

1 [Urging the California State Senate not to approve AB 2987.]

2

3 **Resolution Urging the California State Senate to vote no on AB 2987 which, if passed,**
4 **would eliminate the City and County’s role in negotiating cable and video franchises.**

5

6 WHEREAS, The California State Senate is expected to vote on the Digital
7 Infrastructure and Video Competition Act of 2006 (AB 2987) on June 20, 2006; and

8 WHEREAS, This bill will create a procedure for the issuance of state franchises for the
9 provision of vide services, which would be defined to include cable services and open video
10 systems, that would be administered by the State Department of Consumer Affairs; and,

11 WHEREAS, This bill will eliminate the City and County of San Francisco’s traditional
12 role in negotiating cable and video franchises at the local level and diminish the City and
13 County’s control over the public rights-of-way; and,

14 WHEREAS, AB 2987 restricts the number of Public, Education and Government (PEG)
15 channels to those that are currently activated ignoring instances where cities and counties
16 have agreements that may require the cable operator to provide additional PEG channels in
17 the future; and

18 WHEREAS, AB 2987 eliminates any current franchise obligations regarding additional
19 PEG channels and does not specify the amount of programming needed to garner additional
20 PEG channels and excludes “televised public meetings or classes in an accredited learning
21 institution” from being counted toward the activation of an additional PEG channel; and

22 WHEREAS, Under AB 2987, many communities will lose funding to support PEG
23 access ignoring the fact that cities and counties such as San Francisco have negotiated
24 agreements with cable operators that require them to provide PEG funding support for
25 expenses in addition to capital costs; and

Name of Supervisor/Committee/Department

BOARD OF SUPERVISORS

1 WHEREAS, At the expiration of existing franchises, AB 2987 limits the amount of PEG
2 and I-Net funding to the lowe of 1% of gross revenues or the level of support that was in the
3 existing franchise; and

4 WHEREAS, As a result, the loss for many communities is 35-50% of their current
5 funding, with some losing 75%, meaning that many thriving PEG activities in many
6 communities will end; and

7 WHEREAS, When the current franchise expires, the bill excludes preservation of in-
8 kind services that are currently provided, such as remote location feed, I-Nets, and
9 guarantees that PEG programming will be listed in all print and electronic channels guides
10 provided to subscribers; and

11 WHEREAS, In-kind support services such as cable service to public buildings is only
12 preserved until the end of the current franchise, and AB 2987 does not require a telephone
13 company receiving a state franchise to provide such services to schools, city or county
14 buildings; and

15 WHEREAS, AB 2987 limits the number of residents who will ever have the choice of a
16 competitive video service, or even video service itself since the bill aslo allows video providers
17 to select which neighborhoods will and won't get video servies; and

18 WHEREAS, AB 2897 fails to include a "build out" requirement that a video provider will
19 bring competitive service to all residents of a community by a specific date, without which
20 some residents in each community will not receive video services from new operators; and

21 WHEREAS AB 2987 removes franchising authority from local governments and directs
22 the California Department of Consumer Affairs to grant and enforce state franchises, but
23 provides no funding for the agency to assume these responsibilities; and

24 WHEREAS, No term limit is set for cable and video franchises meaning the franchises
25 are giver over for life; and

Name of Supervisor/Committee/Department

BOARD OF SUPERVISORS

Page 2

7/27/2011

d:\insite\files\sfm\attachments\16103.doc

1 WHEREAS, This bill is opposed by the California League of Cities and many other
2 community groups; now, therefore, be it

3 RESOLVED, That the Board of Supervisors opposes AB 2987 and urges the California
4 State Senate to not approve this bill.

5

6

7

8

9

10

11

12

13

14

15

16

17

18

19

20

21

22

23

24

25

Name of Supervisor/Committee/Department

BOARD OF SUPERVISORS

Page 3

7/27/2011

d:\insite\files\sfm\attachments\16103.doc