

Principles of the Community Access Preservation Act (the CAP Act) S. 1244

1. Removes the distinction between "capital" and "operating" in PEG support fees.

PEG support fees that are collected from subscribers by the cable operators can only be used for "capital and equipment" and not for operational overhead. We need to eliminate that part of the Telecommunications Act that prevents PEG centers from using PEG support for their capital *and* operating expenses, such as salaries. The CAP Act will save or create over 8,400 jobs nationwide.¹

2. Make sure local governments can secure funding for PEG channels in exchange for cable operators' use of public rights-of-way and makes sure local government can have PEG channels.

Federal law has recognized the importance of allowing local government to ask cable operators for PEG channel funding in exchange for use of public rights of way. The CAP Act restores that ability to local government subdivisions in those states that passed statewide/state-issued franchising laws. It provides that PEG channels will receive funding equal to the historical support it received prior to damaging statewide/state issued franchising laws²--**OR**--up to the amount that operators are required to pay under the new statewide/state issued franchising laws--**OR** up to 2% of the gross revenue of the cable operator--**whichever is greater**. It also makes sure local government can get a PEG channel if they do not have one, up to three.

3. Make sure that cable operators transmit the PEG channels without charge to the local government.

This is an important point because in several places cable operators are claiming they can charge local governments for the transmission of the channels. Cable operators are demanding several thousand dollars per year per channel for transmission. This must stop!

4. Make sure that PEG channels are available on the Basic tier of service and available to all subscribers without need for additional equipment in order to get them.

PEG channels in various states have been moved to the high digital tier, out of reach for those who have Basic cable. We must ensure that PEG channels will be available to every subscriber without the need for additional equipment.

5. Allow communities that have the capability of transmitting in HD, or the latest technology to have the ability to ask for and receive those advanced technology channels. The CAP Act lays out a framework of 180 days from the time of request for the cable operators to provide these channels.

6. Allows communities that have the ability to submit programming guides to be included in the EPG just like any other channel. The CAP Act lays out a framework of 180 days from the time of request for the cable operators to provide access to the programming guides.

For more information on the CAP Act, go to American Community Television's website at <http://www.acommunitytv.org> or call 410-992-4976.

¹ Jobs Survey conducted by ACT July 2010

² In states that have passed such laws since 2005.