KISD-TV Policy and Procedures Manual

Adopted: Killeen Independent School District April 2006

TABLE OF CONTENTS

INTRODUCTION	3
HISTORICAL	4
AUTHORITY AND RESPONSIBILITY	4
DESIGNATION	
OBJECTIVES	5
BENEFITS OF EDUCATIONAL ACCESS	6
KISD STUDENT DEMOGRAPHICS	6
KILLEEN ISD POLICIES AND PROCEDURES	
KISD TV SCHEDULING PHILOSOPHY	
BROADCAST SCHEDULING AND CAPACITY	8
PROGRAM OPPORTUNITIES	9
AUTHORIZED USERS	
USE OF DISTRICT EQUIPMENT	11
KISD TV PROGRAM REQUIREMENTS	12
PROGRAM PRIORITIES AND SCHEDULING	
KISD-TV PROGRAM CONTENT PROHIBITIONS	
PROGRAM ORIGINATION/CABLECAST POLICY	15
NON-COMMERCIAL	16
TECHNICAL STANDARDS	17
COPYRIGHT AND INTELLECTUAL PROPERTY REQUIREMENTS	19
LOCATION PRODUCTIONS	
IN-STUDIO PRODUCTION	
PROGRAM AND PRODUCTION UNDERWRITING	
UNDERWRITING PROHIBITIONS	23
INTERNSHIP PROGRAM	24
PERSONNEL EXPENDITURE CHART	24
BUDGET CHART	
CURRENT PROGRAMMING CHART	27
APPENDIX	
BASIC FACTS ABOUT KISD-TV	
PROGRAM GUESTS AND STUDIO AUDIENCE RELEASE FORM	
PERMISSION TO PHOTOGRAPH, VIDEOTAPE, AND	
INTERVIEW STUDENTS BY KISD-TV,	
VIDEO PRODUCTION REQUEST FORM	32
VIDEO PRODUCTION TIME SHEET FORM	
REQUEST FOR COMMUNICATIONS SUPPORT FORM	
DEFINITIONS	
MUSIC LICENSES	
KISD ORGANIZATION CHART	
KILLEEN ISD RELATED POLICIES	
FCC REGULATIONS	
FCC FACT SHEET	44

KISD EDUCATIONAL CABLE TELEVISION CHANNEL

INTRODUCTION

Killeen Independent School District-Television (KISD-TV) strives to exceed the expectations of our many communities for effective, innovative, student-centered educational opportunities. The district strives to create and continuously improve the engaging work provided to the students of the district.

KISD-TV will be a key element in helping Killeen ISD (KISD) to achieve these objectives by:

- offering and promoting new education learning opportunities for a diverse student population;
- raising awareness of KISD facilities and programs;
- encouraging new student enrollment in traditional and nontraditional education;
- building a cooperative educational environment between all KISD schools and centers by sharing in programming, service delivery and the resulting benefits;
- instilling confidence in KISD schools and programs;
- providing a platform for KISD to project its learning philosophies and practices to the local service area and beyond; and
- training a diverse population of students and staff on a professional level through production programming and station management;
- providing entertaining, informative, educational programming for the general public to promote life-long learning;
- expanding learning partnerships with other learning organizations;
- delivering multi-cultural programming which celebrates diversity in our community.

Page 4

HISTORICAL

KISD-TV began cable casting in January 2002 on Time Warner Cable channel 17. This was the culmination of several years of negotiations between the local Time Warner Administrator and the KISD Superintendent. With the advent of new technologies and spurred by an up coming Bond issue KISD-TV began with the most modest of capabilities. Using a hard drive playback unit located at the Time Warner head-end in Waco, KISD began broadcasting a district bulletin board featuring information about upcoming campus and district events as well as an informational video on the Bond issue. Since January 2002, KISD-TV has grown into an informational and educational community resource with accomplishments such as video teleconferencing and the webcast of KISD and surrounding school districts graduation exercises into Baghdad for our deployed soldiers. By featuring the production and broadcast of sporting events, fine arts events and district informational and educational videos, the future of KISD-TV carries great potential. With support from Time Warner Cable, The City of Killeen and the Administration of the Killeen Independent School District, KISD-TV will continue to expand its production and broadcast capabilities ever mindful of the educational principles we promote and the people we serve.

AUTHORITY AND RESPONSIBILITY

The district educational access channel, facilities and programming operate under the jurisdiction of the Killeen Independent School District Board of Trustees and the responsibility for ensuring that this policy is followed lies with the Superintendent or his designee(s).

In keeping with the district's interest in developing community partnerships, the Board may grant limited programming opportunities on the instructional television channel. Access to the district programming facilities will be only at the invitation of the district.

The Chief of Staff for KISD shall routinely review the policies and operations of the KISD cable television system and make recommendations to the appropriate staff as needed.

DESIGNATION

The educational access channel shall operate on the authorized cable provider(s) system of the City of Killeen as the Killeen Independent School District (KISD) Cable Television Channel. The goal of the educational access channel shall be to provide programming that enhances the educational and communications needs of the school district. Such programming shall include recorded and special live programming and a character generated bulletin board.

OBJECTIVES

The fundamental purposes of the educational access channel are to:

- 1. Provide cablecasting opportunities for the video production student program and produce instructional materials for students, teachers and the community.
- 2. Support the Focus Areas & Annual Activities of the Board of Trustees.
- Provide the community with information related to education in general and the KISD activities in particular.
- 4. Encourage and support school-community partnerships.
- 5. Encourage the professional development of district staff.
- 6. Increase communication within the KISD and its constituents.
- 7. Increase Video Program Development
- 8. Expand Programming and Public Information Dissemination.
- 9. Refine Pre-production, Production and Post Production Instruction.
- 10. Continue to improve cable origination capabilities through the use of technological improvements in production and signal transportation.
- 11. Maintain technical standards for the improvement of signal and program quality.
- 12. Arrange for teleconferencing on the local level.
- 13. Encourage expanded use of cable technology including the use of educational access.

