



The Michigan Chapter
National Association of Telecommunications Officers and Advisors

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Local Programming Could Disappear by Action at the FCC and State Level
Proposals Put Severe Limits on Local Programming and Authority

Okemos, MI – The Michigan Chapter of the National Association of Telecommunications Officers and Advisors (MI-NATOA) strongly opposes the most recent FCC rule making proceeding on cable franchising which negatively impacts government transparency, local authority and longstanding local revenue in exchange for use of taxpayer supported Rights of Way (ROW).

The proposed new cable rule, notice of which the FCC approved in darkness after cancelling a public hearing on the subject Tuesday, September 25, 2018, diminishes local community oversight of our ROW and other public property.

This is alarming!

If the FCC issues the proposed order, the intended result will be to dramatically reduce local revenues relied upon by our home towns for the last 3-4 decades and end local programming. This could occur by encouraging cable/video service providers to claim the value of their channel as a credit against franchise fees, which could exceed the franchise fees currently paid, meaning the end of either franchise fees or PEG channels.

Franchise and PEG fees for Michigan communities currently stand at approximately **\$100 million dollars annually**. These fees are now at substantial risk.

PEG Channels like HOMTV in Meridian Township provide local news in their community and are the only source for gavel-to-gavel coverage of official Township government meetings, in-depth local election coverage on candidates running for office, press conferences on important issues, emergency communications, community news and information. These fees which support local programming and government transparency could disappear.

If such an order is issued and the FCC does not stay this order during an appeal, shortly after it's entered by the FCC, Cable Companies will decide what local benefits are now to be credited against franchise fees and deduct it from the percentage of gross revenues owed.

“We are very concerned about the action that was taken today. Channels like HOMTV across the state provide valuable local programming that is not available to residents through traditional news sources. When Meridian Township had a flooding this year and a press conference on the Larry Nassar scandal, it was the government access channel, HOMTV, that provided extensive coverage to

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residents. Without these fees, channels like HOMETV and the information that goes with it, goes dark," stated Meridian Township Communications Director Deborah Guthrie.

All this stems from the gradual erosion of basic local community constitutional franchise rights for commercial use of the taxpayer supported ROW, such as what SB 637 proposes for the wireless industry in Michigan.

Cable Companies have now convinced the FCC that they need the same cheap or free ROW access as the telecom industry has for wire lines (Metro Act) and are currently engaged in giving to wireless under SB 637.

Michigan NATOA is asking member communities and residents to contact their local and state representatives to **VOTE NO** on SB 637 and tell them you want to keep **YOUR** local channel and **YOUR** public ROW fees that support government transparency.

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