

SACRAMENTO METROPOLITAN



Cable
Television
Commission

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BILL BRYAN
SUPERVISOR, 4TH DISTRICT
CHAIRMAN

March 17, 1983

Honorable Robert Matsui
Congressman
3rd District, California
231 Cannon Office Building
Washington, D. C. 20515

Dear Congressman Matsui:

Attached is a Resolution adopted by the Sacramento Metropolitan Cable Television Commission on March 16, 1983, opposing S.66 currently in Committee. As Chairman of the Commission, I urge you to actively oppose this legislation in its present form. Several provisions in this Bill which provide for federal regulation of cable television severely limit the activities of this Commission as provided by our local Ordinance and Franchise documents. Specific provisions which the Commission is opposed to are:

1) Usurpation of Local Controls.

The provision to give concurrent jurisdiction and authority to the federal government over cable television is in direct conflict with President Reagan's overall policy of returning control to local elected officials of issues which directly affect local citizens. Our community has spent over three years in a very comprehensive franchising process and believe that our local officials can most effectively respond to local communication needs. Moreover, major provisions of S.66 remove protections that are included in our Ordinance to ensure the public interest is served by cable technology.

2) Franchise Fee Limit.

A lower limit than the current 3% franchise fee would severely curtail the Commission's ability to effectively enforce the Franchise in Sacramento. Any prohibitions on using this fee to augment cable services could severely impact the development of interactive and institutional uses of cable technology in this community, as the Commission plans to play a major role in this area.

3) 10% Minimum/Maximum Ceiling of Access Channels.

We object to the provision that access channels may fall below the 10% minimum if the operator determines that "reasonable other areas for access" exist. Historically, neither local broadcast stations nor newspapers provide the comprehensive kind of local programming provided by access channels.

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4) Automatic Renewal.

This provision removes the freedom of local governments to select the most appropriate cable operator in a competitive environment. By mandating renewal using the four criteria listed, our local governments are prohibited from selecting a service provider that can most effectively meet local communication needs.

I urge you to oppose S.66 as it removes the ability of local government to be responsive to local needs. It is inconsistent with the current administration's philosophy of strengthening local control, and may provide little protection to subscribers in ensuring that they receive a comprehensive communication technology.

Sincerely,

Bill Bryan

BILL BRYAN, Chairman
Sacramento Metropolitan Cable
Television Commission

WB:ab

Attachment

cc: Senators Alan Cranston, Pete Wilson and Barry Goldwater
Congressmen Vic Fazio
Congressmen Henry Waxman and Carlos Moorhead, Members of House Sub-
Committee on Telecommunications
League of California Cities
National League of Cities
NFLCP and NATOA
Assemblymen Phil Isenberg, Lloyd Connelly and Norm Waters
Assemblywoman Jean Moorhead
Assemblywoman Gwen Moore, Chair, Assembly Sub-Committee on Cable
Television
State Senators John Doolittle, LeRoy Greene and John Garamendi
State Senator Joseph Montoya, Chair, Senate Sub-Committee on Cable
Television

RESOLUTION NO. _____

RESOLUTION OF THE SACRAMENTO METROPOLITAN
CABLE TELEVISION COMMISSION, OF THE STATE
OF CALIFORNIA EXPRESSING OPPOSITION TO
LEGISLATION ENTITLED "CABLE TELECOMMUNICA-
TIONS ACT OF 1983" (S.66) INTRODUCED IN THE
UNITED STATES SENATE.

WHEREAS, on January 26, 1983, a Bill known as the "Cable Telecommu-
nications Act of 1983" was introduced in the United States Senate; and

WHEREAS, if enacted, the proposed legislation would constitute an
unwarranted usurpation of state and local governments' ability to exercise
their fundamental right to negotiate contracts and would curtail their franchis-
ing powers; and

WHEREAS, there exists no local, state or national need for this special
interest legislation which would substantially impair the franchising powers of
cities; and

WHEREAS, there exists no apparent need for the federal government to
assume exclusive jurisdiction of the cable telecommunications system and super-
sede adequate state and local regulations; and

WHEREAS, regulations developed at a local rather than federal level
are more likely to ensure protection for the interests of consumers, which
interests are likely to differ among communities; and