BENEFITS OF EDUCATIONAL ACCESS

Educational Access is important to Educational Institutions:

- It encourages collaborations among students, teachers and the community.
- It provides easy and affordable access to local media, where educators may promote schools, classes, programs, and fundraising efforts.

Educational Access is important to the general community:

- It teaches citizenship, by encouraging students to invest their time in the community.
- It promotes tolerance and diversity by exposing students to a larger world viewpoint.

KISD STUDENT DEMOGRAPHICS

KISD keeps demographic information relating to its student populations. Programming on KISD-TV should reflect interests of all students and will not be demographic specific. Because of recent national trends in the dual enrollment of high school students in college courses, the 15-19 age group is now the largest single demographic block of students viewing educational access television. Programming will reflect a diversity of opinions, activities and events.

Gender

Programming on KISD-TV will not be gender-specific, but women's issues will regularly be part of health/wellness, community outreach and arts programs.

Ethnicity

KISD prides itself on its cultural and ethnic diversity. Programming on KISD-TV will highlight the cultural diversity that exists in our District and our community.

Target Audiences

Based on the demographics below, KISD-TV programming will try to serve the wideranging interests of all of our students. KISD-TV programming may differ from day to evening, with daytime focusing on instructional support and student information, and evening focusing on a broader range of interests.

Student Demographics peak day of March 28, 2005				
Total Student enrollment	33465			
Economically Disadvantaged	16746			
Minority	21675			
White	11799			
Black	13427			
Hispanic	6525			
Military Dependent	15727			
Civilian on Post	2299			
Bilingual	535			
ESL	877			
Special Education	4659			
TAG	2461			

KILLEEN ISD POLICIES AND PROCEDURES

Killeen ISD subscribes to the Texas Association of School Boards Policy on Line. That web site can be accessed though the KISD web site at this URL: <u>http://www3.killeenisd.org/parents/index.html</u> or directly at: <u>http://www.tasb.org/policy/pol/private/014906/</u> Additional information is available in the appendix section.

KISD TV SCHEDULING PHILOSOPHY

KISD-TV shall serve all of its school and contiguous communities within the school district. Its operation shall be dedicated primarily to K-12 educational purposes and shall provide positive student learning experiences. To instill in our students a keen awareness of this form of communication, an emphasis will be placed on experimental learning and creative communication. The educational nature of all of its programming will remain cognizant of the cultural needs of our varied Killeen area communities. As reinforcement, part of the channel's mission shall be to promote to its viewers an awareness of the variety of daily/weekly activities occurring within the school system.

BROADCAST SCHEDULING AND CAPACITY

Currently, KISD-TV produced programming fills approximately eight hours per week or thirty-two hours monthly, Monday through Friday. This programming time does not include Bulletin Board scheduling. Current scheduling has programming repeating every four or eight hours with show rotation occurring on a weekly or bi-weekly basis. The KISD-TV playback unit is located at the system head-end of Time Warner Cable in Waco, Texas. KISD-TV personnel control the scheduling and playback functions of the playback equipment via the Internet. To add or delete programs from the broadcast schedule, KISD-TV personnel must hand carry a hard drive to and from Waco. This severely hinders daily updates and makes live broadcasts and satellite feeds from the Annenberg Network impossible. KISD-TV is currently at capacity for this type of "sneaker net" operation. To meet the growing need of our educational institution and to exceed the expectations of our civic duty KISD-TV desires to move beyond these limitations.

- KISD-TV desires to make programming available via many mediums of broadcast. Web based streaming, web based on demand, Time Warner digital on demand, KISD intranet, a community/ institutional network and DVD sales and distribution are some examples.
- KISD-TV desires a head-end and studio broadcast facility. This would give KISD-TV the ability to not only produce and distribute live programming, satellite programming, weekly recurring and series instructional programming, but provide station and district promotions, all in a relevant and timely manner. These capabilities are not currently available.
- KISD-TV desires a digital automated playback/ broadcast system to handle the larger flow of programming. This system would generate the program logs and broadcast reports required for audit and quality control purposes. This system will be the heart of KISD-TV broadcast operations and requires significantly less man-hours to maintain and operate than current methods of broadcast operations.

 KISD-TV desires to make the move to all digital production and HD standards and formats in equipment and signal distribution to insure compatibility and technical quality.
 KISD-TV desires to keep pace with the ever improving and minimum broadcast standards.

As the production capacity increases, so will the number of local programming hours. It is the goal of KISD-TV to have a minimum of sixty hours monthly of locally-produced programming on the air by FY2008-09 as required by the new state franchise laws.

PROGRAM OPPORTUNITIES

In addition to providing media literacy and programming opportunities directly to the students themselves, educational access will afford a variety of valuable services to Killeen's educational institutions - services not currently available or otherwise inferior to the technological benefits that educational access will bring. Killeen-area educational institutions that provide specific benefits for KISD will have the opportunity to promote their programs, curriculum, classes and upcoming events through the electronic media and inform the community about enrollment, registration, financial aid, class schedules and other such programming as review and accepted by KISD. Out-of-house programming will be subject to KISD technical requirements. Educational access may also be utilized for telecourses for inschool learning, distance learning, and foreign language education. Additionally, the channel will contribute services on behalf of schools and colleges to individuals of all ages, including but not limited to school readiness information for pre-school children, test preparation skills and parent education programming. Once fully implemented, Killeen educational access programming may be shared and exchanged with institutions and stations in other districts, thus providing additional exposure for Killeen schools, and a broad variety of educational programming for Killeen students.

