

Cable Providers And Industry Groups Spend Millions While Opposing Upcoming FCC Rulemaking Aimed At Ending Exploitative Early Termination Fees

Summary: Today, the Federal Communications Commission (FCC) [voted](#) on a proposed rule barring cable providers from charging "early termination fees." FCC chairwoman Jessica Rosenworcel said "[we should make it easier for Americans to use their purchasing power](#)," describing termination fees as a hindrance to consumer choice. The move is just one of President Biden's [many efforts](#) aimed at cracking down on "junk fees," or the often hidden and exploitative fees that hike costs for Americans. In announcing the upcoming vote, President Biden [wrote on X](#): "Companies shouldn't lock you into services you don't want with large fees. It's unfair, raises costs, and stifles competition."

Meanwhile, consumers are beginning to pull the plug on cable, with the first quarter of 2023 having the "[worst subscriber](#)" loss the industry has ever seen. Consumer Reports has found that companies such as Comcast provided notoriously poor experiences, while jacking up fees by as much as [600% over a four-year period](#), calling into question how much hidden fees consumers pay on average. A [2019 Consumer Reports study](#) found that 25% of the average monthly cable bill consisted of these junk fees.

As consumers are looking to improve their purchasing power, cable and internet providers [Verizon](#) and [Charter Communications](#)—servicing a combined 148.8 million through cable and broadband—lobbied extensively against efforts to bar providers from charging early termination fees:

- **Charter Communications**—which services an [estimated 110.6 million customers](#)—has spent **over \$5.4 million** since Q2 2023 while lobbying against "[provisions related to broadband](#)" in the [Junk Fee Prevention Act](#).
- Meanwhile, **Verizon**—which services an [estimated 38.2 million customers](#) throughout the U.S. northeast—has spent **over \$6 million** since Q2 2023 while lobbying on "[issues related to termination fees](#)" and "[consumer fees](#)."

Industry groups have also opposed the FCC's proposed rulemaking, with at least three trade associations lobbying against the [Junk Fee Prevention Act](#):

- **NCTA - The Internet & Television Association** has spent **\$7.4 million** since Q2 2023 while lobbying against the Junk Fee Prevention Act and "[all provisions related to cable](#)." Meanwhile, the industry group's members include Comcast Cable president and [CEO Dave Watson](#) and previously featured Charter Communications executive chairman Thomas Rutledge until November 2023. In 2022, Comcast spent [over \\$6 million on membership dues](#) to the trade group.
- **CTIA - The Wireless Association** has spent **\$8 million** while lobbying on "[issues related to termination fees](#)" during Q1 and Q2 2023. A review of the trade organization shows that Kyle Malady, the executive vice president and CEO of Verizon's Business Group currently [serves on its board](#), with the industry group opposing [Biden's initiative](#) on junk fees [as early as July 2021](#).
- Finally, the **U.S. Chamber of Commerce** has spent **over \$48 million** in lobbying expenditures while also lobbying against the Junk Fee Prevention Act since Q1 2023. According to its website, **Comcast Corporation** chief legal officer and secretary Thomas J. Reid [serves on its board of directors](#), while the cable and broadband giant spent **\$1.5 million on membership dues** to the Chamber in 2022.

In November 2023, The Federal Communications Commission (FCC) Proposed A Rule Set To Be Voted On In December Which Would Bar TV Providers From Being Able To Charge Early Termination Fees As Part Of The Biden Administration's Crack Down On Hidden Junk Fees, With FCC Chairwoman Jessica Rosenworcel Suggesting The Rule Would "Make It Easier For Americans To Use Their Purchasing Power."

In November 2023, The Federal Communications Commission (FCC) Proposed A Rule That Would Ban Cable Providers From Charging Early Termination Fees, With A Vote Scheduled In December 2023, A Move FCC Chairwoman Jessica Rosenworcel Suggested Would "Make It Easier For Americans To Use Their Purchasing Power To Promote Innovation And Expand Competition."

November 2023: The Federal Communications Commission (FCC) Proposed A Rule That Would Ban Cable Providers From Charging Early Termination Fees. "A proposed rule from the Federal Communications Commission would bar pay-TV companies from charging customers early termination fees when they sever their service contract before it expires. The proposal, which the commission will vote on next month, would also force cable companies and satellite TV services to give customers a rebate if a subscriber leaves before a billing cycle ends. FCC officials said eliminating early termination fees would benefit the video-streaming business." [CBS News, [11/22/23](#)]

- **The FCC Will Vote On The Rule On December 13, 2023.** "The proposal will be voted on by the commission on Dec.13, according to the FCC." [Spectrum News NY1, [11/21/23](#)]

FCC Chairwoman Jessica Rosenworcel Said, "When Companies Charge Customers Early Termination Fees, It Limits Their Freedom To Choose The Service They Want," Adding "We Should Make It Easier For Americans To Use Their Purchasing Power To Promote Innovation And Expand Competition."

