



# AMERICAN COMMUNITY TELEVISION

## The Community Access Preservation Act (the CAP Act)

H.R. 1746

Introduced by Congresswoman Tammy Baldwin (D-WI)  
Lead Co-Sponsor, Congressman Steven LaTourette (R-OH)

### **1. It removes the distinction between "capital" and "operating" in PEG support fees.**

PEG support fees that are collected from subscribers by the cable operators can only be used for "capital and equipment" and not for operational overhead. The CAP Act will eliminate that part of the Telecommunications Act that prevents PEG centers from using PEG support for their operating expenses. Right now, access centers are closing their doors because even though they receive money for buildings and equipment, they do not have or are losing money for operations. The CAP Act will allow centers to spend the PEG support fees as they see fit to keep the centers open and keep the channels on the air. The CAP Act will save or create over 8,400 jobs nationwide.<sup>1</sup>

### **2. Makes sure local governments can secure funding for PEG channels in exchange for cable operators' use of public rights-of-way and makes sure local government can have PEG channels.**

For twenty-seven years, federal law has recognized the importance of allowing local government to ask cable operators for PEG channel funding in exchange for use of local rights of way. The CAP Act restores that ability to local government subdivisions in those states that passed statewide/state-issued franchising laws. The CAP Act provides that PEG channels will receive funding equal up to the historical support it received prior to the damaging statewide/state issued franchising laws<sup>2</sup>--**OR**--up to the amount that operators are required to pay under the new statewide/state issued franchising laws--**OR** up to 2% of the gross revenue of the cable operator--**whichever is greater**. It also makes sure local government can get a PEG channel if they do not have one, up to three.

### **3. It makes sure that cable operators transmit the PEG channels without charge to the local government.**

This is an important point because in several places cable operators are claiming they can charge local governments for the transmission of the channels. Cable operators are demanding several thousand dollars per year per channel for transmission. This must stop!

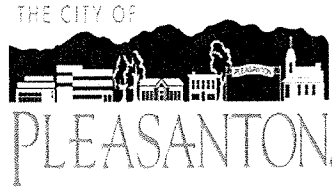
### **4. It makes sure that PEG channels are available on the Basic tier of service and available to all subscribers without need for additional equipment in order to get them.**

PEG channels in various states have been moved to the high digital tier, out of reach for those who have Basic cable. The CAP Act ensures that PEG channels will be available to every subscriber without the need for additional equipment. In some places, cable operators are charging five dollars or more per month for this additional equipment. Cable subscribers should have access to PEG programming without having to rent additional equipment.

For more information on the CAP Act, go to American Community Television's website at <http://www.acommunitytv.org> or call 410-992-4976.

<sup>1</sup> Jobs Survey conducted by ACT July 2010

<sup>2</sup> In states that have passed such laws since 2005.



Dear Mayor,

We are four mayors from the cities of Dublin, Livermore, Pleasanton and San Ramon, California. We represent over a quarter of a million people. We believe that local Public, Education and Government (PEG) television stations provide an important service to the community we serve and millions of Americans.

**We are asking that you join with us in support of a bi-partisan piece of federal legislation titled the Community Access Preservation Act (CAP Act, HR 1746).**

This is not a fiscal bill. PEG channels receive no federal funding. Additionally, PEG channels are in no way related to PBS (Public Broadcasting Service).

PEG channels bring government transparency by televising city council meetings, school board meetings, local emergency information, homework help, supports non-profits, high school sporting events and other local programming not otherwise broadcast on television. They connect residents with their local government in much the same way C-Span connects viewers to activities in Congress.

Due to a lack of adequate federal protection, PEG television was severely affected in twenty-three states that passed statewide/state issued cable franchising laws. These laws have had serious negative consequences for PEG television. One of these is changing the ability to use **already allocated** fees to support ongoing operations. Although these fees continue to be collected from subscribers by the cable operators they are now designated for capital costs only, eliminating the ability to use them for operational overhead. The CAP Act is the congressional remedy for this funding obstacle as it removes the distinction between capital and operational use.

The CAP Act was introduced May 5, 2011 by Congresswoman Tammy Baldwin (D-WI) and Congressman Steven LaTourette (R-OH) and would address the immediate issues facing PEG channels. Here's what the CAP Act will do:

- Remove the distinction between "capital" and "operating" allowing local entities to determine the best use of their PEG support fees.
- Make sure local governments can secure funding for PEG channels in exchange for cable operators' use of public right-of-way. Operators to provide the support required under state laws, or the support historically provided for PEG, or up to 2% of gross revenue, whichever is greater.
- Make sure cable operators transmit the PEG channels without charge to local government.

- Ensure PEG channels are available to every subscriber. PEG channels to be part of the basic service without additional charge for transmission or rental equipment.

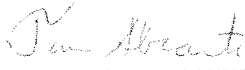
HR 1746 is supported by the National League of Cities, National Association of Counties (NACo), the United States Conference of Mayors, the National Association of Telecommunications Officers and Advisors, Alliance for Community Media, American Community Television, as well as several state municipal leagues.