The station may also be used to serve the interests of the educational institutions internally, by providing a means for educator/administrator training, institutional public relations and interactive teleconferences. Additionally, it will serve democratic interests by televising

administrative meetings and forums, leading to better public knowledge and involvement in school matters and issues. Listed below is a sampling of possible programming: Events (Entertainment, Sporting) Class Reports (instead of written book reports) News programs (with "Live" capability) Documents (field trips, public events, exhibits, family histories) Environmental Health Administration Forums International/Cross-Cultural Art Instruction Technology Living with disabilities Holiday specials Debates Hot Line Math Specialized minority shows Monthly News Magazine **Reading Groups** Promote schools, programs, and classes Information about enrollment, financial aid, class schedules Bulletin Boards to promote events & institutions Telecourses for in-school learning **GED** preparation **Distance** learning Support for media literacy courses **Registration information** Translation of district/institution information for non-English speakers Educator/Administrator training School District and Administrative meetings

Institutional public relations or informational School readiness for pre-school children Parenting assistance and education Interactive Teleconferences Program sharing with other districts, institutions National down linking of programming (Foreign language, The Annenberg/CPB, NASA, DOE)

AUTHORIZED USERS

The educational access channel shall be reserved solely for educational, information and activity programming created by or authorized by the school district. KISD TV shall be for the use of the administration, district schools and departments.

School district entities may apply for the use of the educational access channel; permission may be granted if the activity or information affects district employees, students or educational community and if channel time and resources are available.

Non-school district agencies, organizations or individuals may participate in programming only at the invitation of the district. Invitations shall be extended only to those whose information or activities affect Killeen district employees, students or the educational community, is consistent with district policy, and only if channel time is available.

USE OF DISTRICT EQUIPMENT

District video production equipment may be used under the guidelines of district policy. All persons entrusted with District property are responsible for its proper use, care, custody, and safekeeping. Persons shall not be assigned to duty that would prevent them from exercising the proper care and custody of the property for which they are responsible. Cost of repair or replacement for any damaged, lost or stolen equipment shall be the responsibility of the person entrusted with the equipment. KISD property will be signed out and returned in a

timely manner. The equipment should be clean and in working order with all parts and pieces inventoried.

District property shall not be used for any private purpose except as authorized by the Board. No District property shall be sold, given as a gift, loaned, exchanged, or otherwise disposed of unless specifically authorized by the Board. Items replaced in-kind and payments for lost, damaged, or destroyed District property do not constitute a sale of District property. Title to such property shall remain with the District.

Student use of production systems will only be available after the student is trained on the equipment and is under constant supervision during use and operation of KISD-TV systems Supervision shall be by a KISD-TV employee or designate.

See appendix for more information.

DUPLICATION: KISD-TV will set fee rates for copies (dubs) of KISD-TV programming. Such rates will be based upon charges incurred for media and dubbing costs. In consideration for their cooperation for a program's production, persons contributing to the production of a program may receive one free copy of the program provided they provide media stock or pay the appropriate recording media stock cost to KISD-TV to supply said dub. Copies of programs, meetings or portions of meetings for in-house use are provided at no charge. That in-house department or official is expected to provide the required recording media; otherwise, copies of programs/meetings made on media provided by KISD-TV for use inhouse remain the property of KISD-TV. All copies are subject to availability of programming and dubbing resources.

KISD TV PROGRAM REQUIREMENTS

Programming for KISD-TV 17 may come from the following sources:

1. <u>Pre-Recorded Cablecasting</u> - Some public meetings, school functions and special events will be recorded for subsequent cablecast.

2. <u>Program Replays</u> – Pre-recorded programming of any type may be replayed at various times.

3. <u>Character Generated Bulletin Board</u> - The primary source of information for the KISD-TV 17 character generated bulletin board shall be district schools and departments. Information from other non-profit or public entities may be included on the bulletin board if approved by the District.

4. <u>Ownership</u> - Any materials developed or which use any district resources in their development, become the property of the district and not the property of any individual contributors to such projects.

5. <u>District Produced Programming</u> - Any school or department within the district may submit requests for programming or for broadcast of self-produced programming. Such programming must be consistent with the intent of district policy and any associated legal requirements and meet production standards determined by the instructor and the Public Information Office.

6. <u>Programming Not Produced By KISD-TV 17</u> - Some cable television programs may come from educational/instructional sources outside the district. Such programming must be consistent with the intent of district policy and procedures.

7. Live Coverage - Broadcast of district/school presentations will be provided.

8. <u>Meeting Editing Policy</u>: Any public meeting cablecast on KISD-TV, whether live or replay, will be aired in its entirety, gavel to gavel without editorial comment. Exceptions to this policy may occur only when editing out possible recesses, to comply with public standard of decency or when technical limitations restrict production procedures. Supplemental information on agenda items which the KISD-TV staff may determine will aid the viewer in understanding the issues or matters under discussion may be provided.

PROGRAM PRIORITIES AND SCHEDULING

Scheduling of all programming on KISD-TV 17 shall be the responsibility of the Chief of Staff for KISD. Scheduling will be in accordance with KISD-TV 17 use priorities as listed below and the availability of students, staff, equipment and resources.

1. <u>Emergency Notification</u> - To provide citizens with information in the case of emergency, school cancellations, late starts, early dismissals or activity changes, emergency notifications will be posted.

2. <u>Direct Instructional Programming</u> - To provide training for students and staff; educational programming will have highest priority for production and cablecasting.

3. <u>General Educational Programming</u> - General educational and special event programming will be rebroadcast when time and resources permit.

4. <u>Rebroadcast of Satellite Programming</u> - To provide educational opportunities to students and the community, legally obtained satellite broadcasts may be shown over KISD-TV 17.

5. <u>Video Bulletin Board</u> - To provide informational messages to the community about programs and services offered by the district and other non-profit organizational information that benefits district students, video bulletin board slides will be aired.

KISD-TV PROGRAM CONTENT PROHIBITIONS

- Any advocacy on behalf of or against a political candidate or ballot measure is prohibited, EXCEPT THAT this shall not preclude factual presentation of official Killeen School District ballot materials.
- Any advocacy on behalf of or opposing any measure proposed by the Killeen School District or under consideration by the Board is prohibited.
- Any promotional material for commercial products or services presented for the purpose of soliciting of funds or other things of value is prohibited except in the case of appropriately licensed school fund raising efforts.
- 4. Any information concerning any lottery, gift enterprise or similar promotion offering prizes based upon lot or chance is prohibited except in the case of appropriately licensed school fund raising efforts.
- 5. Any information or material that violates local, state or federal educational regulations, or policies.
- 6. Information or programming that does not comply with district policy.

