Department of Commerce and Consumer Affairs' ("DCCA") Plan For Public, Education, and Government ("PEG") Access

The DCCA is currently evaluating issues relating to PEG access in Hawaii. The goal is to develop a statewide cable access plan which will set forth the State's policies towards PEG access. That plan will guide the development and enhancement of services provided by PEG Access Organizations.

This document is intended to initiate a public discussion concerning the State's current policies towards PEG access, and possible changes in those policies. It identifies the State's policies and practices regarding significant issues in PEG access, and identifies some possible alternatives for change which have been suggested by various parties in recent years. However, the list of issues and options is by no means final, and DCCA welcomes the public's input on what other issues and options should be considered as DCCA develops the plan.

DCCA is making this document available for public comment. The public is welcome to comment specifically on the issues identified in this document, or more generally on their views concerning PEG access in Hawaii. The public can comment in writing, by email, or at public forums. These forums will be scheduled in each county and will be an opportunity to provide input to the DCCA in finalizing its plan.

Email comments should be addressed to cabletv@dcca.hawaii.gov. Written comments should be addressed to:

Cable Television Division
Department of Commerce and Consumer Affairs
State of Hawaii
1010 Richards Street, 2nd Floor
Honolulu, Hawaii 96813

Once this document has been circulated and public comments reviewed, DCCA will finalize the plan and make it available for general distribution.

Background

The regulation of the cable television ("tv") industry is based on federal laws which allow local regulation by a local franchising authority ("LFA"). The DCCA was designated by the Hawaii State Legislature as the LFA for the State of Hawaii.

PEG access was started through the collaboration of the DCCA, the cable tv operators, and the four Counties. A PEG access organization was established in each County as a private, non-profit 501(C)(3) corporation to serve the unique requirements of that County. Following are the PEG corporations:

Hawaii	Na Leo ‘O Hawaii, Inc. (“Na Leo”)
Kauai	Hoike - Kauai Community Television, Inc. (“Hoike”)
Maui	Akaku - Maui County Community Television, Inc. (“Akaku”)
Oahu	‘Olelo - The Corporation for Community Television (“’Olelo”)

Each of these access organizations is funded by fees which are collected by the cable operator from its subscribers. Federal law states that an LFA can assess up to 5% of the cable tv operator’s gross revenues for purposes of these franchise fees. For example, if a subscriber’s monthly invoice for cable service totals $100.00, the franchise fee assessed for that subscriber cannot exceed $5.00. The recipients of these fees include the four PEG access organizations, the DCCA and the Hawaii Public Television Foundation (“HPTF”). The HPTF is better known to many as KHET Public Television.

The current distribution of franchise fees collected in each County is:

3%	To the PEG access organization for the specific County where fees are collected
1%	To the Hawaii Public Television Foundation (Public Television – PBS)
.64%	To the DCCA to support the administration of the program Note: DCCA receives 1% of standard service revenues, not gross revenues. 1% of standard service revenues are approximately .64% of gross revenues.

In addition to operating funds collected from cable subscribers, the cable operator also makes capital fund payments to the PEGs for the purchase of items including equipment, furniture and fixtures. These payments are not a part of the franchise fee cap of 5%, and are not directly assessed to subscribers on their invoices. The capital fund payment amounts are the result of negotiations that involve the DCCA and cable operator with input from the PEGs. At certain designated dates within the franchise period, the PEGs are requested to work with the cable operator to develop a capital payment plan that is then submitted to the DCCA for consideration.

The PEG access organizations also receive channel capacity on the cable tv operators’ systems. All four PEGs have been authorized the use of five (5) channels; to date, only ‘Olelo on the island of Oahu has all 5 channels cablecasting programming on a full time basis. Additional channels can be requested by the PEGs, with supporting documentation. These requests will be reviewed by the DCCA who will then enter into discussions with the cable operator. Based on the results of this review process, DCCA will then make a decision on the request for additional channel(s). The review criteria include items such as current use of channels in production, percentage of first time versus re-run programming, channel utilization by local producers, and other factors related to channel demand.

