

**THE NEW ENGLAND CABLE &
TELECOMMUNICATIONS ASSOCIATION**

WRITTEN TESTIMONY OF WILLIAM D. DURAND, ESQ.

THE COMMERCE COMMITTEE

**SENATE BILL 225: AN ACT AUTHORIZING AN UPDATED ADVANCED
COMMUNICATIONS TECHNOLOGY STUDY**

FEBRUARY 24, 2012

Introduction:

My name is Bill Durand and I represent the New England Cable & Telecommunications Association, Inc., NECTA. Our membership includes substantially all of the major cable operating and programming companies in the six state New England region, NECTA respectfully submits this testimony in support of Senate Bill 225.

Discussion:

This bill authorizes the Office of Legislative Management to contract with the Connecticut Academy of Science and Engineering (CASE) to update the academy's 2006 report on advanced communications technologies. The bill requires the study to expand its focus to include the economic impact of investment in advanced technologies. We believe this to be the correct course. We submit as part of our testimony a recently released economic report prepared by the University of Massachusetts Donahue Institute. Commissioned by NECTA, this report shows a direct correlation between investment in advanced technology and economic growth and job creation. The report's key findings about the state's cable providers included the following:

- **Grew employment by more than 30%, from 2,495 employees in 2006 to nearly 3,300 in 2010.**
- **Spent more than \$928 million on capital improvements, \$165 million in 2010 alone, including investments in the network, head ends, customer premise equipment and vehicles.**
- **Generated nearly \$1.47 billion of statewide economic activity.**
- **Provided the majority of wired broadband lines in the state and these lines have grown more than 66 percent since 2005.**

NECTA was an active participant in the 2006 CASE study and we would welcome the opportunity to take an active role in this proposed update. We look forward to continuing to work with this Committee on this important topic this session.

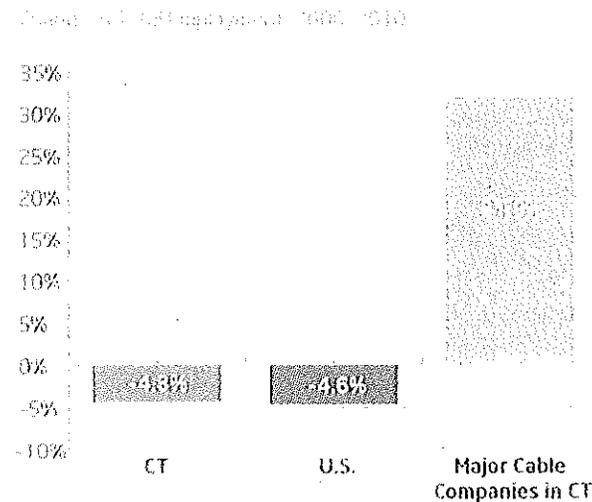
CONNECTING CONNECTICUT: Cable's Impact on the State's Economy

KEY FINDINGS

Connecticut's cable companies contribute significantly to the state economy and to local communities. Key findings from the September 2011 UMass Donahue Institute report, *Connecting Connecticut: Cable's Impact on the State's Economy*, are presented below. For the full report, visit www.necta.info.



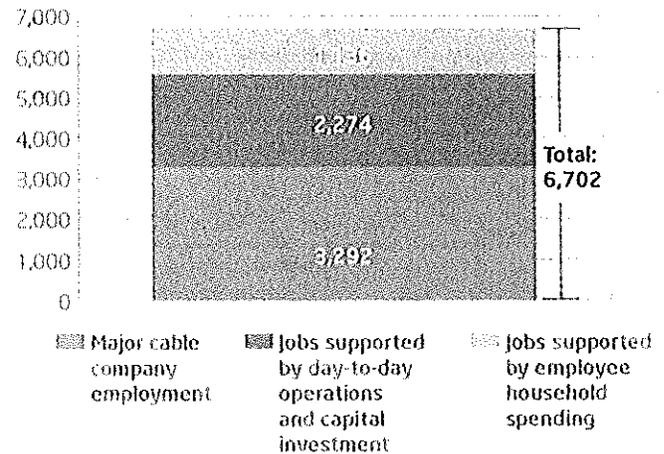
During a period when the overall economy slowed, Connecticut's major cable companies grew employment by more than 30 percent



Source: United States Department of Labor, Bureau of Labor Statistics, Bureau of Economic Analysis, U.S. Census Bureau, Department of Labor. Data reflects annual average BLS data.