 Also prohibited is any material which promotes the use of alcohol, tobacco or drugs, and any material which constitutes obscenity, libel, slander, invasion of privacy, violation of trademark or copyright or which might violate any local, state or federal law including FCC regulations.

PROGRAM ORIGINATION/CABLECAST POLICY

KISD-TV programming will adhere to the following procedures and guidelines:

- 1. Programs must not contain:
 - Material that is obscene. It is a violation of federal law to broadcast obscene or indecent programming. Obscene speech is not protected by the First Amendment and cannot be broadcast at any time. Please visit the FCC's Enforcement Bureau Web site at <u>www.fcc.gov/eb/broadcast/obscind.html</u>. Federal law states that material is obscene if:
 - The average person applying contemporary community standards would find that the work, taken as a whole, appeals to the prurient interest;
 - The work depicts or describes sexual conduct in an offensive way;
 - The work has sexual content and, taken as a whole, lacks serious literary, artistic, political, or scientific value;
 - any material that is obscene, libelous, slanderous, or knowingly violates any federal, state or local laws; lottery, gambling, or pari-mutuel schemes, gift enterprise, or similar scheme;
 - solicitation, advertising, bartering, or promotion of commercial products, services, or transactions or any material designed to promote the sale of products or services; or promotions and endorsements for individuals seeking public office;
 - the direct solicitation or appeal for funds, items, or services of value for any or all purposes;
 - material or performances that require copyright or trademark authorization unless written authorization for the use of such materials is secured;
 - material promoting a specific religious viewpoint;

- Programming which may contain material that is intended to defraud the viewer or designed to obtain money by false or fraudulent pretenses.
- Unlawful use of material that is copyrighted or subject to ownership, or royalty rights, rights of publicity, or other payment.
- Material, which has a reasonable probability of causing the substantial obstruction of law enforcement or other government functions or services.
- All programs cablecast on KISD-TV cable channel must be non-commercial and may not identify services or goods by cost or price. Guests may be identified as a representative of a business. Commercial or business representatives' telephone numbers and addresses may not be stated or displayed during the program, but may appear in the program credits.
- Pre-recorded programs and Public Service Announcements (PSA's) produced outside the KISD must be submitted to the KISD Chief of Staff for approval based on appropriateness and available air time.
- Programs created by outside producers must first obtain indemnification of the KISD from liability arising from the content of the program.
- 5. Programming material discussing partisan issues will adhere to the Federal Communications Commission's (FCC) equal time guidelines found in the Communications Act of 1934, Section 315. For example, candidates for public office may not make political statements unless he or she is participating in a forum.

NON-COMMERCIAL

KISD-TV is not allowed to promote the goods or services of any underwriter or donor. In order to avoid "promoting," announcements made regarding entities who have furnished some consideration must not include any:

• Mention of price: no interest rate, pricing information, discount, savings, or value of any kind may be included in acknowledging a contribution;

- Call to action: any announcement regarding a company or person may not suggest that the viewer take action—the listener cannot be encouraged to "call," "come by," "try," or even "be sure" in relation to a product or service;
- Inducements to buy: it is improper to entice the viewer to make a purchase by offering bonuses, freebies, or other specials;
- Qualitative or comparative language: this area prohibits descriptive or comparative language of a product or service. An announcement may not explain, for example, that something is "perfect," "less filling," or is the "largest," "smallest," or "most" anything.

TECHNICAL STANDARDS

All media must be labeled with the producer or sponsoring agency's name, program title, production date, and exact running time from first video to last. All material must conform to Killeen School District policy.

Recordings submitted for playback on the KISD cable channel must conform to the following technical guidelines and are subject to the technical discretion of KISD-TV personnel:

Recording Formats:

- Digital media in DVD-R, mini-DV, DVCam[™] tape format are acceptable.
- <u>Tape Format:</u>
- KISD will accept the following tape formats: For best results use DVCam[™] Tapes, as well as DVC/Mini-DV.
- <u>Tape Quality:</u>
- The program videotape must be of good audio and video quality. When a question of adequate tape quality arises, the KISD-TV will decide whether or not the tape meets KISD quality standards.
- Required 1st generation on all tapes submitted
- No or Very Low Noise content
- No or minimum of color smearing
- Horizontal stability (sync) in all modes
- Free of break-up, glitch, noise, snow or dropouts

- Clear, audible and understandable sound track volume level on two channels
- Free of creases or damage.
- Tape must have a box, jacket or sleeve to protect from dust and dirt that damage equipment.
- Tape must be properly labeled
- All tapes must be recorded at Standard Speed.
- All tapes become the property of KISD TV.

Video:

Videotape Requirements

The tape should start with 60 Seconds of color bars (with 1 KHz tone set between -10 and 0 db on a digital audio meter. Program audio should be the same level as the 1khz tone), followed by an optional slate with title, date and program number followed by a 10 second counter, fading to black for one second, followed by program video fading up from black beginning with the title and ending with credits. The program must fade to black and be followed by at least 30 seconds of black or longer at the end of the show.

- 30 seconds of color bars (with 400 Hz or 1 KHz tone)
- Optional slate with program title, producer or organization name, segment or edition title date and Tape number
- Countdown of 10 seconds, fade to black for 1 seconds before program starts
- Program begins fade in from black and displays title
- Program ends with credits fade out to black
- Continue with 30 or more seconds of black at end of the program (no snow please)
- Stable control track throughout.
- Video and audio tracks well synchronized so as to avoid lip-synch.
- A videotape must not contain any skewing, burst, blanking, sync, or tracking problems or errors. The composite video signal, when viewed on a waveform monitor, must not be less than 65 IRE or greater than 100 IRE, with black level at 7.5 IRE.
- Digital media must not have any digital artifacts.