Note: On Oahu, ‘Olelo has entered into a contract with the Hawaii Educational Network Consortium (“HENC”) to be its Education Program Manager. HENC is a consortium comprised of representatives from accredited educational institutions within Hawaii including public and private lower and higher education schools such as the University of Hawaii, Department of Education, and Hawaii Association of Independent Schools.

‘Olelo allocates twenty-five percent (25%) of its revenues from franchise fees to HENC to fund educational programs and services that are primarily cablecast on two of ‘Olelo channels.

ISSUE #1: Expanded Role for Counties in Cable Regulation

Currently, the State of Hawaii through the DCCA performs the regulatory functions pertaining to the cable television industry in Hawaii. Major activities include basic service tier rate regulation, franchise applications / renewals / transfers, resolution of customer service complaints, appointment of PEG boards, negotiation of operating agreement with PEGs, and the expansion and functional improvements of the Institutional Network (“INET”). The DCCA also participates in matters indirectly related to cable television, such as advocating for the interests of Hawaii consumers with regard to Direct Broadcast Satellite (“DBS”). The DBS industry is regulated on the federal level by the FCC and is not regulated on the State or Local level.

It should be noted that Hawaii is one of a very few States that has franchising authority at the State level. On the mainland, regulation of the cable industry most often resides at the city, county or municipal level. In certain states, a cable operator may interface with scores of LFAs.

A key threshold question is whether, and to what extent, the State should be responsible for PEG access matters and cable tv regulation.

Regulatory Framework Options:

Option 1: Continue with current framework

Option 2: Expand the Counties’ Role

This option could range from providing an increased role for the Counties at the State level, to a total transfer of the regulation of the cable television industry from the State to each County government.

One approach would be to establish a greater role for the Counties, while retaining some duties for the State. The possibilities include one or more of the following:

Partial Shift of Franchising Authority: The Counties could take the lead in negotiating the specific terms and conditions of franchises in their county, while the State would retain the right to review and approve the final product. This would give Counties the ability to shape the agreements to suit their unique needs, while allowing the State to ensure that statewide interests (such as access to the INET) are adequately protected.

PEG activities: Each County could be responsible for the activities of its PEG access organization. For example, the Counties could be responsible for selection of board members, negotiation of contracts with the PEGs, and/or facilitating the resolution of complaints.

In addition, a planning entity, composed of members from each County, could be organized to develop and implement strategies to continue the collaboration between these independent PEG organizations.

Cable Advisory Committee: The Counties could have a greater role in cable governance at the State level through representation on the DCCA's cable advisory committee. Issues concerning the committee are discussed in more detail below.

Another approach would be a total transfer of duties and responsibilities of the DCCA as the local franchising authority, via amendment of State laws, to each County. Thus, each County would be empowered to determine the appropriate assessment and distribution of franchise fees within the County, would negotiate directly with cable operators on the terms and conditions of their franchise agreements, and would establish their own policies on PEG access issues. In summary, each County would be able to determine what policies were best for that County, and complaints or concerns about cable service or PEG access would be resolved at the County level.

As noted above, the DCCA's regulation of the cable industry is currently supported by a portion of the franchise fee. To the extent functions currently performed by the DCCA are transferred to the counties, funding could be re-allocated from the DCCA to the counties to support those functions.

ISSUE #2: Governance - PEG Board Appointment Process

Currently, members of the PEG board of directors are appointed by the Director of the DCCA and by the cable operator for each County. The number of board members for each PEG entity differs, reflecting the unique needs and wishes of each board.