"When companies charge customers early termination fees, it limits their freedom to choose the service they want," FCC Chairwoman Jessica Rosenworcel said in a statement Tuesday. "In an increasingly competitive media market, we should make it easier for Americans to use their purchasing power to promote innovation and expand competition within the industry." [CBS News, [11/22/23](#)]

The Move Is The Latest In The Biden Administration's Crackdown On Hidden "Junk Fees," With President Biden Saying, "Companies Shouldn't Lock You Into Services You Don't Want With Large Fees."

The Move Is "The Latest Front In The Biden Administration's War On Junk Fees, The Hidden Fees That Drive Up The Cost Of Everything From Hotel And Travel Bookings To Concert Tickets To Banking." "It's the latest front in the Biden administration's war on junk fees, the hidden charges that drive up the cost of everything from hotel and travel bookings to concert tickets to banking." [Axios, [11/22/23](#)]

President Biden Said On X: "Companies Shouldn't Lock You Into Services You Don't Want With Large Fees. It's Unfair, Raises Costs, And Stifles Competition":



[President Biden via X, [11/21/23](#)]

American Consumers Continue To Drop Cable Providers At Historic Rates As Companies—Such As Comcast Which Increased Its “Regional Sports Fee” And “Broadcast TV Fee” 600% Percent From 2015 To 2019—Charge Excessive Fees, With A 2019 Consumer Reports Study Finding Approximately 25% Of Monthly Cable TV Bills Consisted Of Junk Fees.

American Consumers Are Continuing To Drop Cable Providers At Historic Rates, With 2.4 Million Customers Dropping Services In The First Quarter Of 2023, The Industry’s “Worst Subscriber Losses To Date”...

In The First Quarter Of 2023, TV Providers Had “Their Worst Subscriber Losses To Date,” With 2.4 Million Customers Cutting Cable That Quarter, Causing MoffettNathanson Senior Analyst Craig Moffett To Write, “We Are Watching The Sun Beginning To Set’ On The Pay-TV Business.” “As streaming video continues its ascendancy, cable, satellite and internet TV providers in the U.S. turned in their worst subscriber losses to date in the first quarter of 2023 — collectively shedding 2.3 million customers in the period, according to analyst estimates. ‘We are watching the sun beginning to set’ on the pay-TV business, SVB MoffettNathanson senior analyst Craig Moffett wrote in a report Friday.” [Variety, [05/12/23](#)]

- **MoffettNathanson Is A “Leading Wall Street Research Outfit Covering The Media And Communications Sectors.”** “MoffettNathanson, a leading Wall Street research outfit covering the media and communications sectors, is once again an independent entity.” [Variety, [10/03/23](#)]

...Leading To Just 58.5% Of U.S. Households Having Pay-TV Cable Services, The “Lowest Point Since 1992, Two Years Before DirecTV Launched As A New Rival To Cable TV.”

In Q1 2023, Total Pay-TV Penetration Dropped To Just 58.5% Of U.S. Households, Its “Lowest Point Since 1992, Two Years Before DirecTV Launched As A New Rival To Cable TV.” “With the Q1 decline, total pay-TV penetration of occupied U.S. households (including for internet services like YouTube TV and Hulu) dropped to 58.5% — its lowest point since 1992, two years before DirecTV launched as a new rival to cable TV, according to Moffett’s calculations. As of the end of Q1, U.S. pay-TV services had 75.5 million customers, down nearly 7% on an annual basis.” [Variety, [05/12/23](#)]

Comcast—Which Lost 614,000 Video Customers In Q1 2023, “The Most Of Any Single Company”—Has Received The Majority Of Consumer Complaints About Providers After Increasing Its “Regional Sports Fee” And “Broadcast TV Fee” 600% Percent From 2015 To 2019.