As Republicans and Democrats, we recognize the value of these important television channels and **we urge you to join with us in communicating your support for the CAP Act (HR 1746) by calling or writing your federal and state legislators and asking for their support.** To read the legislation, go to:

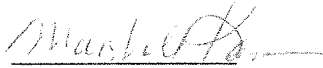
<http://thomas.loc.gov/cgi-bin/query/z?c112:H.R.1746:#>

Preserving transparency in government, educational broadcasts and other services provided by local PEG channels is important. We thank you for your time and consideration in this matter and look forward to your support.

Sincerely,



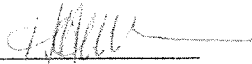
Tim Sbranti  
Mayor, Dublin



Marshall Kamena  
Mayor, Livermore



Jennifer Hosterman  
Mayor, Pleasanton



H. Abram Wilson  
Mayor, San Ramon

**RESOLUTION IN SUPPORT OF  
H.R. 1746  
THE COMMUNITY ACCESS  
PRESERVATION ACT (THE CAP ACT)**

A RESOLUTION OF (NAME OF YOUR CITY, COUNTY, ETC.) URGING CONGRESS TO SUPPORT H.R. 1746, THE COMMUNITY ACCESS PRESERVATION ACT, CO-SPONSORED BY CONGRESSWOMAN TAMMY BALDWIN (D-WI) AND CONGRESSMAN STEVEN LATOURETTE (R-OH), WHICH ADDRESSES CRITICAL AND IMMEDIATE THREATS TO LOCAL EDUCATIONAL AND GOVERNMENT ACCESS CHANNELS.

WHEREAS, public, educational and government (PEG) access channels are one of the last surviving sources for local television programming across the country and PEG channels play a significant role in (NAME OF YOUR CITY, COUNTY, ETC); and

WHEREAS, PEG channels are a unique and valuable resource for local information and discourse for the residents of (NAME OF YOUR CITY, COUNTY, ETC); and

WHEREAS, PEG channels televise local government meetings, including city commission, planning commission, county and school board meetings, so that citizens are informed about the actions taken by local officials; and

WHEREAS, PEG channels are also utilized to communicate with citizens on municipal events and services and also provide advisories and preparation directions to residents for emergency purposes; and

WHEREAS, PEG channels provide a window through which residents can view the diversity of cultures, educational information, recreational activities and artistic endeavors in their local community; and

WHEREAS, PEG channels reflect the unique identity of the communities they serve; and

WHEREAS, it is important to preserve PEG channels and funding for PEG channels, and to ensure that the channels continue to be available to the entire community to serve the residents of (NAME OF YOUR CITY, COUNTY, ETC); and

WHEREAS, H.R. 1746, the Community Access Preservation (CAP) Act, addresses critical and immediate threats to PEG; and

WHEREAS, the CAP Act provides important solutions for critical and immediate threats to PEG channels and facilities across the country by removing use restrictions on PEG access fees, restoring PEG revenue streams, and preventing video providers from charging municipalities for the transmission of the PEG channels; and

WHEREAS, the CAP Act would allow PEG fees to once again be used for any legitimate PEG expense, instead of restricting PEG fees to capital expenses only.

NOW, THEREFORE, BE IT RESOLVED BY (NAME OF YOUR CITY, COUNTY, ETC):

Section 1: That the (CITY/COUNTY/TOWN COUNCIL OF NAME OF YOUR CITY, COUNTY, ETC) urges (NAME OF YOUR HOUSE OR SENATE REPRESENTATIVE) to take all actions in support of the immediate passage of H.R. 1746, including, but not limited to endorsing, co-sponsoring and voting for H.R. 1746.

Section 2: That a copy of this resolution be provided to (YOUR HOUSE AND SENATE REPRESENTATIVES).

PASSED AND ADOPTED by (NAME OF YOUR CITY, COUNTY, ETC).

DATE

SIGNATURES OF YOUR ELECTED OFFICIALS

{DATE}

The Honorable {Member of the Senate}  
The Honorable {Member of the House}  
The Honorable {Local Elected Official}

Dear {Title and Name}:

I am writing on behalf of {city, county, nonprofit entity, educational institution} to ask for your support of the Community Access Preservation Act (HR 1746) to preserve and protect Public, Educational and Government (PEG) community access television stations. HR 1746 is co-sponsored by Congresswoman Tammy Baldwin (D-WI) and Congressman Steven LaTourette (R-OH).

We support PEG access television and {the name of the local access channel}. These local channels are the voice of the community and an important voice for democratic media, especially in an era of increased media consolidation.

The Cap Act ( HR 1746) will address some detrimental and critical issues facing local PEG channels; it will:

- Eliminate the distinction between “capital” and “operational” expenses when it comes to using existing PEG support fees. Right now, PEG support fees that are being collected can only be used for “capital” expenses. This distinction is unnecessary and wasteful of the subscriber’s money.
- Restore a community’s ability to collect PEG support. Many states passed statewide franchising laws that either eliminated PEG support or will eliminate PEG support by 2012. That means that hundreds of these channels will be eliminated in the next year.
- Allow a community that does not have a PEG channel to get one if they so choose.
- Prevent video providers from charging expensive channel transmission fees to local communities.

We urge you to join us in support of these local channels by supporting HR 1746.

As always, thank you for the work you do on our behalf.

Sincerely,

{Signator, Title and Contact Information}