County	PEG Entity	DCCA Appointed	Operator Appointed	Total
Hawaii	Na Leo	11	1	12
Honolulu	'Olelo	6	3	9
Kauai	Hoike	7	2	9
Maui	Akaku	14	1	15

The DCCA acknowledges the autonomy and decision making authority of each PEG board of directors, and accordingly does not involve itself in the daily operational and financial management of the access organization. Each PEG board is responsible for all financial and operational management matters, including the resolution of complaints from its producers and stakeholders. The DCCA and each PEG organization have a contract currently in force that is automatically renewed annually unless terminated or modified.
As board vacancies occur, each PEG access organization initiates a nomination process that includes public notice of the vacancy, review of applications received, selection of nominee, and presentation of recommended nominee to the DCCA or cable operator for appointment to the board. The DCCA and the cable operator have the discretion to accept or reject the recommendation. DCCA and the cable operator also have the authority to remove directors once they are appointed.

A recent opinion by the Office of Information Practices ("OIP") stated that the DCCA's board appointment authority was a factor in OIP's opinion that PEGs were an agency for Uniform Information Practices Act ("UIPA") purposes. Some observers believe that this opinion has jeopardized the private, non-profit status of PEG access organizations and have argued vigorously for the board appointment process to be amended by removing the DCCA's appointment authority.

The issue of governance, specifically the appointment of board directors, has been a much debated topic over the past few years. One argument in favor of continued DCCA involvement concerns the funding of the PEGs. Franchise fees are the result of orders issued by the DCCA to the cable operator. The cable operator is ordered by the DCCA to calculate, collect and distribute funds from cable subscribers for PEG purposes. The DCCA has historically believed that it needs to exercise oversight of the expenditure of these funds. The current board appointment process provides the DCCA with some amount of oversight, both through the selection of directors and through the power of removing directors. Proponents of change argue that the DCCA retains adequate oversight through the annual reporting and contract renewal process. They believe that the DCCA has adequate oversight by the fact that the contract can be renegotiated or not renewed.

Possible Governance Options:

There are a number of possible options, some of which are identified here. The options could be combined, i.e., board members could be selected by several different means. One key question is whether different approaches should be allowed in each of the different counties, or whether there should be uniformity across the State.

Option 1: Continue with current appointments by the DCCA and cable operator

Option 2: Self appointment by the PEG Boards

This will provide the board of each PEG access organization with autonomy in the recruiting, selection and appointment of its board members. The current board of directors for each access organization will be responsible for the appointment of future board members. Public notice of vacancies and a published nomination process will be required. In this scenario, the DCCA could also be represented on each board in an ex-officio role.

Option 3: Appointments by Various Entities

This option would provide for appointment of board members by entities or individuals other than the DCCA, or the cable operator, such as the Mayor of each county, county councils, or the Legislature. This may provide more diverse representation.

Option 4: Election by PEG constituents

This will provide the constituents of PEG access organizations with the ability to participate in the selection and appointment of board members. Constituents could include viewers, cable subscribers, producers or other interested parties. Candidates for vacancies could be identified by a nomination committee or by interested candidates simply submitting an application or letter of interest. An election, conducted by the access organization, would then be held to determine the new board member. The election process (mail-in ballots, electronic: email, internet) would be left to each access organization.

Option 5: Establishment of a Mechanism for Public and Producer Input

Some PEGs have established a process that allows public and producer input into their policy formulation and decision making. This can foster an atmosphere of open participation that allows various viewpoints to be considered by the PEG board of directors as part of their decision making process.

Should the DCCA require the establishment of a process by each PEG that will allow public and producer input into matters being considered by the boards of directors, and if so, what form should that process take?

ISSUE #3: Cable Advisory Committee

The Cable Advisory Committee ("CAC") is intended to advise the Director and cable operators, upon request, with cable television related matters. The committee is comprised of five (5) members who are appointed by the Governor and serve without pay but are entitled to reimbursement of necessary expenses. The committee last met in 1990, and the last member's term expired in 1996. No replacement members have been named since then. It appears that the prior Administration believed that the CAC had been established to provide guidance during the formative years of cable regulation, and that it had outlived that role.

