

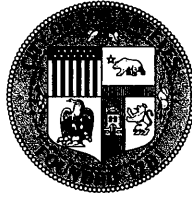
CITY OF LOS ANGELES

CALIFORNIA

FRANK T. MARTINEZ
City Clerk

KAREN E. KALFAYAN
Executive Officer

When making inquiries
relative to this matter
refer to File No.



ANTONIO R. VILLARAIGOSA
MAYOR

Office of the
CITY CLERK
Council and Public Services
Room 395, City Hall
Los Angeles, CA 90012
Council File Information - (213) 978-1043
General Information - (213) 978-1133
Fax: (213) 978-1040

CLAUDIA M. DUNN
Chief, Council and Public Services Division
www.cityclerk.lacity.org

06-2818

January 31, 2007

Honorable Antonio Villaraigosa, Mayor
Information Technology Agency
Board of Information Technology Commissioners
Chief Legislative Analyst
City Administrative Officer

RE: IMPACT OF AB 2987 ON THE CITY'S CONSUMER SERVICES STANDARDS AND GOVERNMENTAL
ACCESS OPERATIONS

At the meeting of the Council held January 30, 2007, the following action was taken:

Attached report adopted	_____ X _____.
Attached motion () adopted	_____.
Attached resolution adopted	_____.
Ordinance adopted	_____.
FORTHWITH	_____.
Motion adopted to approve communication recommendation(s)	_____.

City Clerk
jr



12

TO THE COUNCIL OF THE
CITY OF LOS ANGELES

Your INFORMATION TECHNOLOGY AND GENERAL SERVICES Committee

reports as follows:

Public Comments: Yes No
XXX

INFORMATION TECHNOLOGY AND GENERAL SERVICES COMMITTEE REPORT relative to the impact of AB 2987 on the City's consumer services standards and governmental access operations.

Recommendations for Council action:

1. INSTRUCT the Information Technology Agency (ITA) to report back in 120 days regarding the Board of Information Technology Commissioners (BITC)'s recommendations to the Mayor and Council regarding proposed legislation to amend AB 2987 to provide stronger and more consumer friendly enforceable state consumer service standards.
2. INSTRUCT the ITA to report back in 180 days on the ITA, BITC, and Municipal Access Policy Board (MAPB) public hearing findings regarding potential future Public, Educational and Governmental (PEG) operating models for the City along with recommendations to the Mayor and City Council concerning a proposed new PEG operations and services model for the City.
3. INSTRUCT the ITA to report back in 30 days with an update on technical and legal developments relative to AB 2987, the development of an informational document for public distribution on the impact of AB 2987, and the costs in upgrading Channel 35 to the digital platform.

Fiscal Impact Statement: None submitted by the ITA. Neither the City Administrative Officer nor the Chief Legislative Analyst has completed a financial analysis of this report.

(Budget and Finance Committee waived consideration of the above matter)

Summary:

In response to a request from the Information Technology and General Services (ITGS) Committee, the ITA submitted a report regarding the impact of AB 2987 upon the City's regulatory oversight of the state-issued franchise holders and the City's incumbent cable operators concerning consumer services and Public, Educational and Governmental access (PEG access) operations. At its regular meeting of December 12, 2006, the ITGS Committee considered this report. The ITA reports that commencing January 2, 2008, the California Public Utilities Commission will become the sole franchising authority for state-issued video service franchises. However, the City will continue to provide regulatory oversight over current and future video service franchisees.

The ITA report outlined the following information and recommendations:

- a. The City's authority over a state-issued franchise holder regarding consumer services standards will be limited to enforcing federal and state consumer services standards which are weaker than the City's existing consumer service standards.
- b. Because the City's only method for addressing violations of federal and state consumer services standards is the imposition of penalties, ITA recommends that the Board of Information Technology Commissioners (BITC) provide recommendations to the Mayor and Council regarding proposed legislation to amend AB 2987 to provide stronger and more consumer friendly enforceable state consumer service standards.
- c. The existing Public access studios and channel carriage provided by Time Warner and Cox (incumbent cable operators) will continue operation through January 1, 2009 where after the City will assume responsibility for PEG access.
- d. The City is entitled to claim a 1% gross revenue PEG access fee by a state-issued franchise holder, in addition to the 5% gross revenue franchise fee.
- e. That BITC and the Municipal Access Policy Board (MAPB) conduct hearing proceedings to gather information from the public and affected stakeholders regarding future PEG operating models.
- f. That ITA and BITC issue recommendations to the Mayor and City Council regarding the proposal of a new PEG operations and services model for the City.

The Cable Television Division's Consumer Services Section of ITA currently enforces the City-issued consumer services standards. The City's 2005 consumer service standards improved or provided new consumer standards in comparison to existing federal and state consumer service standards in the areas of subscriber communications with the incumbent cable operators and required specified accommodations for persons with disabilities. A comparison of differences in the City-issued consumer services standards with the federal and state consumer standards is summarized in the ITA report attached to this Council File.

Additionally, the ITA reports that it is important to note that with the ever-evolving technology changes that video services providers implement, the City will eventually need to convert all analog assets (television equipment) to the digital platform to conform to modern cablecase standards. Such a renovation will ultimately be costly for the City as it pertains to upgrading the Government access channel, LA CityView 35, to the digital platform. In addition, PEG access interconnection systems of the state-issued franchise holders and the incumbent cable operators, along with programming technology compatibility issues may present additional financial challenges in the future.

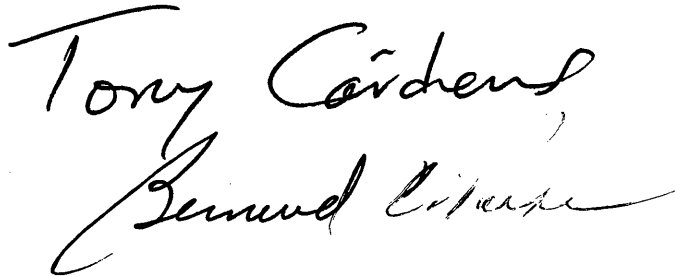
The ITA recommends that BITC, MAPB and ITA develop proposals for future PEG access addressing: the allocation of the one percent (1%) PEG franchise fee revenue; the provision of community and viewer focused PEG access services; and, the City's retention of as many PEG channels as necessary to address the current and future needs of the citizens of Los Angeles.

After lengthy discussion of the impacts of AB 2987, the ITGS Committee approved the recommendations as contained in the November 16, 2006, ITA report. Discussion ensued on the best ways to inform the public of these impacts and changes. After further consideration, the ITGS Committee instructed the ITA to begin development of a brief informational document/pamphlet that can be distributed to the public. Additionally, the Committee instructed the ITA to report back in 30 days on the costs in upgrading Channel 35 to the digital platform and with an update on technical and legal developments relative to AB 2987.

This matter is now being submitted to Council for its consideration.

Respectfully submitted,

INFORMATION TECHNOLOGY AND GENERAL SERVICES COMMITTEE



<u>MEMBER</u>	<u>VOTE</u>
CARDENAS:	YES
PARKS:	YES
HAHN:	ABSENT

ep
1-22-07
#062818a.wpd

Rept
ADOPTED

JAN 30 2007

LOS ANGELES CITY COUNCIL