



COUNTY OF HUMBOLDT

For the meeting of: 1/26/2021

File #: 21-107

To: Board of Supervisors

From: Supervisor Mike Wilson

Agenda Section: Initiated by Board Member

SUBJECT:

Elimination of Local News Programming As a Result of Suddenlink, Cox Media Group Contract Dispute (Supervisor Mike Wilson)

RECOMMENDATION(S):

That the Board of Supervisors:

1. Receive the report;
2. Authorize the chair to sign the attached letter;
3. Discuss potential action; and
4. Take other action as necessary

SOURCE OF FUNDING:

N/A

DISCUSSION:

Beginning on Friday, Jan. 8, local TV stations KIEB-3 (Redwood News), an NBC affiliate, and CBS affiliate KVIQ were no longer offered to Humboldt County residents on Suddenlink's cable lineup. It appears a contract dispute related to the retransmission consent agreement between Suddenlink and Cox Media Group (CMG), which owns both local stations, led to the disruption in service. Many local residents have voiced concern to elected officials as this disruption in service prevents residents from receiving local programming and news, which is especially important considering local conditions related to the COVID-19 pandemic.

Local and state officials have limited ability to affect national corporate decisions related to local programming. Due to a change in state law, namely the Digital Infrastructure and Video Competition Act (DIVCA), which took effect in 2014, many cable companies that operate in California including Suddenlink operate under state-issued franchises, and not local franchises. These companies contract with TV stations to retransmit their programming through their wireline cable service. Those contracts come up from time to time, and renegotiation of the contract between Suddenlink and CMG led to this dispute.

Regulations guiding how cable operators function is ultimately governed by the Federal Communications Commission (FCC) and Congress. However, as shown with the DIVCA law, which dramatically scaled back the role that local government and the state play in policy making in these matters, lawmakers can also take action in regulating cable operators and returning authority to local jurisdictions.

Locally, in order to reach Humboldt County homes, Suddenlink uses public streets and rights of way to lay wires that eventually hit the majority of local residences. Those public rights of way are issued by local agencies, including the County of Humboldt and cities within Humboldt County, and Suddenlink pays the county and cities a fee, known as franchise fees and public, educational and government programming (PEG) fees. Under DIVCA cable/video service providers granted franchises must provide certain PEG access channels, funding, and resources to cities/counties. Local requirements were effectively “grandfathered” from pre-DIVCA terms. The county and local cities designated Access Humboldt, a longtime partner, to serve as the administrator of the PEG access channels and regional Community Media Center as well as to providing cable/video administration functions and is partially funded through PEG fees paid by Suddenlink.

FINANCIAL IMPACT:

Sending a letter to the FCC has minimal cost in terms of staff time, but the franchise fee agreement with Suddenlink is expected to generate \$596,000 in revenue to the General Fund for fiscal year 2021-22. Of that amount, \$15,840 is allocated to Access Humboldt.

STRATEGIC FRAMEWORK:

This action supports your Board’s Strategic Framework by providing community-appropriate levels of service.

OTHER AGENCY INVOLVEMENT:

Access Humboldt

ALTERNATIVES TO STAFF RECOMMENDATIONS:

Board discretion

ATTACHMENTS:

1. Letter to Senators Feinstein and Padilla
2. Letter to Congressman Huffman
3. Statement from CMG
4. Statement from Suddenlink

PREVIOUS ACTION/REFERRAL:

Board Order No.: N/A

Meeting of: N/A

File No.: N/A