In Q1 2023, Comcast, “The Largest Pay-TV Provider In The Country,” Lost 614,000 Video Customers, “The Most Of Any Single Company.” “Comcast, the largest pay-TV provider in the country, dropped 614,000 video customers in Q1 — the most of any single company — to stand at 15.53 million at the end of the period.” [Variety, [05/12/23](#)]

According To A 2019 Consumer Reports Study, Comcast’s Xfinity TV Received The Majority Of Consumer Complaints About Providers After Increasing Its “Regional Sports Fee” And “Broadcast TV Fee” 600% Percent From 2015 To 2019. “For example, in recent years many cable TV providers began charging what’s called a “broadcast TV fee,” which is simply a part of the cost cable providers pay to license broadcast content, but buried below the line so it’s not included in the advertised rate. According to Consumer Reports, the majority of consumer complaints are about Comcast’s Xfinity TV services. The study found that in 2015, Comcast started charging consumers a \$1-a-month Regional Sports Fee and \$1.50-a-month broadcast TV fee (\$2.50 per month). By 2019 those fees had ballooned to \$18.50 a month, or a 600 percent increase in just four years.” [Vice, [10/04/19](#)]

- “Consumer Reports Is An Independent, Nonprofit Member Organization That Works Side By Side With Consumers For Truth, Transparency, And Fairness In The Marketplace.” [Consumer Reports, accessed [12/07/23](#)]

A 2019 Consumer Reports Study Found That Approximately 25% Of Monthly Cable TV Bills Consisted Of Junk Fees.

The 2019 Consumer Reports Study Also Found That Approximately 25% Of Monthly Cable TV Bills Consisted Of Junk Fees. “A new study by Consumer Reports finds that at least 25 percent of your monthly cable TV bill is made of sneaky fees, many of which have no actual purpose outside of making your cable provider richer. The consumer group’s study took a closer look at 787 consumer cable bills from 13 top cable providers and found that while the average user paid about \$156.71 a month for cable TV, users in reality paid \$217.42 a month once fees were added. In other words, about 24 percent of your cable TV bill each month (\$37.11) is made up of fees and hidden surcharges.” [Vice, [10/04/19](#)]

Since Q2 2023, Cable And Internet Providers Verizon And Charter Communications—Servicing A Combined 148.8 Million Americans—Have Spent Over \$11.5 Million While Lobbying On "Issues Related To Termination Fees" And Against Both Versions Of The Junk Fee Prevention Act.

Verizon And Charter Communications Are The Third And Sixth Largest U.S. Telecommunications Companies By Market Cap, With The Two Serving An Estimated 148.8 Million Americans Through Cable And Broadband.

According To CompaniesMarketcap.com, Verizon And Charter Communications Rank As The Third And Sixth Largest Telecommunications Companies In The United States By Market Capitalization. [CompaniesMarketcap.com, accessed [11/29/23](#)]

According To Broadband Now, Charter Communication’s Spectrum Broadband Services An Estimated 110.6 Million Customers Throughout The U.S. And Became The Second Largest Internet Provider After Its Merger With Time Warner Cable And Bright House Network In 2016. "Spectrum is mostly available in urban and suburban areas, offering coverage in 42 states to 110.6 million people. Spectrum’s coverage area increased dramatically after its merger with Time Warner Cable and Bright House Network in 2016, making Spectrum the second-largest Internet provider in the U.S." [Broadband Now, accessed [11/30/23](#)]

- **Spectrum Is The Brand Name For Charter's Broadband Service.** "At Charter, we connect our customers to superior communications and entertainment products with the highest quality service. From Spectrum Internet Gig and our path to 10G, to Advanced WiFi and Spectrum Mobile, our fast and secure broadband network powers the future." [Charter Communications, accessed [11/30/23](#)]

According To Broadband Now, Verizon Fios Services An Estimated 38.2 Million Customers Throughout The U.S. Northeast. "Verizon Fios launched in 2005 as one of the first internet providers to offer true Fiber to the Home (FTTH) internet services to residential customers. Today, Verizon Fios provides service to 38.2 million people and is available across 10 states with the most coverage in District of Columbia, Rhode Island, and Maryland. Verizon Fios typically services densely populated urban and suburban cities in the Northeast." [Broadband Now, accessed [11/30/23](#)]

Since Q2 2023, Verizon And Charter Communications Have Spent A Combined \$11.5 Million While Lobbying On "Issues Related To Termination Fees" And Against Both Versions Of The "Junk Fee Prevention Act."