Cable Advisory Committee Options:

Option 1: Appoint members to the CAC

Under this option, the Governor would appoint five members to the CAC. Current law does not specify residency or other requirements for membership. However, the Governor could select representatives from each of the four counties.

Option 2: Introduce legislation to eliminate the CAC

Such legislation would be appropriate if the CAC has outlived its usefulness.

Option 3: Introduce legislation to amend composition of the CAC

Increase the size of the CAC so that more points of view can be represented, or otherwise modify the structure and / or role of the CAC.

ISSUE #4: Financial Resources

As stated previously, franchise fee assessments are consistent statewide, except for an agreed upon limitation that is in place for 'Olelo on Oahu. 'Olelo is subject to a $3.7M cap that may increase annually based on the Consumer Price Index ("CPI"). This calculated cap amount is compared against the actual 3% calculation, and the lower amount is remitted to 'Olelo.

As stated previously, the distribution of franchise fees collected are as follows:

1) 3% of gross revenues to the PEG access organization for the specific County where fees are collected

2) 1% of gross revenues to the Hawaii Public Television Foundation (Public Television – PBS)

3) 1% of standard service revenues to the DCCA
Note: Approximately 0.64% of gross revenues

Due to the differences in population as well as differences in cable services purchased by subscribers, franchise fees vary widely among the four counties. Under current DCCA policy, the fees collected in each County remain in that County. Fees collected for each PEG access organization in 2002 are:

Hawaii	$547,243.00
Kauai	$270,569.00
Maui	$608,510.00
Oahu	$3,387,288.00

Financial Resources Options:

Option 1: Continue with the current financial structure

Option 2: Should franchise fees be redistributed among the Counties?

Currently, franchise fees for PEG access collected in a particular County remain there for the benefit of its residents. Some observers have suggested that there should be some mechanism to redistribute franchise fees so that neighbor islands receive a larger percentage of the statewide total. They suggest that absent such redistribution, some areas of the neighbor islands are not able to receive even a minimal "baseline" of access services.

One possible approach would be to redistribute any fees assessed in excess of a certain amount on Oahu. That amount could be the $3.7 million cap that is already in place for 'Olelo, or it could be some other amount. A formula or some other process to allocate these funds would need to be implemented to ensure fairness in distribution.

<u>ISSUE #5: PEG Channel Resource</u>

Currently, all PEGs have access to five (5) channels on the cable operator's cable systems in each County. Only 'Olelo on Oahu has activated and is cablecasting programming on all five channels.

The availability of consistent channel capacity has allowed statewide cablecasting capabilities for the State Legislature, University of Hawaii and the Department of Education. By designating 2 channels for "E" purposes, both the UH and DOE are now able to develop and implement instructional curriculum that can be utilized by campuses on all islands. They are also able to take advantage of teaching resources residing on a particular island to reach students statewide. This results in leveraging not only personnel resources for statewide benefit, but also consistency in curriculum. For example, a Calculus instructor on Maui will be able to reach students on all islands, increasing quality of curriculum. On Oahu, 'Olelo has reached an agreement with the Hawaii Educational Networking Consortium ("HENC") to manage and program 'Olelo's two (2) "E" channels dedicated to the UH and DOE. HENC is composed of members representing the UH, DOE, East West Center ("EWC") and the Hawaii Association of Independent Schools ("HAIS").

Statewide broadcast capability from the State Legislature has recently been improved by having broadcast feeds sent directly to the UH for statewide carriage on UH's HITS microwave network. This will result in more efficient transmission of live legislative broadcasts to the neighbor islands. In addition to broadcasts from the State Legislature, each PEG access organization has the resources to implement live broadcasts from their respective City/County councils and executive branch. At this time, not all PEGs have elected to implement live County government broadcasts.

PEGs can request additional channel capacity beyond the current allocation of five (5) channels. Requests for additional channel(s) must be accompanied with documented justification including, but not limited to, the following information: Statistical data illustrating the use of existing channels, types of programming being cablecast on each channel, statistics on channel programming that is first run versus re-run, percentage of first run programming versus re-run programming, and percentage of time used for "bulletin board".