WHEREAS, the County and Cities of Sacramento, Folsom, and Galt have
enacted a comprehensive Ordinance which protects cable subscribers in the re-
spective jurisdictions; and

WHEREAS, the County and Cities of Sacramento, Folsom, and Galt have
authorized the Sacramento Metropolitan Cable Commission to act on their behalf
in a joint powers agreement; and

WHEREAS, the elected officials of the respective jurisdictions
serve as Commissioners of this Joint Powers Agency; and

WHEREAS, under the proposed legislation, the FCC would be required to establish a nationwide ceiling on franchise fees based on the FCC's estimate of the average cost of regulating cable systems which ceiling could be substantially less than the current standard; and

WHEREAS, under the proposed legislation, the ceiling of franchise fees to cover no more than the Commission's actual cost of regulation, would prevent the Commission from receiving any compensation for the use of its respective jurisdiction's right-of-way and would be tantamount to an expropriation of local government property; and

WHEREAS, the proposed legislation would weaken and diminish the bargaining powers of the Commission to upgrade cable systems at the end of the franchise period since it would require the Commission to renew a franchise whenever a cable operator submits an application for renewal or extension and has satisfied a minimum criteria test; and

WHEREAS, under the proposed legislation, the criteria for renewal is so vague and ambiguous so as to make it extremely difficult for the Commission to deny an application for renewal giving existing operators virtual guaranteed renewal; and

WHEREAS, the proposed legislation would require that our existing franchises be amended to comply with its provisions within ninety days of enactment thereby resulting in an impairment of the bargains and obligations made in good faith in furtherance of the public interest after years of effort by the County, the Cities, and this Commission; and

WHEREAS, under the proposed legislation, the Federal Communications Commission ("FCC") would have the unwarranted authority to determine whether there exists an adequate an adequate number of broadcast stations in Sacramento

which would justify the elimination of local regulation of rates for the retransmission of broadcast programming over cable systems; and

WHEREAS, the proposed legislation would prohibit state and local regulation of the provision of or nature of cable service which would in effect prohibit the establishment and enforcement of cable service requirements included in franchise agreements such as programming requirements; and

WHEREAS, the proposed legislation would establish access requirements of ten percent of the system's channels for public educational and governmental access programming on systems with twenty or more channels which could, in effect, reduce access requirements currently in effect in Sacramento County; and

WHEREAS, under the proposed legislation, the FCC would be required to terminate access channels in any community in which there are other outlets for the distribution of programming, possibly resulting in the demise of access channels in a cable system operating in Sacramento County; and

WHEREAS, for all of the above referenced reasons, the proposed legislation would at the very least eliminate virtually all rate regulation, establish virtually guaranteed rights of franchise renewal for all existing cable operators, substantially reduce the availability of access programming, prohibit the establishment of service requirements thereby hampering the ability of local communities to provide security systems and data communications necessary to the health, safety, and welfare of its citizens, restrict municipal ownership of cable systems and limit franchise fees;

NOW, THEREFORE, BE IT RESOLVED, that the Sacramento Metropolitan Cable Television Commission opposes the proposed federal legislation known as the "Cable Telecommunications Act of 1983" which would have the effect of reducing, if not eliminating, municipal powers of franchising and would substantially impair the

fundamental right of contract to be exercised by state and local government in the area of cable telecommunications.

BE IT FURTHER RESOLVED, that the Clerk of the Commission shall furnish a copy of this Resolution after it has been approved and fully executed by the Commission to Senator Alan Cranston and Senator Pete Wilson, Congressman Vic Fazio and Congressman Robert Matsui, and other appropriate state, local and federal agencies, and urge them to make every effort to oppose the legislation.

On a motion by Commissioner _____, seconded by Commissioner _____, the foregoing Resolution was passed and adopted by the Sacramento Metropolitan Cable Television Commission this ____ day of _____, 1983, by the following vote, to wit:

AYES:

NOES:

ABSENT:

Chairman, Sacramento Metropolitan Cable
Television Commission

ATTEST: _____
Clerk, Sacramento Metropolitan Cable
Television Commission