Audio:

Audio Requirements

- The program audio shall be recorded on both channels (stereo preferred or dual mono). Programming consisting of exclusively dialogue on one channel and ambience on the other audio channel must be mixed to mono and recorded on both audio channels. Audio shall be recorded in phase.
- 60 seconds of 400 Hz or 1 KHz tone (over color bars).
- No major distortions of sound. Maintain at least 6db of headroom.
- Editing:
- The tape must be professionally edited (on an editing machine). Camera or VCR edits
 made by turning the camera or VCR off and on while shooting are not acceptable due to
 loss in quality by introduction of glitches, breakups and/or snow that this causes cablecast
 transmission problems.

Total Running Time (TRT):

Programs should be 25 to 28.30 minutes maximum in length for a 30-minute program or 55 to 58:30 minutes maximum in length for a 60-minute program.

For more information on FCC cable television technical standards please see:

Code of Federal Regulations, Title 47 -- Telecommunication

Chapter I -- Federal Communications Commission, Subchapter C -- Broadcast Radio

Services, Part 76--Cable Television Service, §76.605 Technical Standards.

http://www.fcc.gov/

COPYRIGHT AND INTELLECTUAL PROPERTY REQUIREMENTS

Copyright exists with any original work, which is fixed in any tangible medium of expression. For instance, images, computer software, music, books, magazines, scientific and other journals, photographs, and articles are examples of property subject to copyright. A copyright notice is not required. It is a violation of copyright law to copy, distribute, display, exhibit, or perform copyrighted works without permission of the owner of the copyright. KISD-TV provides many programs and data which have been obtained under contracts or licenses stating that they may not be copied, cross-assembled, or reverse-compiled. The user is responsible for determining whether or not programs or data are restricted in this manner before copying, cross assembling, or reverse compiling them in whole or in part. Additional information is available in the appendix section.

PRODUCTION SCHEDULING AND CAPACITY

KISD-TV is a full service production organization offering not only video production but also complete event production coverage. Additional services include, sound reinforcement and recording, lighting system design and set-up, set design and construction, rigging and image magnification. All of these services lend themselves directly to quality video production and KISD-TV wants to expose student workers to all aspects of that production as well as set and maintain a higher level of production quality. KISD-TV production capabilities are currently limited only by equipment resources, manpower and scheduling. Current operations require KISD-TV to make production decisions based on the following criteria:

- Availability of resources and manpower. KISD-TV will schedule resources and manpower on a first come first serve basis. The only exception being those instances where unforeseen circumstances force a production into a priority status.
- Equity in use or application. KISD-TV will strive to give balance in production decisions. Whether Sports/ Fine Arts/ Educational, Boys/ Girls or High School/ High School, KISD-TV will work to give all equal access to production resources for the widest possible diversity.
- As man power, student involvement and equipment inventory expands so will KISD-TV production capacity.

CURRENT VIDEO PRODUCTION CAPABILITIES

LOCATION PRODUCTIONS

<u>Field production or event production</u> employs a multi-camera set up used to record an event or sporting contest as it happens. This type of production requires no narrative or script and simply documents the event as it happens. Also known as "live to tape", this type of production is quickly edited and turned around for broadcast.

<u>Documentary</u>, informational or educational This type of production is used to convey information or ideas. The production is driven by the narrative or script. The script will often

dictate number of cameras, location and time of video shoot, the action that is shot and the additional graphics and music required to convey the desired information. This type of production usually takes much longer to produce and requires a script before production can begin.

<u>News Gathering or reporting</u> This type of production is used to inform the public about an event. This production is also driven by a script. However, the information utilized in the script is not generally available until after the event occurs. The video and audio are recorded at the event and are then edited to match the script that is written later.

<u>Preproduced</u> These are productions, sometimes libraries, which are produced by other companies and are made available to KISD-TV for broadcast. This type of production only requires KISD-TV to format the program to our broadcast medium.

IN-STUDIO PRODUCTION

KISD-TV currently does not operate or occupy a television production studio. A studio would give KISD-TV the ability to produce and distribute live programming, satellite programming, weekly reoccurring and series instructional programming, station and district promotions, all in a relevant and timely manner. It is anticipated with the growth of the school district and the increasing importance of not only television instruction but public dissemination of information that KISD will provide an area for television production and instruction. KISD-TV will strive to maintain standards and formats in equipment and signal distribution to insure compatibility and technical quality. KISD-TV must keep pace with the ever improving and ever changing broadcast standards.

With that in mind, we have prepared the following statement for direction.

Equipment selection must recognize "best practices" for industry audiovisual equipment and operations technical specifications, and the functional needs of the district and community. All capital purchases must follow established state regulations concerning the acquisition of materials for use. A comprehensive process of ranking equipment based on industry

performance reports, service support history, unit price, side-by-side performance comparisons, and user requirements aids in the selection of equipment.

PROGRAM AND PRODUCTION UNDERWRITING

Advertising does not fund public educational television channels like KISD-TV. KISD-TV's major source of funding comes from KISD along with grants, major gifts and underwriting. Underwriting is an on-air acknowledgement of support. It is not a "commercial". Rather, it is a tax-deductible contribution to the licensee, in this case, the Killeen Independent School District.

Program underwriting is available to individuals, organizations, foundations, businesses and corporations who wish to be identified with an important community service. Local program underwriting is designed to provide on-air acknowledgement of contribution to the donor while adding an alternative source of funding for KISD-TV.

Underwriting credits may air in any program, subject to availability. In addition to the donor's name, the acknowledgement may include:

- A non-promotional company graphic or logo; may or may not be accompanied by voiceover.
- Trade names or brand names, product or service listings that aid in identifying the donor.
- A reference to the time in business or service (i.e., since 1954).
- Location (specific or general).
- A telephone and/or website address
- Logos or slogans that are not of a promotional nature;
- Value-neutral descriptions of a product line or service that aid in identifying the contributor;
- Names or service listings that do not include qualitative or comparative language.

The underwriting of access programming to defray costs is permitted on the KISD-TV channel provided that such underwriting does not constitute commercial exploitation of the access channel.

