January 15, 2020

The Honorable Amy Klobuchar
United States Senate
302 Hart Senate Office Building
Washington, DC 20510

Dear Senator Klobuchar,

As the President of the League of Minnesota Cities, I am writing on behalf of our 833 member cities to express our support for the Protecting Community Television Act introduced by Senator Ed Markey (D-Mass.) and to urge you to sign onto the bill as a co-sponsor. The bill protects critical funding for public, educational, or governmental (PEG) stations which were jeopardized by the Federal Communications Commission’s (FCC) reinterpretation of the Cable Act outlined in its Section 621 Report and Order released in August 2019. The bill addresses the same concerns you and your Senate colleagues expressed to the FCC in the July 29, 2019 letter to Chairman Pai. Without the adoption of the bill, cities will see a decrease in franchise fees and may be forced to abandon PEG stations.

The FCC’s reinterpretation of the Cable Act allows cable operators to deduct the value of “in-kind” obligations negotiated between them and cities against the franchise fees they have agreed to pay. This interpretation threatens city budgets and could significantly reduce franchise fees, which may force cities to eliminate public access programming entirely. In-kind obligations that are subject to these deductions include complimentary or discounted cable connections to schools, libraries and government buildings as well as negotiated discounts for veterans, seniors or low-income families. Moreover, the FCC has stated that within the year it may extend the offset to include the channel capacity needed to provide PEG programming.

Congress articulated a clear difference between monetary franchise fees and negotiated in-kind contributions in the Cable Act, and this distinction must be upheld. The Protecting Community Television Act upholds this longstanding distinction and reverses the FCC’s attempt to treat non-monetary in-kind franchise obligations as franchise fees by clarifying in law that franchise fees are limited to cash payments and do not include other services negotiated between a cable operator and a city. This legislation is critical to ensuring the preservation of PEG programming and the ability for cities to receive fair compensation for commercial use of public rights of way.

If you or your staff have any questions about the Protecting Community Television Act and how it would benefit Minnesota cities, please contact Daniel Lightfoot atdlightfoot@lmc.org or 651-281-1295.

Thank you for the work that you do on behalf of all Minnesotans.

Sincerely,

[Signature]

Mike Mornson
President, League of Minnesota Cities