Since Q2 2023, Charter Communications Has Spent Over \$5.4 Million While Lobbying Against "Provisions Related To Broadband" In The Junk Fee Prevention Act:

Registrant	Filing Period	Related Issue	Total
Charter Communications	Q3 2023	"S. 916 - Junk Fee Prevention Act, provisions related to broadband. H.R. 2463 - Junk Fee Prevention Act, provisions related to broadband"	\$2,960,000
Charter Communications	Q2 2023	"S. 916 - Junk Fee Prevention Act, provisions related to broadband. H.R. 2463 - Junk Fee Prevention Act, provisions related to broadband"	\$2,480,000
TOTAL:			\$5,440,000

Since Q2 2023, Verizon Has Spent Over \$6 Million While Lobbing On "Issues Related To Termination Fees" And "Consumer Fees":

Registrant	Filing Period	Related Issue	Total
Verizon Communications Inc.	Q3 2023	"Issues related to termination fees"	\$2,972,060
Verizon Communications Inc.	Q2 2023	"Consumer fees"	\$3,110,000
TOTAL:			\$6,082,060

NCTA - The Internet & Television Association—Whose Board Members Have Included Comcast And Charter Communications—Spent \$7.4 Million While Lobbying Against The House Version Of The Junk Fee Prevention Act.

NCTA - The Internet & Television Association Represents Broadband And Television Networks, With Cable Giants Comcast And Charter Represented On The Industry Group's Board Of Directors.

According To Its Website, NCTA - The Internet & Television Association, Represents Broadband Providers Reaching Over 90% Of All U.S. Homes As Well As TV Networks. "We are the nation's largest broadband provider with fiber-rich networks reaching over 90% of all U.S. homes, offering 1 gig speeds to millions in urban and rural communities. NCTA members are also TV networks with a rich history of creating award-winning programming." [NCTA, accessed [11/30/23](#)]

Comcast Cable President & CEO Dave Watson Is The Treasurer Of The NCTA's Board And Its Previous Chairman:

Dave Watson TREASURER & IMMEDIATE PAST CHAIRMAN

President & CEO, Comcast
Cable and Senior EVP,
Comcast Corporation

[NCTA, accessed [11/30/23](#)]

- In 2022, Comcast Spent Over \$6 Million In Membership Dues To The NCTA. [Comcast trade association and other 501(c)(6) disclosure form, accessed [11/30/23](#)]

According To A Search On Wayback Machine, Charter Communications Executive Chairman Thomas M. Rutledge Previously Sat On The Board Of NCTA Until November 2023:

Thomas M. Rutledge VICE CHAIRMAN

Executive Chairman, Charter
Communications

[NCTA via Wayback Machine search, accessed [12/07/23](#)]

Since Q2 2023, NCTA Has Spent \$7.4 Million While Lobbying Against The Junk Fee Prevention Act And Its Provisions On Cable.

During Q2 And Q3 2023, NCTA - The Internet & Television Association Spent \$7.4 Million While Lobbying Against The Junk Fee Prevention Act And "All Provisions Related To Cable":

Registrant	Filing Period	Related Issue	Total
NCTA - The Internet & Television Association	Q3 2023	"HR 2463 - Junk Fee Prevention Act - all provisions related to cable"	\$4,080,000
NCTA - The Internet & Television Association	Q2 2023	"HR 2463 - Junk Fee Prevention Act - all provisions related to cable"	\$3,330,000
TOTAL:			\$7,410,000

CTIA - The Wireless Association—A Trade Association That Denounced Biden's July 2021 Executive Order Calling On The Elimination Of Junk Fees And Whose Board Members Include Verizon—Spent \$8 Million While Lobbying On "Issues Related To Termination Fees" During Q1 And Q2 2023.

CTIA - The Wireless Association—Whose Board Members Include DISH, AT&T And Verizon—Refuted President Biden's July 2021 Executive Order Urging For More Competition In The Economy Saying The White House "Missed A Clear Opportunity" To Name The Wireless Industry As A "Competitive Success Story."