<u>ISSUE #6: Sustainability</u>

The issue of sustainability can be summarized by this question:
"What would happen to each PEG organization if funding from franchise fees suddenly decreased significantly or disappeared completely?"

The question was first posed by the DCCA a few years ago as a discussion mechanism. The major item that prompted DCCA's request for plans of self sufficiency was the evolution of technologies that compete with cable tv. At first, wireless cable companies were the primary competition but lacked the market share to significantly impact the cable tv operators. Currently, there is a technology that may present true competition to cable tv, without cable's regulatory requirements: Direct Broadcast Satellite ("DBS"). The DBS industry is represented by two major vendors, DirecTV and Echostar (Dish

Network). If these service providers continue to gain market share, at the expense of cable tv companies, revenues to all beneficiaries of franchise fees will decrease. In addition to competitive technologies, there is also the potential of an evolving cable tv industry. If cable tv companies provided their services through the use of new or innovative technologies, such as Wireless Fidelity ("WI-FI"), would they still be held to requirements such as franchise fees? The development of new delivery systems and technologies will be a significant consideration in future regulatory policy.

The second item that affects sustainability relates to regulatory issues facing telecommunications / entertainment companies and the services they provide. For example, the FCC has recently determined that cable modem service (Oceanic's Roadrunner) is an information service, not a cable service. Many jurisdictions, including the State, have questioned this opinion, which currently is being reviewed by the FCC and also being litigated in federal court. The cable modem issue illustrates the uncertainty in this area, i.e., that services currently assessed with franchise fees may not be assessed in the future. This uncertainty relating to designation of type of service and the applicability of franchise fees also holds true for services being developed and not yet deployed. There is no certainty in how the FCC will identify a new service, whether as an information service or a cable service.

Given this uncertainty, how will PEGs continue providing current services while planning for additional, enhanced benefits? Should they seek other sources of revenues, and if so, what sources are appropriate? Should DCCA actively encourage and / or require PEGs to seek other sources of revenue, or should it be left to the discretion of the PEG entities?

Sustainability Options:

Option 1: Seek funding from other sources

In order to minimize dependence on cable tv related franchise fees and to increase available funding, should PEG access organizations pursue other sources of funding through various methods such as solicitation of grants, private – public joint ventures, and traditional fundraising activities?

Option 2: Identify acceptable "for profit" activities as part of PEG mission

Although PEG programming is non-commercial in nature, should PEG organizations have the discretion to pursue certain "for-profit" activities, and if so, what activities would be acceptable?

ISSUE #7: Greater Community Participation

One of the primary goals of all PEG access organizations today is the extension of their services to all areas of their communities. This involves addressing the issue of physical access to the existing PEG facility i.e., how to provide services to residents who may not have easy access to resources either because of geography or other factors. The DCCA gives each PEG access organization discretion to select appropriate means to attain these goals. Following are services currently being provided by some or all of the PEGs:

Remote Access Centers: Currently, some of the PEGs are considering or have implemented remote facilities to address the concern of accessibility to PEG resources. On Oahu for example, ‘Olelo has implemented remote sites in Kahuku and Waianae. Although these are not fully equivalent to ‘Olelo’s main facility in Honolulu, they do provide easier access for residents in the Leeward and North Shore communities of Oahu.

Mobile Facilities: Equipping a mobile van with production capabilities is also being considered to address the needs for more outreach to remote geographic areas. This option provides tremendous opportunities for greater outreach.

Alternate Sites: It has been suggested that the PEGs explore working relationships with existing institutions that could extend the reach of their services. This could include collocating with an existing non-profit corporation whose operations could be complimentary. By creating such alliances, the public will gain added access to PEG services while the PEGs will benefit by incurring lower outreach costs due to collocation agreements.

