



The Community Access Preservation Act (the CAP Act) H.R. 1746

When enacted, the CAP Act will restore and provide a permanent funding source for public, educational, and governmental (“PEG”) access channels; remove the distinction between capital and operational uses of PEG funds; ensure that PEG channels are transmitted without cost to the local PEG operator; and require the Federal Communications Commission to undertake a study to examine the effects of state franchising laws on PEG operations.

1. Restores and Protects Funding for PEG Operations

Because of state franchising laws, many PEG facilities are closing their doors due to a lack of adequate funding. The CAP Act would ensure that PEG channels will receive the **GREATER** of:

- The historical level of support received prior to state franchising laws; **OR**
- The amount required under current state franchising laws; **OR**
- Up to 2% of the gross revenues of the operator.

2. Removes Limitations on the Use of PEG Funds

The CAP Act will allow PEG channels to use PEG funds for both capital and operational purposes. Some operations are closing their doors because, while they have money for facilities and equipment, they do not have the funds available for day-to-day operational and personnel expenses. A study by American Community Television (“ACT”) estimates this provision could save or create over 8,400 jobs nationwide.

3. Ensures PEG channels are Transmitted without Charge to Local Governments

Some cable operators are trying to charge local PEG channels for the transmission of their channels. The CAP Act will stop this practice and ensure that PEG channels are transmitted without cost to local governments.

4. Requires the FCC to Study the Effect of State Franchising Laws

Within 180 days of passage, the CAP Act requires the FCC to undertake a study to look at the effects that state franchising laws have had on PEG operations and to make recommendations to preserve and advance localism and public, educational, and governmental use of advanced communications systems, including broadband.