Major Connecticut cable companies support more than 6,700 jobs statewide

Employment Contribution of Major Cable Companies in Connecticut, 2010



Source: Data collected by major BLS data firms; calculations by UMass Donahue Institute for Policy and Program Studies.

- Statewide, Connecticut's major cable companies and their employees generated \$1.47 billion of economic activity

Source: Data collected by the U.S. Census Bureau, Bureau of Economic Analysis, BEA, 2010

Direct Contribution	Indirect Contribution	Total Economic Contribution
\$851.2M	\$620.7M	\$1.47B

Source: Data collected by the U.S. Census Bureau, Bureau of Economic Analysis, BEA, 2010

- Cable makes significant charitable contributions to local communities: nearly 1,700 community institutions receive donated cable and broadband services

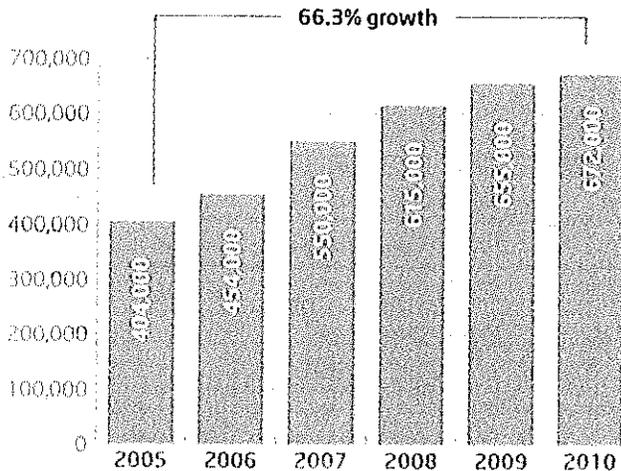
Source: Data collected by the U.S. Census Bureau, Bureau of Economic Analysis, BEA, 2010

Cash contributions	\$0.6M
In-kind contributions	\$3.7M
Voice, video and data broadband services (estimated value)	\$2.0M
Total	\$6.3M

Source: Data collected by the U.S. Census Bureau, Bureau of Economic Analysis, BEA, 2010

- The majority of wired broadband lines in Connecticut are provided by cable companies and these lines in the state have grown more than 66 percent since 2005

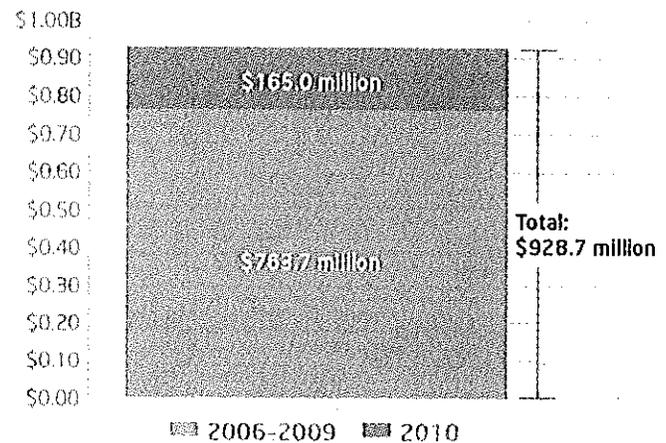
Source: Data collected by the U.S. Census Bureau, Bureau of Economic Analysis, BEA, 2010



Source: U.S. Census Bureau, Bureau of Economic Analysis, BEA, 2010

- From 2006 to 2010, Connecticut's major cable companies invested more than \$928 million on capital improvements, \$165 million in 2010 alone

Source: Data collected by the U.S. Census Bureau, Bureau of Economic Analysis, BEA, 2010



Source: Data collected by the U.S. Census Bureau, Bureau of Economic Analysis, BEA, 2010