Facilitated Production: PEGs currently provide the public with the option of creating programming without becoming a certified producer. Such easy access services include staff supported “open mike” sessions as well as volunteer supported facilitated productions. These types of assisted services greatly expand and enhance the impact of PEG resources to their communities.

Equipment and Staffing: Regardless of the alternatives implemented, whether remote, mobile or collocated, the effectiveness of these options will be determined by their ability to deliver acceptable service levels to the end-user. Certain minimum equipment requirements have to be addressed including cameras, editing equipment and consistent programming formats, such as DVD, etc. More important to the success of this outreach initiative is the support provided by the PEG access organization that would accompany these possible alternatives. It is critical to the success of this effort that client/user support is readily available to assist wherever these alternatives are implemented.

ISSUE #8: Cooperation and Collaboration Among PEG Organizations

The DCCA strongly encourages the PEG entities to collaborate and cooperate in order to maximize the resources available to each. By working cooperatively, the PEGs will hopefully reduce redundant, resource consuming activities. Resources can be leveraged and efficiencies maximized in this type of environment. Following are areas where resources may be leveraged:

Equipment Resources: PEGs should implement a policy of notification when equipment is planned to be retired. This will provide the opportunity for another PEG to request the equipment instead of it being discarded or donated. A documented process needs to be implemented in order for there to be mutual agreement and understanding on the operational logistics. This will ensure an open and fair process. In addition to retired equipment, cooperative purchasing and sharing of equipment is encouraged. This may reduce overall costs for unique pieces of equipment that may be more practically purchased by all four PEGs with an understanding regarding its shared use.

Personnel Resources: The DCCA encourages PEGs to share technical / support resources. This may simply be regularly scheduled "roundtables" where staff from each PEG meets to share ideas, experiences, etc. Or it can be structured instructional sessions where a trained resource presents a certain topic. These sessions will not only increase the expertise available in each PEG access center, but it will also further enhance the sense of community among the PEGs themselves.

Programming Resources: The DCCA supports the current agreement between the PEGs to share programming developed in their respective communities when it is appropriate. As issues of common interest develop, the exchange of viewpoints between the islands becomes more appropriate and relevant. The use and leveraging of common technologies is encouraged to expedite this exchange of viewpoints and ideas.

ISSUE #9: PEG By-laws

Although the by-laws of the PEG organizations are similar in nature and content, there are some differences which reflect the unique requirements and needs of each access entity. For example, the number of board members varies due to the requirements of each board. Certain boards prefer a greater number of members, and have increased their board size, while others have retained the same number since the original formation of the organization. The DCCA is sensitive to the unique needs that may face each PEG access organization and will work with them to address their specific requirements while still maintaining certain overall consistency.

The DCCA expects each PEG access organization to comply with their by-laws to remove the potential for complaints and inconsistent operations. Specifically, the DCCA is concerned with the process by which its board meetings are conducted and strongly encourages the adoption and implementation of procedural rules, such as Roberts Rules of Order. Adoption and adherence to such rules will facilitate more productive, fair, and efficient meetings.

ISSUE #10: Chapter 92F / Uniform Information Practices Act (OIP opinion dated 09-06-02) : Openness to the Public Records

All PEGs state that they comply with HRS Chapter 92F UIPA. The Office of Information Practices determined in its opinion dated September 6, 2002 that Hoike and ‘Olelo are subject to and must abide by the UIPA.

Chapter 92F UIPA Options:

Option 1: Legislative modifications to amend requirements

Some of the Chapter 92F requirements may be unduly burdensome and / or costly for non-profit entities such as the PEGs to comply with. Legislation could be proposed which would streamline these requirements as applied to the PEGs while still ensuring openness on the part of the PEGs.

