



Legislation Text

File #: 22-0490, **Version:** 1

Resolution to Endorse the Protecting Community Television Act (HR 6219/S 3361)

The FCC's 2019 Franchise Fee Order redefines the federal Cable Act's 5% franchise fee to include the value of most non-monetary franchise obligations as franchise fees. This change allows cable companies to reduce what they pay for the use of public property and rights-of-way. The Protecting Community Television Act (HR 6219/S 3361) corrects this error by clarifying franchise fees are only monetary.

The Cable Act protects the rights of a local community to charge cable companies a five (5%) percent franchise fee and to meet community needs and interests, such as providing public, educational and governmental channel capacity. Contrary to industry practices that date to the 1980s, the FCC's actions could result in reducing cable operators' monetary compensation to towns and municipalities that wish to communicate with residents through community television. The FCC Order could force communities to choose between franchise fees or communicating with residents through community media that provide Americans with local civic, public safety and public health content.

The Protecting Community Television Act (HR 6219/S 3361) clarifies that only monetary payments, not non-monetary franchise obligations, qualify as Cable Act franchise fees and are subject to a fee cap. Without it, a cable operator could create fees to drain away franchise fees, resulting in a significant drop in resources for Community Television Network's PEG channels.

Since 1973, CTN has provided free television production workshops to residents and non-profit organizations and created local cable programming about our community. CTN is one of the oldest access television operations in the country and is funded via cable franchise fees.

The bill is authored by Senators Ed Markey (MA) and Tammy Baldwin (WI). Rep. Anna Eshoo (CA) and Pete DeFazio (OR) are the House authors. As of February 1, the bill has 15 co-sponsors in the Senate and 19 co-sponsors in the House.

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Approved by: John Fournier, Assistant City Administrator

Whereas, On August 1, 2019 the FCC adopted a new rule that allows cable franchise operators to charge in-kind contributions against the monetary contributions that local governments receive from cable operators via cable franchise agreements;

Whereas, This new rule has caused cable franchise fees to drop across the nation, putting at risk the community television programming and coverage that is essential to keep residents informed and engaged in their local government;

Whereas, The Protecting Community Television Act (HR 6219/S 3361) would reverse portions of this federal rule and make it clear that only monetary contributions from a cable operator can satisfy payments required under a cable franchise fee;

Whereas, At the February 28, 2022 meeting of the Council Policy Agenda Committee, the committee members endorsed this resolution and asked that it be brought forth to Council;

RESOLVED, That the City Council endorses the Protecting Community Television Act and directs the City Administrator to communicate said endorsement to any relevant interest group, elected official, executive agency, or other party to promote the Act's passage and adoption.

Sponsored by: Council Policy Agenda Committee