



City of Coral Gables
CITY COMMISSION MEETING
November 17, 2009

ITEM TITLE:

Resolution supporting immediate passage of HR 3745 and calling on the Congressional Delegation to take all possible actions in support of the passage of HR 3745; and providing for an effective date.

BRIEF HISTORY:

There is proposed federal legislation, HR 3745, that would be particularly important for Coral Gables, given how Florida law has affected cable franchise agreements.

The City entered into a Cable Television Franchise Agreement ("Franchise") with MediaOne of South Florida, Inc. now d/b/a Comcast ("Comcast"), effective January 21, 1998, for a 15-year period. Comcast made certain commitments regarding the City's public, educational, and government access channels ("PEG Channels"). First, Comcast committed making up to six channels available. Further, PEG Channels are to be carried on a basic tier. Comcast also committed significant financial support including: two percent (2%) of gross revenue, and the following payments and schedule for payments:

<u>AMOUNT</u>	<u>NO LATER THAN</u>
\$500,000	4/21/1998
\$300,000	1/21/2001
\$300,000	1/21/2004
\$300,000	1/21/2007
\$300,000	1/21/2010
\$300,000	1/21/2013

In 2007, Florida passed the Consumer Choice Act of 2007, Ch. 2007-29 ("Florida Act"). The Florida Act preempts many provisions of the Franchise. For example, under the Florida Act cities may not enter into franchise agreements with cable companies and cable companies may unilaterally terminate existing franchise agreements. Also the Florida Act limits the number of PEG Channels to far less than the Franchise. The Florida Act allows cable companies to move PEG channels to digital non-basic tiers. Finally, the Florida Act may preclude revenue the City would otherwise receive under the Franchise. Specifically, the Florida Act terminates PEG fees effective July 1, 2012.

The proposed federal legislation would preempt Florida law and would aid the City by:

- Allowing PEG fees to be used for any PEG-related purposes;
- Requiring PEG channels to be carried in the same manner as local broadcast channels (on basic tiers);
- Requiring the FCC to study state franchise laws effect on PEG channels;
- Requiring cable operators to provide the greater of the support required under state laws, or the support historically provided under a franchise; and
- Making cable television-related laws and regulations applicable to all landline video providers.

If passed, the City would continue receiving PEG fees, notwithstanding the Florida Act, including from new cable providers that seek to provide services in the City.

The Resolution does not require any financial obligation on the part of the City.

LEGISLATIVE ACTION:

Date:	Resolution/Ordinance No.	Comments

ADVISORY BOARD/COMMITTEE RECOMMENDATION(S)

Date	Board/Committee	Comments (if any)




FINANCIAL INFORMATION: (If Applicable)

No.	Amount	Account No.	Source of Funds
1.		N/A	
Total:	-0-	APPROVED BY:	

PUBLIC NOTIFICATION(S):

Date	Form of Notification

APPROVED BY:

ASSISTANT CITY MANAGER	City Attorney (If Applicable)	City Manager
		

ATTACHMENT(S):

1. Draft resolution