ISSUE #11: Daily operational procedures – responsibility of each PEG

Although the DCCA recognizes the unique needs of all four PEG access organizations, it strongly encourages the implementation of daily operational guidelines that address certain significant issues. For example, the daily operational procedures for all PEGs should include hours of operation. The DCCA is not implying that all PEGs keep the same hours, only that the hours of operation are included. By developing a consistent set of operational guidelines, it eases the transition for producers or constituents who may have the opportunity to utilize PEG facilities in more than one County. Other potential items could include:

- Frequency of scheduling for first time programming vs re-runs
- Sign-out and use of equipment
- Content disclaimer
- Rules governing political or campaign programming

ISSUE #12: Development of technical standards

The DCCA encourages the development of technical standards among the PEGs that will result in certain baseline consistency among them. The creation of certain technical standards will result in the following benefits:

- Similarly trained staff
- Cross support between organizations
- Additional resources during disasters and emergencies
- Potential purchasing benefits such as volume procurement

ISSUE #13: Review of connectivity (PEG Network) currently provided by TWE

The DCCA is currently working with Oceanic Time Warner Cable to review the interconnections that make up the PEG Network in all Counties. The PEG Network is the means by which all PEG programming is sent to and received by the cable operator's headend facility in each County. Once the PEG programming is received at the cable operator's facility, it is then inserted into the channel program lineup and distributed to subscribers along with other programming.

The following interconnections comprise the PEG Network:

- PEG access organization to the cable operator's headend facility
- UH and DOE to PEG organization, or directly to cable operator's headend facility
- County government to PEG organization, or directly to cable operator's headend facility

In most of the counties, the programming from the UH, DOE and government are consolidated at the PEG facility then sent on to the cable operator's facility. Although this has been historically done, the DCCA will consider other options acknowledging that there may be costs that would need to be addressed by the requesting entities.

ISSUE #14: Programming (CSPAN for Hawaii)

Some members of the community have identified a need for more civic affairs programming including State and County legislative, executive and judicial proceedings, as well as community based activities such as neighborhood board meetings.

The goal is to provide statewide distribution of civic / public affairs television programming as a means to encourage democratic participation and public interest through cablecasting. This endeavor will require the commitment and cooperation of many organizations including coordination of their resources.

There are many alternative approaches to accomplish these objectives, such as the expansion and enhancement of "G" programming currently provided by each of the four PEG access organizations. Another option which has been suggested is the creation of a separate, independent non-profit entity which would produce and distribute public affairs programming in Hawaii, similar to what CSPAN does on a national level. This non-profit would be responsible for managing the creation and distribution of public affairs programming on a statewide basis. A source or sources of financial support would need to be identified. Also, there are issues concerning channel capacity which would need to be addressed.

ISSUE #15: Resolution of complaints concerning PEGs

The DCCA recognizes the private, non-profit status of the PEG organizations, and accordingly relies on the PEG's board of directors, officers and employees to be responsible for overall client satisfaction, including the satisfactory resolution of complaints received regarding its operations and management.

However, situations have arisen where the DCCA's involvement is required to assist in the resolution of inquiries and complaints received from PEG producers or other constituents. In these instances, the DCCA will attempt to facilitate a reasonable solution / compromise that address the concerns raised while also respecting the policy and decision making of the PEG's board of directors. To accomplish this objective, DCCA will relay complaints to the PEGs and request a copy of the responses to those complaints. The appropriate resolution of complaints by the PEGs is a factor taken into account by the DCCA in evaluating the performance of each PEG.

ISSUE #16: Role of PEGs : Production versus Facilitation

As the needs of their clients have evolved, PEG access organizations have reviewed and assessed how they can continue to serve their unique communities. In addition to their mission of training, developing production skills, and providing a forum for exchange of ideas, PEG access organizations have also been involved in activities that some have deemed non-traditional. Examples include: (1) responding to local government RFPs for video and captioning services which results in competition with private organizations, and (2) the development of programming utilizing the organization's resources, which could result in decreased availability of equipment or other resources (such as air time) to the public users of these access facilities. The development of such programming is sometimes referred to as "community building".

The DCCA has given the PEGs discretion to determine whether, and to what extent, they should engage in such activities. Should DCCA continue to allow them discretion to undertake such activities, and if so, should there be any limits on that discretion?