



Legislation Text

File #: Res 0620-2018, **Version:** *

Res. No. 620

Resolution calling on the Federal Communications Commission to reject the proposed rules put forth in the Second Further Notice of Proposed Rulemaking 18-131 and to create provisions that would strengthen public, educational, and governmental access television.

By Council Members Moya, Koo, Kallos and Ulrich (at the request of the Manhattan Borough President)

Whereas, On September 25th, 2018, the Federal Communications Commission (FCC), the body responsible for implementing and enforcing United States communications law and regulations, released the Second Further Notice of Proposed Rulemaking (FNPRM) 18-131, which introduces new proposed rules on how local franchising authorities (LFAs) may regulate cable operators and cable television services; and

Whereas, The FCC's Second FNPRM 18-131 proposes that cable-related, "in-kind" contributions, which include services rendered free of cost or certain costs related to PEG access television, be treated as "franchise fees" subject to the statutory five percent cap on franchise fees set forth by Section 622 of the Communications Act of 1934; and

Whereas, This proposed rule would have a large negative impact on PEG access television, which provides integral and valuable services to New York City in the form of educational and informative television programming, and training and employment in video production, video editing, and broadcasting, among other things; and

Whereas, For example, Manhattan Neighborhood Network, a PEG access television organization, is the largest media educator in New York City, serving more than 1,200 media students every year, and airing more than 15,000 hours of original content from some 1,000 producers; and

Whereas, Ultimately, these proposed rules would require LFAs to choose between reduced annual

franchise fee revenues and/or fewer PEG access channels and “in kind” service benefits, which would hurt the quality of services provided to the public, burden existing companies financially, and dissuade competition within the market; and

Whereas, The FCC’s Second FNPRM 18-131 would also prohibit LFAs from using their video franchising authority to regulate the provision of most “non-cable services,” such as broadband Internet access services, offered over a cable system by an incumbent cable operator; and

Whereas, This would prevent LFAs from adding a percentage of gross revenue for “non-cable services” provided to any franchising fees, which, considering the trend towards “cord-cutting,” with 33 million adults “cord-cutting” in 2018 according to eMarketer, could negatively impact the fiscal security of numerous television companies and PEG access television organizations; and

Whereas, The FCC’s Second FNPRM 18-131 is a gross federal overreach, as it would severely limit local governments from exerting any authority over most “non-cable services,” as well as reduce and/or dissuade competition between existing and emerging cable companies, reduce quality in PEG access television, and harm constituents’ privacy and consumer protections; and

Whereas, The FCC should reject these proposed rules and instead create provisions that would strengthen PEG access television; now, therefore, be it

Resolved, That the Council of the City of New York calls on the Federal Communications Commission to reject the proposed rules put forth in the Second Further Notice of Proposed Rulemaking 18-131 and to create provisions that would strengthen public, educational, and governmental access television.

LS #8890
KK
11/7/2018