

Office of Telecommunications & Regulatory Affairs

Legislative and Regulatory Update – June 11, 2014

Cable/Video Issues:

- The 2014 channelAustin equipment purchase contracts for a total of \$114,329 will go to Council for approval at the June 26th Council meeting.
- The PEG team is finalizing the design of a major system upgrade for the GAATN room to include transport of the three channelAustin channels to City Hall and the hand-off of all seven PEG channels to Google Fiber.
- Major upgrades to the ATXN camera, lighting, sound, systems; control rooms; and studio at City Hall are continuing with the target completion date of October 1st.

CITY REGULATIONS

Wireless Regulatory Coordination

TARA is working with Legal, AE, Parks, and other affected departments to develop consistent policy on how City resources can be used to support commercial wireless services including the fees associated with the various applications. Wireless cellular and Wi-Fi proposals are pending from Extenet, Crown Castle, AT&T, Verizon, and Google Fiber.

ROW Construction Permitting Process Improvements

Working with AT&T and Google Fiber, the City has implemented changes in the ROW construction permitting process to increase the speed and efficiency of network construction while maintaining the required safeguards for utilities in the public ROW.

FEDERAL ACTIVITY:

FCC Intergovernmental Advisory Committee Members

FCC Chairman Tom Wheeler announced members of the FCC's Intergovernmental Advisory Committee (IAC) for 2014-2016. The IAC provides policy guidance, expertise, and recommendations to the Commission on a range of communications issues for which local, state, and Tribal governments share responsibility or administration with the Commission. Ron Nirenberg, City Councilmember, San Antonio, Texas and Kenneth S. Fellman, City Attorney, Littleton, Colorado and past NATOA president will serve on the 2014-2016 IAC that will focus on the role of state, local, and Tribal governments in facilitating technology transitions, broadband deployment and adoption, E-rate modernization, and public safety issues.

AT&T – Direct TV Merger-

Leaders in both the House and Senate announced their intentions of holding hearings to investigate the proposed \$48 billion merger between AT&T and Direct TV. Some media reports indicate that the merger may reduce regulatory opposition to the Comcast – TWC merger.

Comcast – Time Warner Cable Merger – No Recent Change

Hearings have been held in both the Senate and House with action pending in the FCC and FTC. The merger is opposed by more than 50 consumer advocacy groups including Consumers Union, Daily Kos and MoveOn.org, who point out that a bigger Comcast would have enormous power to raise broadband rates for a significant portion of the country and restrict network access to content providers. Comcast, the nation's largest cable company, is trying to buy Time Warner Cable, the nation's second largest cable company, for \$45.2 billion. The proposed merger would impact about 70 million subscribers, approximately 30 percent of the cable viewers in the U.S. and more importantly, it would affect about 40 percent of all U.S. high-speed broadband Internet subscribers.

CAP Act - S.1789 – No Recent Change

The Community Access Preservation (CAP) Act was reintroduced in the U.S. Senate by Senators Tammy Baldwin (WI) and Edward Markey (MA) in December. It is now pending action in the Senate Committee on Commerce, Science, and Transportation.

Work is ongoing by municipal associations and individual cities to inform elected officials and to gain support for the Community Access Preservation ("CAP") Act and to obtain a replacement sponsor for Republican co-sponsor Steven LaTourette, who retired from Congress at the end of the last session. The CAP Act removes the distinction between capital and operating uses of PEG support fees that currently prevent PEG fees from being used for operational expenses; ensures funding for PEG channels; requires cable operators to transmit PEG channels without charge to the local government; and requires the FCC to undertake a study of PEG operations.

Satellite Television Extension and Localism Act (STELA) of 2010 - No Recent Change

House Communications and Technology Subcommittee Chairman Greg Walden (R-OR) released the first discussion draft of legislation to reauthorize the Satellite Television Extension and Localism Act (STELA), which contains provisions that will expire on December 31, 2014. The key element of the Act allows satellite TV providers to have access to local broadcast station content. On March 26th, Senate Judiciary Committee Chairman Patrick Leahy (D-Vt.) chaired a hearing on extension of the Act.

