



CITY OF MARTINEZ

**CITY COUNCIL AGENDA
March 19, 2014**

TO: Mayor and City Council
FROM: Michael Chandler, Senior Management Analyst
SUBJECT: AJR 39 Letter of Support
DATE: March 13, 2014

RECOMMENDATION:

Motion authorizing the Mayor to sign a letter to Congress on behalf of the City in support of Assembly Joint Resolution 39 – Public Channel Funds.

BACKGROUND:

Public, educational and government (PEG) channels are local public access channels that provide a variety of community-based information and programming to citizens. Cable television providers had since 1984 been required by federal law to provide PEG channel space and PEG funding to local agencies as part of the franchising process, if so requested by the local government as part of the local franchising process.

California passed AB 2987, the Digital Infrastructure and Video Competition Act of 2006 (DIVCA), which eliminated the system of local governments franchising directly with cable television companies. The California Public Utilities Commission is the sole administrator for granting all new cable franchise agreements after 2006. The City, as the “local franchise authority,” currently receives PEG channel space and funding from its franchised cable television providers as a condition of its existing franchise agreement with Comcast that expires in 2021. The provision of PEG channels and funding beyond that point remains a concern.

The primary use of the City’s PEG funding is for the support of the government access “City Channel.” Federal limitations on the use of the PEG funding, whereby expenditures must be for capital expenses (such as equipment, maintenance, and upgrades) and not for operational purposes (such as labor and administration costs), have severely restricted a local franchise authority’s ability to enhance and expand PEG programs. The proposed legislation would achieve a number of important protections for the future provision of PEG programming, and allow municipalities such as Martinez the flexibility to determine the best use of the PEG funding as a resource for local information and discourse.

FISCAL IMPACT:

No additional revenue is anticipated through this action; however, Congressional passage of the provisions of AJR 39 would provide the City significant additional flexibility in utilizing its existing PEG funding streams.

ACTION:

Motion authorizing the Mayor to sign a letter to Congress on behalf of the City in support of Assembly Joint Resolution 39 – Public Channel Funds.

Attachment:

AJR 39 Letter of Support

AJR 39 Fact Sheet

APPROVED BY:


Interim City Manager



City of Martinez

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March 20, 2014

The Honorable Roger Hernández
Chair, Labor and Employment
State Capitol, Room 4146
Sacramento, California 95814

Re: AJR 39 (Hernández, R.) — SUPPORT

Dear Assemblymember Hernández:

The City of Martinez supports ARJ 39. AJR 39 urges Congress to allow states and their municipalities to determine the best use of public, educational, and government (PEG) channel support.

AJR 39 will provide solutions for critical and immediate threats to Public, educational, and government (PEG) channels and facilities in California and across the country by removing use restrictions on PEG channel access fees, restoring PEG channel revenue streams, and preventing video providers from charging municipalities for the transmission of the PEG channels. Public, educational, and government (PEG) channels are public-access channels that connect citizens to their communities, and to greater political, educational, and cultural information.

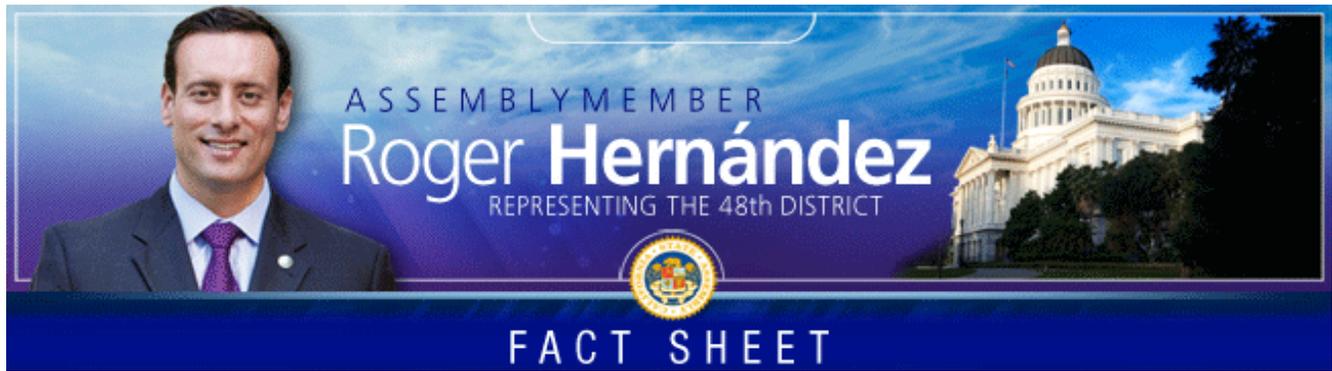
Assembly Joint Resolution (AJR) 39 seeks to address critical and immediate threats to public, educational, and government (PEG) channels in the community. Specifically, the measure calls on the US Congress to amend Section 542 of Title 47 of the US Code to allow states and their municipalities to determine the best use of PEG channel support, to restore and protect funding for PEG operations, to allow states and local governments the flexibility to use PEG funding for legitimate expenses other than capitol expenses, and to ensure PEG channels are transmitted without charge to local governments.

For these important reasons, the City of Martinez strongly supports AJR 39. Should you have any questions, please contact Michael Chandler, Sr. Management Analyst, at 925.372.3517 or mchandler@cityofmartinez.org

Sincerely,

Rob Schroder,
Mayor

ROB SCHRODER, MAYOR



AJR 39 – Public Channel Funds

SUMMARY

Assembly Joint Resolution (AJR) 39 urges Congress to allow states and their municipalities to determine the best use of public, educational, and government (PEG) channel support in serving as a valuable resource for local information and discourse.

BACKGROUND

Public, educational, and government (PEG) channels are public-access channels that connect citizens to their communities, and to greater political, educational, and cultural information.

PEG channels are not mandated by federal law. However, the federal Cable Communications Policy Act of 1984 amended the Communications Act of 1934 to allow local franchising authorities to require a cable television service provider to set aside channel capacity and provide financial support for PEG access channels.

California passed AB 2987, the Digital Infrastructure and Video Competition Act of 2006 (DIVCA). DIVCA eliminated the system allowing local governments to establish video franchise agreements with cable television companies and established the California Public Utilities Commission as the sole state administrator for the provision of cable and video service in California, rather than local entities.

There exists a continued threat to PEG services in California and across the country. Concerns include excessively low PEG channel revenue streams and lack of protection against video providers charging

municipalities for the transmission on PEG channels. Additionally, PEG funds are restricted only for the use of capital expenses (equipment, maintenance, upgrades, sets) and not operational expenses (labor, administration, research).

In California, approximately 51 PEG access centers—which provide community groups and individuals free access to video production facilities and equipment—have closed from 2007 to 2013.

NEED FOR THE BILL

AJR 39 seeks to address critical and immediate threats to public, educational, and government (PEG) channels in the community.

Specifically, the measure calls on the US Congress to amend Section 542 of Title 47 of the US Code to:

- Allow states and their municipalities to determine the best use of PEG channel support
- Restore and protect funding for PEG operations
- To allow states and local governments the flexibility to use PEG funding for legitimate expenses other than capitol expenses
- Ensure PEG channels are transmitted without charge to local governments

STATUS

Introduced 2/19/14