Guidelines:

- 1. An underwriter is any entity which donates products, services, funds or other support which are to be used solely for non-profit purposes related to the production of the access program to be cablecast on KISD-TV.
- 2. Advertising of promotion of the underwriter's services or products according to the KISD-TV Operating Policies, Procedures and Rules is not permitted.
- 3. Any mention of prices is not permitted.
- 4. Pictures of commercial establishments underwriting a program are not permitted.
- 5. No accompanying slogan of a commercial establishment is permitted to be displayed.
- 6. Underwriting acknowledgements may be spoken and/or displayed with electronic graphics but are limited to twelve (12) seconds per underwriter and are permitted to be displayed prior to the opening credits, during closing credits of the program, at each thirty-minute point of any program, or at any natural break in the program closest to a ¹/₂ hour. Underwriting for the Community Bulletin Board may appear only once for each rotation of announcements, since duration of the Bulletin Board will vary with the amount of demand.
- 7. The name, address, phone number, organizational logo and web address of an underwriter may be displayed during the underwriting acknowledgements.
- 8. Suggested text for underwriting announcements:
 - a. "This program was made possible by a grant from ..."
 - b. "This program is being (or has been) brought to you by..."
 - KISD reserves the right to audit any or all documents related to underwriting of a program produced and/or cablecast on any educational access channel operated by KISD-TV.

UNDERWRITING PROHIBITIONS

Any KISD-TV donor acknowledgement may NOT:

- Compare or qualitatively analyze products or services
- Call to action to consume a product or service

Page 24

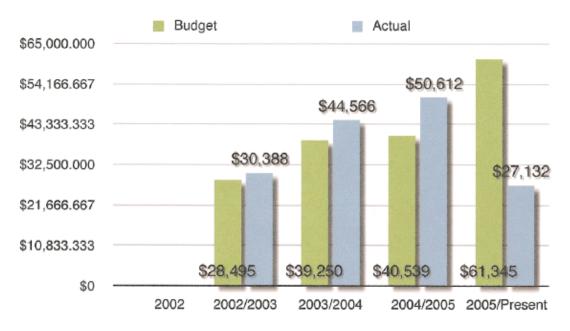
- Induce to buy, sell, rent or trade
- Give pricing information, interest rates, etc.
- Use music bed or identifying audio signature

INTERNSHIP PROGRAM

Access Television provides an excellent opportunity for students entering the field of Mass Communications to develop professional skills that can support their academic experience. The purpose of the internship program is to provide a structured educational environment for students to learn through productive hands-on-training. The program is designed to maximize an intern's desired academic and career goals and expose them to the daily operations of a television center. Each student is required to take a production class and train in operations (master control and programming); production (studio, field and editing); administration; public relations; and engineering.

PERSONNEL EXPENDITURE CHART

KISD-TV Labor Budget vs. Actual Payroll



KISD-TV had no employees in 2002.

Budgeted salary is based on the hourly wage x 8 hrs x a 260 day contract.

Actual payroll includes overtime.

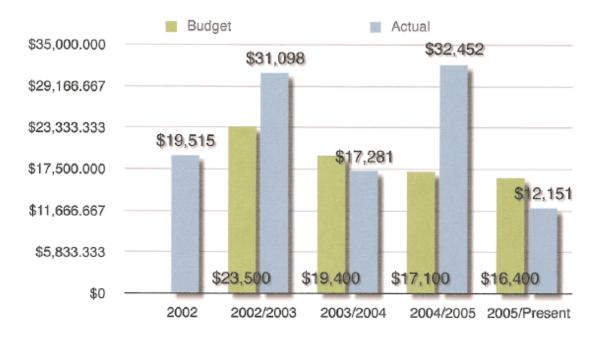
BUDGET CHART

KISD investment in **KISD-TV**

Capitol Investment (Equipment) By School Year

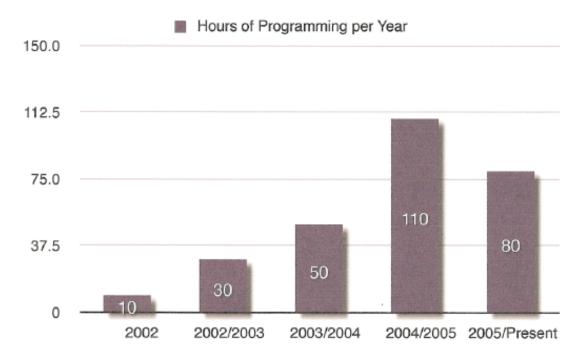
2002	2002 / 2003	2003 / 2004	2004 / 2005	2005 / Present
\$ 6000.00	\$ 45,865.00	\$ 82,384.00	\$ 51,274.00	None

KISD-TV Budget vs. Actual Expenses



CURRENT PROGRAMMING CHART

KISD-TV Produced Programming



The above chart does not include non-broadcast events.

The Current Time Warner / City of Killeen franchise agreement requires KISD-TV to produce 208 hours of programming a year to maintain the channel.

The new State Franchise Law Chapter 66 will require KISD to utilize 8 hours a day to maintain the channel. APPENDIX



KISD-TV Policy and Procedures Manual

Appendix

BASIC FACTS ABOUT KISD-TV

- KISD-TV is an Educational Access Television station located on channel 17 of Time Warner Cable System.
- KISD-TV participates in the Central Texas Video on Demand service provided by Time Warner Cable.
- KISD-TV Programming may also be viewed from the KISD web page.
- KISD-TV head-end is located at the Time Warner Cable facility in Waco Texas.
- KISD-TV office location is at 902 N. 10th St. Killeen Texas (KSSC).
- KISD-TV facilities and equipment are owned by the Killeen Independent School District.
- KISD is working closely with the City of Killeen and Time Warner Cable to secure this channel for KISD in the upcoming franchise negotiations.
- KISD-TV operates 24 hours a day 7 days a week.
- Programming is based around a 4 hour block schedule and is changed once a week.
- KISD-TV programming is seen in Killeen, Harker Heights, Copperas Cove, Temple, Belton and Ft. Hood.
- In the first **3** months of the 2005 School year KISD-TV has produced approximately 80 hours of new programming.
- Currently KISD-TV employees only 2 people.
- KISD-TV utilizes approximately 20 students.

