



Request for City Council Committee Action

Date: March 21, 2006

To Honorable Betsy Hodges, Chair Intergovernmental Relations Committee

Subject: A resolution in support of local franchising

Recommendation: Consider acceptance supporting local franchising.

Prepared or Submitted by C John Harrison, Manager Office of Cable & Video Services.

Approved by

Gail Plewacki, Communications Director

Steven Bosacker, City Coordinator

Presenters in Committee Gail Plewacki (612) 673-3763 and/or C John Harrison (612) 673-2906.

Financial Impact: No financial impact. Action is within current department budget.

Background/Supporting Information Attached:

A RESOLUTION IN SUPPORT OF LOCAL FRANCHISING

WHEREAS, in Congress, bills have either been introduced or drafted and discussed in committee that would prevent the City of Minneapolis from requiring providers of cable and video services that use City rights-of-way from having to obtain a franchise from the City and thus prevent the City from meeting local community needs; and

WHEREAS, these bills would nationalize franchising, setting a course toward preemption of all local authority over the provision of cable and video services within the community; and

WHEREAS, in the Minnesota Legislature, HF 1319 and SF 608 were introduced that would change the level playing field provisions in state law relating to the area served by cable service providers, which would present problems serving cable and video services to every neighborhood, thereby phone companies could choose to offer television service only in certain neighborhoods, instead of having to serve the cable franchisee's entire area, phone companies would be allowed to target the areas perceived to be most profitable, and "cherry-pick" the cable companies best customer areas; and

WHEREAS, these bills would reduce or eliminate financial and technical support that is critical to the City of Minneapolis and to the creation of local programs through public, educational and governmental access; and

WHEREAS, these bills eliminate any build-out requirements for any video service provider, thereby allowing providers to discriminate based on the wealth of the local neighborhoods they choose to serve; and

WHEREAS, these bills would deprive Minneapolis residents of the ability to address issues locally by removing to the state and federal government all customer service issues, transferring local enforcement of franchise issues to the federal bureaucracies and courts; and

WHEREAS, the City of Minneapolis supports competition, diversity and localism in media with a level playing field where everyone plays by the same rules to accomplish those goals; and

WHEREAS, local cable franchising allows for cities and towns around the country to exercise local authority, decision-making and consumer protection, to establish and support commercial-free community television, and to receive franchise fees that private companies pay as compensation for their use of local public rights-of-way; and

WHEREAS, under existing law telephone companies can enter the video market today as common carriers, as open video service providers, or under the same local franchising framework as cable companies; and

WHEREAS, the City objects to legislation that creates a subsidy to the telecommunications industry at the expense of the City's taxpayers;

NOW THEREFORE, BE IT RESOLVED, THAT WE, THE MEMBERS OF THE CITY COUNCIL OF THE CITY OF MINNEAPOLIS, for the reasons stated above urge the Minnesota Legislature and the Minnesota Congressional Delegation and all other members of Congress to oppose all bills promoting state-wide franchising and preferential treatment of providers of cable and video services entering the market and to support legislation that encourages fair competition to all areas of the City and does not reduce the compensation paid by franchised cable operators, including the funding of public, educational and governmental access television.

The City Council directs that this Resolution be forwarded immediately to the members of the Minnesota Congressional Delegation, State Legislators and other members of Congress and House of Representatives as deemed appropriate.