

## **Summary of the Community Access Preservation (CAP) Act (HR3745)**

Public, educational and government (“PEG”) channels permit schools, governments, individuals and groups to provide and receive information about local events, emergencies, and issues. The channels encourage creation of local programming by civic groups and non-profits, cover government and school meetings, and promote localism and civic engagement.. The CAP Act responds to four immediate threats to PEG and these critical local communications.

### **1. Unnecessary Limits on the Use of PEG funds.**

*Issue:* Under federal law, a cable operator and a local community may negotiate for support for PEG use in addition to the franchise fee payments for use of public rights of way. The FCC recently ruled, subject to some important exceptions, that this PEG support may only be used for facilities and equipment, and not for PEG operating expenses.

*Effect:* Some communities are closing PEG facilities because there are no funds to operate them.

*Solution:* The bill amends the Cable Act to ensure that PEG fees can be used for any PEG purpose.

### **2. Discriminatory Treatment of PEG channels.**

*Issue:* The Cable Act provides that PEG channels should be free from cable operator interference and generally available to all cable subscribers. Accordingly, operators historically have provided local commercial television signals and PEG in the same manner, to all subscribers, and without additional charges. Some operators are now providing PEG channels that are less accessible, lower quality, missing basic functionality and more costly. Three complaints about mistreatment of PEG are before the FCC, but PEG is suffering in the meantime.

*Effect:* PEG is less accessible to all subscribers, and the most vulnerable viewers may lose access to basic local information altogether.

*Solution:* The bill reaffirms that operators must deliver PEG channels to subscribers without additional charges, and via channels whose quality, accessibility, functionality, and placement is equivalent to local commercial television stations.

### **3. Preservation of PEG Support and Localism.**

*Issue:* Federal law envisioned that PEG requirements would be established on a community-by-community basis. Several States, while intending to preserve PEG, adopted statewide video franchising standards without regard to local needs and interests.

*Effect:* Statewide standards are resulting in widespread *elimination* of PEG.

*Solution:* Immediate action is needed to preserve PEG to permit Congress to review the impact of these changes on local programming. The FCC is directed to investigate and to report to Congress on the impact of State video service franchising laws since 2005 on PEG. To ensure PEG is preserved, each cable operator must provide the channels and critical facilities it had been providing historically. Operators must make ongoing PEG support payments equal to the greater of the cash payment required under State law, or the value of the PEG support it historically provided.

### **4. Definition of Cable System.**

*Issue:* Entities that provide video services via wired facilities in the rights of way are intended to be subject to Cable Act rules, regardless of the transmission protocol used to deliver service, but some claim that the law is unclear, creating doubt as to where the rules apply.

*Solution:* The Act is amended to ensure it is technologically neutral. Providers using wired facilities in the rights of way are treated similarly and are subject to similar PEG requirements.