PROGRAM GUESTS AND STUDIO AUDIENCE RELEASE FORM

KISD Television

Program Guests and Studio Audience Release Form

1. I hereby consent to the use and reuse forever of my name, my voice, my picture, materials I supply, and/or my statements by the personnel of Killeen Independent School District for cable casting, direct exhibition, Internet, and subsidiary purposes in any known or unknown media source or retrieval system.

2. You may edit my appearance as you see fit, and I understand that you have no obligation to use my appearance.

3. You agree not to use my name or picture so as to amount to a direct endorsement by me of any product or service.

4. I REPRESENT THAT ANY AND ALL STATEMENTS I MAKE ON AND/OR OFF THE AIR ARE TRUE. I REPRESENT THAT I OWN ALL MATERIALS I BRING ON THE SHOW AND GRANT YOU PERMISSION TO USE THEM IN ACCORDANCE WITH PARAGRAPH 2.

5. I HEREBY INDEMNIFY YOU, your officers, directors, licensees, agents, and all other staff against any claims against you arising out of materials I supply, and acts or statements I make on or off the air. I HEREBY RELEASE YOU from any loss or claims arising out of my appearance and participation in the program and/or its permitted uses.

6. As a member of the studio audience, I acknowledge that Killeen Independent School District has the absolute right to refuse me admittance to the program or ask me to leave the studio at any time for any reason, at its sole discretion.

I have carefully read this RELEASE and indicate my understanding and consent by signing below.

Series Title		Episode Title/Number
Signature		Date
Name (Please print)		() Telephone
Address	City	State Zip Code
KISD Television		

For Individuals Under 18 Years Of Age

I have carefully read this RELEASE and indicate my understanding and consent by signing below.

Parent Signature	Date	
	_()	
Parent Name (Please print)	Parent Telephone	



PERMISSION TO PHOTOGRAPH, VIDEOTAPE, AND INTERVIEW STUDENTS BY KISD-TV, CAMPUS WEBMASTERS AND THE LOCAL MEDIA

Dear Parent/Guardian,

Many opportunities arise during the course of a school year to showcase the talents and accomplishments of students. Our district is blessed to have a number of outlets including local newspapers and television stations, our own

district-operated cable TV channel, numerous publications, the Internet, which showcases our district and campuses worldwide, and a secure intranet for district employees. Of course, our wish is that all students and their work could be highlighted but we understand that parents might have reservations about their children appearing on some of the media available to us. Requests vary from a photo only to being videotaped and interviewed and sometimes displaying student work.

With prior parental permission only, our district television station likes to mention the name of students who appear on shows we air. The same is true of newspapers and TV stations. Some of our district publications mention students by name, as well.

Once again, with prior parental permission only, photos of students can be used on the Internet but not in the form of a portrait or close up. The student might be involved in an activity or in a group but <u>will not</u> be identified by name. On the intranet, however, which is only for district staff, first names only will be used when showcasing student work or activity.

Please circle one of the following choices:

I DO NOT grant permission for still photos, videotape or interviews with my child to be used by the Killeen Independent School District for publications, newspaper and television news stories and on the Internet website.

I DO NOT grant permission for still photos, videotape or interviews with my child to be used by local newspapers and television stations, production companies or out-of-town or out-of-country media outlets.

I am the parent of ______ and agree to indemnify and hold harmless the Killeen Independent School District, its agent, trustees, employees and volunteers from any and all damages, injuries, or causes of action, which may result from the photography of my child or the publication thereof.

Parent's Signature	Date Signed

VIDEO PRODUCTION REQUEST FORM



Video Production Request

KISDTV Cable Channel 17

POC:
Organization / School:
Phone #: E-mail:
Project Name:
Shoot Location:
Start Date: Completion Date:
Is this for broadcast on KISDTV? yes no
Broadcast Dates: from to
Master to: DVCAM MINIDV DVD SVHS VHS Computer
Archive to:
Will this stream to the Web? yes no
If yes, list file specifications:
Computer Type: Mac PC File Name:
File Type: QuickTime MPEG1 MPEG2 MPEG3 JPEG
Picture Size: 320x240 352x480 640x480 720x480 other x
Bit Rate:Mbit/s Variable Nonvariable
Aspect Ration: 4:3 16:9 Video Type: NTSC Pal
Other:
Will there by copies? yes no
Format: # of Copies:
Format: # of Copies:
Format: # of Copies:



Video Production Request (page 2)

Technical Requirements (briefly list lighting, sound and rigging needs below):

Miscellaneous notes:

For Office Use Only	
Technician: Hours Worked:	Date of Request: // (see attached time card for details)

VIDEO PRODUCTION TIME SHEET FORM



Video Production Time Sheet

Production: _____

Technician: _____

Dafe	ln	out	Description	Total

Total Hours Worked: _____

Miscellaneous:

REQUEST FOR COMMUNICATIONS SUPPORT FORM



Request for communications Support

Type of Request (check all that apply)	Date of Request:
🗌 Graphic Design	Date Needed:
 TV/Video Production Interview/Writing Media Photography 	Please all 10 business days for graphic design, TV/video, and writing assignments; 5 days for media support; and 3 days for photography sup- port. Requests that require printing will use the "Date
Other	Needed" as date for delivery to Print Shop.
Requested by: Printing Costs Paid by:	
Description:	
Proofing (Person requesting project must sign off on final proof)	
Proofed by:	Date:
Proofed by:	Date:
Ready to Print Signature:	Date:
For Office Use Only	
Assigned to:	Date of Request: //
Work Request Number:	Date of Completion:

DEFINITIONS

There are terms and concepts in the guidelines that require defining. Following is a list that includes some definitions but this list is not inclusive.

"Advertising or commercial promotion" shall refer to any mention or the presentation of any material which promotes the purchase or use of a product, business, service or event. This includes, but is not limited to identifying services or goods by price or cost.