FCC Notice of Proposed Rulemaking (WT Docket No. 13-238) to address what the Commission believes to be a continuing problem with provider access to the public rights-of-way. – No Recent Change

Initial comments to the NPRM were filed with the FCC February 5, with reply comments filed by coalitions of cities March 5th to rebut inaccuracies in the initial Comments.

Municipal groups will meet with their industry counterparts over the next two months to attempt to develop a "best practices" policy regarding wireless providers access to public ROWs.

The NPRM received comments on:

- Streamlining the environmental and historic preservation review processes for newer technologies, including small cells and distributed antenna systems;
- Removing barriers to the deployment of temporary towers, that are used in cases of emergencies or to add capacity during short term events;
- The meaning of terms included in a provision of the Middle Class Tax Relief and Job Creation Act of 2012 which states "a State or local government may not deny, and shall approve, any eligible facilities request for a modification of an existing wireless tower or base station that does not substantially change the physical dimensions of such tower or base station;" and

- Clarification of issues addressed in the Commission's "shot clock" order which set time periods for state and local governments to complete review of wireless siting applications. The City will submit comments individually and as a member of NATOA.

H.R. 2844 Federal Communications Consolidated Reporting Act of 2013 (no change)

Rep. John Scalise (R-LA), Rep. Greg Walden (R-OR), and Rep. Anna Eshoo (D-CA) introduced the bill on July 26th which amends the Communications Act of 1934 to require the FCC to publish on its website and submit to Congress a biennial report on the state of the communications marketplace assessing: (1) competition, including intermodal, facilities-based, and new and emergent services competition and addressing the provision of content, as well as communications using the Internet; (2) deployment of communications capabilities, including whether advanced telecommunications capability is being deployed to all Americans in a reasonable and timely fashion; and (3) whether laws, regulations, or regulatory practices pose a barrier to competitive entry or expansion of existing providers of communications services. The bill was unanimously approved by the full House September 9th, and it is now pending action by the Senate.

H.R. 3719 Video CHOICE (Consumers Have Options in Choosing Entertainment) Act (no change)

Rep. Anna G. Eshoo (CA-18), Ranking Member of the Communications and Technology Subcommittee and Rep. Zoe Lofgren (CA-19), senior Member of the Judiciary Committee, on December 12, 2013, introduced the Video CHOICE (Consumers Have Options in Choosing Entertainment) Act to eliminate broadcast television blackouts and give consumers greater flexibility to choose the channels they receive each month from their cable, satellite or other pay-TV provider. The bill is pending in the House Energy and Commerce Committee.

S. 912 Television Consumer Freedom Act of 2013 (no change)

Sen. John McCain (R-AZ) and Sen. Richard Blumenthal (D-Conn.) introduced the bill that would allow multichannel video programming distributors (MVPDs) to provide subscribers with any channel of video programming on an a la carte basis.

H.R.2309 & S.1235 Tax Fairness Act of 2013 (no change)

Rep Zoe Lofgren D-CA-19 on June 11th introduced the House bill and Sen Ron Wyden D-OR on June 25th introduced a companion bill that would restrict any State or local jurisdiction from imposing a new discriminatory tax on cell phone services, providers, or property. The House bill has 149 cosponsors and is pending action by the House Committee on the Judiciary.

S. 31 & H.R. 434: Permanent Internet Tax Freedom Act of 2013 (no change)

Sen. Kelly Ayotte [R-NH] introduced the Senate bill, and Rep. Steve Chabot [R-OH1] introduced the bill in the House. The bills would make the moratorium on Internet access taxes and multiple and discriminatory taxes on electronic commerce permanent.

S. 1431: Internet Tax Freedom Forever Act (no change)

Sen. Ron Wyden (OR) introduced the bill August 1, 2013, to permanently extend the ban on state and local taxation on Internet access service.

