh,
12 my God, this things doesn't work. Hold on.

13 SERGEANT AT ARMS: We hear you.

14 THEO CHINO: You can hear me?

15 COMMITTEE COUNSEL: We can hear you.

16 THEO CHINO: I wanted you to see me because
17 that's, hold on.

18 CHAIRPERSON MOYA: We can hear you Theo, that's
19 the main thing and you can always submit your
20 testimony if you are having some trouble. There you
21 go.

22 THEO CHINO: You can see me.

23 CHAIRPERSON MOYA: Now, we got you, alright.

24 THEO CHINO: Dear Councilman, thank you for your
25 time.

CHAIRPERSON MOYA: You got it.

3 THEO CHINO: My name is Theo Chino I am part of
4 New York City Privacy. I am part of restorative
5 force, Reck my Block and Show the Book. If you see
6 me like this today, it is because I have been waiting
7 for Super and this is what it looks to work dirty,
8 cold and hungry.

9 The discussion you have had right now is
10 incredible because this is all the people who have
11 testified before me said it clearly. In 2004, I was
12 hired by Time Warner Cable to build, rebuild a
13 version 2 of the internet and in 2008, the D-TV.
14 During Sandy, I kept Time Warner Cable TV running
15 with five employees.

16 Today, if Sandy were to hit again because the
17 base of operation is in Denver, there would be no
18 communication in case of an emergency with Spectrum
19 TV.

20 The problem that has been exploded that has been
21 explained by Local 3, is real. I was there when they
22 de-unionized and the moment they de-unionized they
23 also gave me the book. They told me I had to go to
24 Denver or I would be laid off. Obviously, I am still
25 in New York and everything.

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2 WITH COMMITTEE ON TECHNOLOGY 202

3 I do not see anyone and I will now turn over to
4 our Chair, Chair Moya to close the hearing.

5 CHAIRPERSON MOYA: Thank you so much to our
6 Counsel for this. There being no other members of
7 the public who wish to testify on the Preconsidered
8 Authorizing Resolution or Oversight Committee, these
9 items are now closed. I would like to thank the
10 Administration, members of the public, my colleagues,
11 the Committee Counsel, the Land Use Staff, the Tech
12 Committee Staff and Sergeant at Arms for
13 participating in today's hearing. And before I
14 adjourn, I just wanted to see if Chair Holden had any
15 closing remarks as well?

16 CHAIRPERSON HOLDEN: Well, I just want to thank
17 everyone that you just thanked and it was a terrific
18 hearing I think. We learned a lot and we have a lot
19 of work to do to address some of the concerns that we
20 heard today and I think like we've learned, there is
21 a digital divide and this Administration did very
22 little in the last seven years. We have a lot of
23 work to do and I just hope they get moving but given
24 their track record, I think it is up to the Council
25 to stay after the Administration to push some of the
changes that we heard today that need to be done.

C E R T I F I C A T E

World Wide Dictation certifies that the foregoing transcript is a true and accurate record of the proceedings. We further certify that there is no relation to any of the parties to this action by blood or marriage, and that there is interest in the outcome of this matter.



Date October 22, 2020