According To Its Website, **CTIA - The Wireless Association Represents Companies In The Wireless Communications Industry From Manufacturers To Carriers.** "CTIA represents the U.S. wireless communications industry. From carriers and equipment manufacturers to mobile app developers and content creators, we bring together a dynamic group of companies that enable consumers to lead a 21st Century connected life." [CTIA, accessed [11/29/23](#)]

According To Its Website, **Executive Vice President & CEO Of Verizon's Business Group Kyle Malady Is On CTIA's Board Of Directors:**

Kyle Malady

Executive Vice President and CEO, Verizon Business
Group of [Verizon](#)

[CTIA, accessed [11/30/23](#)]

July 2021: CTIA Criticized The Biden Administration's Executive Order Urging More Competition In The Economy Stating, "The White House Missed A Clear Opportunity Today To Hold Out The Wireless Industry As A Competitive Success Story," Adding The White House Lacked Good Data About The Industry. "The White House missed a clear opportunity today to hold out the wireless industry as a competitive success story to be replicated in other industries. Today's action regrettably appears more focused on expanding government's role than promoting new competition,' CTIA stated, adding that the White House action lacks good data about the wireless consumer experience, stating more than 99% of Americans can choose between three or more wireless providers." [Fierce Wireless, [07/21/23](#)]

In President Biden's Executive Order, He Specifically References The Telecommunications And Cable Industries Which Charge Americans Hidden Fees, Driving Up Costs For Americans. "In the telecommunications sector, Americans likewise pay too much for broadband, cable television, and other communications services, in part because of a lack of adequate competition." [The White House, [07/09/21](#)]

During Q1 And Q2 2023, CTIA - The Wireless Association Spent \$8 Million While Lobbying On "Issues Related To Termination Fees."

During Q1 And Q2 2023, **CTIA - The Wireless Association Spent \$8 Million While Lobbying On "Issues Related To Termination Fees":**

Registrant	Filing	Related Issue	Total
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		Period	
CTIA - The Wireless Association	Q2 2023	"Issues related to termination fees"	\$3,480,000
CTIA - The Wireless Association	Q1 2023	"Issues related to termination fees"	\$4,540,000
TOTAL:			\$8,020,000

- According To A 2023 Mid-Year Political Engagement Report, Verizon Paid At Least \$1 Million In Membership Dues To CTIA - The Wireless Association. [Verizon, accessed [11/29/23](#)]

Since Q1 2023, The U.S. Chamber Of Commerce—Whose Board Features Comcast’s Chief Legal Officer & Secretary—Has Spent Over \$48.6 Million In Lobbying Expenditures While Lobbying Against The Junk Fee Prevention Act.

Comcast Chief Legal Officer & Secretary Thomas J. Reid Sits On The Board Of The U.S. Chamber Of Commerce—The World’s Largest Business Association—With Comcast Spending Over \$1.5 Million On Membership Dues In 2022 To The Chamber And Its Institute For Legal Reform.

According To Its Website, The U.S. Chamber Of Commerce "Is The World's Largest Business Organization," Including Small Businesses And Large Corporations. "The Chamber of Commerce of the United States is the world’s largest business organization. Our members range from the small businesses and chambers of commerce across the country that support their communities, to the leading industry associations and global corporations that innovate and solve for the world’s challenges, to the emerging and fast-growing industries that are shaping the future. For all of the people across the businesses we represent, the U.S. Chamber of Commerce is a trusted advocate, partner, and network, helping them improve society and people’s lives." [U.S. Chamber of Commerce, accessed [11/30/23](#)]

Chief Legal Officer & Secretary Of Comcast Thomas J. Reid Sits On U.S. Chamber's Board Of Directors:

Thomas J. Reid
 Chief Legal Officer & Secretary
 Comcast Corporation
 Philadelphia, PA

[U.S. Chamber of Commerce, accessed [11/30/23](#)]

In 2022, Comcast Spent Over \$1.5 Million In Membership Fees To The U.S. Chamber And Its Institute For Legal Reform:

U.S. Chamber of Commerce	\$972,500.00
U.S. Chamber of Commerce Institute for Legal Reform	\$605,000.00

[Comcast trade association and other 501(c)(6) disclosure form, accessed [11/30/23](#)]

Since Q1 2023, The U.S. Chamber Of Commerce Has Spent \$48.6 In Lobbying Expenditures, While Lobbying Against The Junk Fee Prevention Act, Among Other Issues.

Since Q1 2023, The U.S. Chamber Of Commerce Spent \$48.6 Million While Lobbying Against The Junk Fee Prevention Act:

Registrant	Filing Period	Related Issue	Total
U.S. Chamber of Commerce	Q3 2023	"H.R. 2463/S. 916, Junk Fee Prevention Act."	\$13,590,000
U.S. Chamber of Commerce	Q2 2023	"H.R. 2463/S. 916, Junk Fee Prevention Act."	\$16,390,000
U.S. Chamber of Commerce	Q1 2023	"Draft legislation titled Junk Fees Prevention Act"	\$18,660,000
			TOTAL: \$48,640,000