The Broadband Adoption Act of 2013 (H.R.1685) (no change)

On April 23rd, Congresswoman Doris Matsui (D-CA-06), Member of the Energy and Commerce Subcommittee on Communications and Technology, along with Energy and Commerce Committee Ranking Member, Henry Waxman (D-CA-33) and the Ranking Member of the Communications and Technology Subcommittee, Anna Eshoo (CA-18), introduced legislation to reform and modernize the Universal Service Fund (USF) Lifeline Assistance Program. The Broadband Adoption Act of 2013 would help bridge the digital divide by making in-home

broadband services more affordable across the country. The bill allows eligible Americans in rural and urban communities to use Lifeline program for broadband Internet services, and not just voice services. The bill also requires the FCC to implement a national eligibility data base to ensure only one Lifeline per eligible household, to avoid waste, fraud and abuse of the program. The bill is co-sponsored by Reps. Diana DeGette (CO-01), Zoe Lofgren (CA-19), Jan Schakowsky (IL-09), G.K. Butterfield (NC-01), and Ben Ray Lujan (NM-03).

The Marketplace Fairness Act (S.743 / H.R.684) (no change)

S. 743 passed the Senate May 6th and was referred to the House Judiciary Committee. House approval is far from certain.

Sen. Michael Enzi, R-WY, introduced S. 336 and S. 743 on April 16th that requires collection of sales taxes on all sales and remission of the tax to the state where the purchasers reside. It now has 29 cosponsors (22D, 6R, 1I) and is set to go before the full Senate on April 24th. HR 684 is the House version being carried by Rep. Steve Womack (R-AR). S. 743 provides an exception for small online businesses and requires States to make available, at no cost to retailers, software that helps calculate the State sales tax on remote transactions, as well as administrative services. The bill is supported by the administration as well as most brick and mortar retailers and opposed by cyber-retailers and fiscal conservatives.

S. 607 & H.R. 1847 - Electronic Communications Privacy Act Amendments Act of 2013 (no change)

The bill was reported out of the Senate Committee on April 25th. Introduced March 19th by Sen. Patrick Leahy, (D-VT) and referred to the Judiciary Committee, the bill increases protections regarding disclosure by a provider of electronic communication service or remote computing service of the contents of a wire or electronic communication that is in electronic storage.

H.R. 624 - Cyber Intelligence Sharing and Protection Act - (no change)

The bill was passed by the House on April 18th by more than a 2 to 1 majority with bi-partisan support. It has been referred to the Senate where it is unlikely to be taken up in its current form. Rep. Mike J. Rogers introduced the bill February 13, when it was referred to the House Committee on Intelligence. It amends the National Security Act of 1947 to add provisions concerning cyber threat intelligence and information sharing. The bill is now in the Senate Select Committee on Intelligence.

The bill has broad-based industry support by many of the same firms who opposed the Stop Online Piracy Act & the Protect Intellectual Property Act.

Other privacy rights opponents of SOPA are concerned that CISPA goes much further, permitting ISPs to funnel private communications and related information back to the government without adequate privacy protections and controls. The bill does not specify which agencies ISPs could disclose customer data to, but the structure and incentives in the bill raise a very real possibility that the National Security Agency or the DOD's Cybercommand would be the primary recipient.

S. 517 & H.R. 1123 - Unlocking Consumer Choice and Wireless Competition Act, (no change)

The legislation would undo a Library of Congress ruling from last year which stripped unlocking protections from the Digital Millennium Copyright Act. Beyond Sen. Al Franken, other politicians behind the bill include Judiciary Committee Chairman Sen. Patrick Leahy (D-Vt.), Committee Ranking Member Sen. Chuck Grassley (R-Iowa), Sen. Orrin Hatch (R-Utah), and Sen. Mike Lee (R-Utah).

H.R. 1123 passed House as amended 02/25/2014.