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To: Rep. Kathleen James, Chair – House Committee on Energy and Digital Infrastructure
Rep. Scott Campbell, Vice Chair
Rep. Laura Sibilila, Ranking Member

From: Todd W. Daloz, Assistant Attorney General

Date: February 25, 2025

Re: H.11- Written Testimony

In follow-up to my oral testimony before the Committee on Friday, February 14, 2025, at the Chair's request I submit the following written testimony.

The Attorney General's Office (AGO) strongly supports broadband expansion as a critical tool for economic development, public safety, and consumer connectivity in Vermont. That said, in our view the Department of Public Service is best positioned to fulfill the duties outlined in this bill for the reasons identified below. It should also be noted that many of the prohibited practices detailed in proposed § 2490e (H.11, page 5) are already covered by our existing consumer protection provisions in Title 9, Chapter 63 of the Vermont Statutes Annotated. The AGO already has the power to address unfair and deceptive acts and practices, which include many of the specific practices outlined in the bill.

I. Consumer Complaint Data Does Not Support Additional Regulation

As drafted, H.11 seeks to address an issue that has not been a major source of consumer complaints to the AGO, to date. While we are aware that some consumers experience challenges with broadband service, in the context of the total number of consumer complaints our Consumer Assistance Program (CAP) receives, these complaints do not constitute a significant volume of intakes (see the Attachment for more detail). The Department of Public Service (DPS), which handles complaints related to regulated entities through their Consumer Affairs and Public Information (CAPI) program, may have more relevant data. However, from our perspective, broadband service issues have not been a primary concern raised by Vermont consumers. Prior to engaging in enacting further consumer protection regulations, the AGO would support gathering additional data to better understand the scope and scale of this issue.

It is also worth noting that many of the prohibited practices detailed in proposed § 2490e (H.11, page 5) are already covered by our existing consumer protection provisions in Title 9, Chapter 63 of the Vermont Statutes Annotated. The AGO already has the power to address unfair and deceptive acts and practices, which include many of the specific practices outlined in the bill.

II. The Department of Public Service May be a More Appropriate Regulator

Unlike the AGO, DPS has direct regulatory authority over, and established relationships with, many broadband providers, specifically those that also operate as regulated telecom entities. As a result, DPS has clear channels of communication with these providers and can engage in effective informal dispute resolution on behalf of consumers. Currently, when the AGO receives broadband-related complaints, we typically refer them to DPS for this reason. The ability of DPS to engage with these entities by leveraging relationships rather than direct enforcement helps them efficiently resolve consumer complaints.

III. Operationalizing the New Responsibilities Under H.11 Would Expand the Scope of the AGO and Require Extensive Additional Resources for the AGO

Finally, if the Legislature enacted H.11 as drafted, it would significantly expand the role of the AGO and would require substantial additional resources beyond the Office's existing capacity. In most instances, the AGO operates as an enforcement entity, working together with an existing regulatory body to enforce the law when a regulated entity is deemed in violation. H.11 would shift this paradigm and have the AGO operating as both primary regulator of a complex industry and the main enforcer.

Relatedly, H.11 would be expensive. As drafted, it would expand the AGO's role beyond complaint-driven consumer protection to include additional duties, such as: (1) creating a specific consumer complaint database for broadband issues, (2) monitoring current and emerging market trends in the broadband sector and assessing their impact, (3) routinely reviewing business practices to determine any negative effects on marginalized communities, and (4) maintaining a new website to publish broadband providers' policies and practices. While the AGO supports such work, generally, this expansion of duties would be well beyond the existing structure of the AGO and would entail a significant increase in personnel, IT, and other resources. The AGO is not currently requesting such a broad expansion.

Thank you for your time and consideration.

Sincerely,

Todd W. Daloz

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Attachment

Attorney General’s Office – Consumer Assistance Program
Broadband Consumer Intakes, 2021-2024

The Consumer Assistance Program (CAP) maintains a database of intakes and complaints received and categorizes them by industry and/or company name.

As noted in the narrative in this written testimony, as a general rule intakes and complaints related to telecommunication services (including internet and broadband service) are referred to the Department of Public Service (DPS) and its Consumer Affairs and Public Information office (CAPI) for follow-up and/or potential consumer resolution. DPS regulates the telecom industry and has particular expertise assisting consumers in these matters.

- Industry Intakes (2021-24): Ten (10)
 - Seven (7) reports related to “broadband” and “broad band”
 - Three (3) reports related to “high speed internet”

Note: The Entity Intakes, listed below, include these ten Industry Intakes.

- Entity Intakes (2021-24): 568
 - Burlington Telecom: 0
 - Comcast: 214
 - Consolidated: 273
 - Fiber: 32
 - Fidium: 31
 - FirstLight: 4
 - VTel: 4
 - WCVT / Waitsfield Telecom: 5

It is important to note that these numbers may not reflect the total number of broadband consumer questions or concerns that arise in Vermont. Some consumers may reach out to DPS/CAPI directly or used an alternate term in reporting their problem to AGO/CAP. Some consumer reports relate to concerns unrelated to broadband reliability or speed (e.g., billing) and/or the problem reported may be intermittent and may be resolved without further intervention.