"Adult programming" shall refer to programming the does not comply with broadcast standards for decency and contain graphic or verbal depictions of violence or nudity, [i.e., representation of murder, rape, suicide, physical assault; or bodily excretory functions, or exposure of female breast(s). This includes derisive adult language either visual or spoken graphic depictions or representations, [i.e., sexually connoted expletives]. Profanity includes, but is not limited to words such as those identified in FCC vs. Pacifica. Mature (adult) programs shall be telecast during periods designated for adult viewing between midnight and four a.m. (Refer to Guidelines regarding potentially offensive programming)

"Channel" shall refer the Channel 17, on the Time Warner Cable, Inc. system in Killeen, Texas that is operated by KISD.

"Equipment" shall refer to video and audio equipment made available for the production of educational access programming.

"Facilities" shall refer to KISD-TV studio, control room, master control, offices, and related production equipment.

"Fair Use" this provision of the Copyright Law allows reproduction and other uses of copyrighted works under certain conditions for the purposes such as criticism, comment, news reporting, teaching, scholarship or research. For the purpose of using copyright material on KISD-TV.

"Indecent Material" shall refer to material that is obscene. Obscene material shall mean material or work that displays or exhibits any of the following: genitalia; and acts of human masturbation, sexual intercourse, sodomy, fellatio, cunnilingus, or bestiality, excretory activities or organs.

"Intern" shall refer to (a) high school students who are seeking community service work and exploring career opportunities and (b) college students who are fulfilling college requirements for credit hours and graduation. As interns they are taught production techniques and procedures to enable them to create and produce television programs.

"**Non-commercial**" shall refer to programs that will not contain solicitations to buy or acquire a product or service, and will not mention price or comparison. Programs may not solicit funds, promote an event or suggest the acquisition of a product or item for any reason either verbally or graphically.

"Nonprofit organization" shall refer to any organization that is tax exempt and is recognized by the IRS as a 501(c) (3). KISD-TV requires tax identification upon membership application.

"Resident" shall refer to an individual who resides in Killeen-Time Warner Cable system service that includes parts of Bell County.

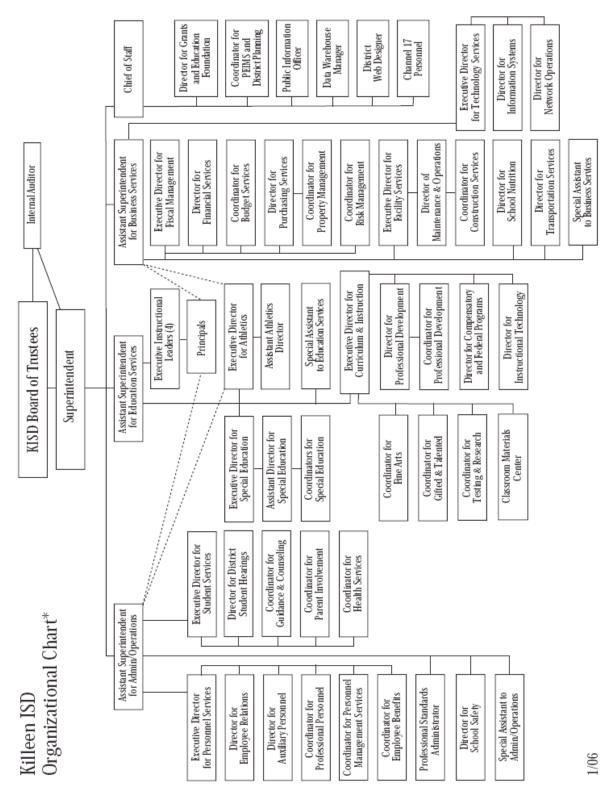
"Volunteer" shall refer to individuals who (a) work on KISD-TV related productions and are trained by KISD-TV staff for general assignments and studio productions;

MUSIC LICENSES

KISD TV Music Licensing Information 10-30-2002

The following is a copy of correspondences between Randy T. Hudson of KISDTV and music licensing organizations BMI, ASCAP and SESAC. It simply asks the question; is the Killeen Independent School District liable to pay royalties on music that might be recorded and broadcast on KISDTV as part of a live performance? Example, if KISDTV records and then broadcast a Band or a Choir Concert, or special music performances at Convocation or Graduation, is KISD responsible to pay royalties on that music. All three licensing organizations, BMI, ASCAP and SESAC have said "no". All public performances of music that are video taped and then rebroadcast are covered by their (BMI, ASCAP and SESAC) individual blanket agreements with Time Warner Cablevision. This agreement covers only performances of music that is video taped and rebroadcast. It does not cover video synchronization rights. KISD TV cannot shoot footage of a sports event and subsequently sync the footage with a popular song. That is a different agreement. Questions should be addressed to 254. 501-1730. Randy T. Hudson

KISD ORGANIZATION CHART



KILLEEN ISD RELATED POLICIES

Killeen ISD 014906

EQUIPMENT AND SUPPLIES MANAGEMENT: AUTHORIZED USES OF EQUIPMENT AND SUPPLIES

-	
	School equipment such as tables and chairs may be made available to nonprofit organizations for use off District property. Requests for use shall be made to the Superintendent. If the request is approved, all moving, set-up, and handling shall be performed by District employees.
	In addition to a rental fee to cover wear and tear, the organization shall be charged the District's actual cost for transportation and personnel salaries for the time involved.
PROPERTY	For financial accounting and reporting purposes, property is categorized as either real or personal property. Real property consists of lands and structures. Personal property is made up of capital items and other nonexpendable items, collectively called nonconsumable items, and all consumable items.
BASIC PRINCIPLES	All persons entrusted with District property are responsible for its proper use, care, custody, and safekeeping. Persons shall not be assigned to duty that would prevent them from exercising the proper care and custody of the property for which they are responsible.
	District property shall not be used for any private purpose except as authorized by the Board. No District property shall be sold, given as a gift, loaned, exchanged, or otherwise disposed of unless specifically authorized by the Board. Items replaced in- kind and payments for lost, damaged, or destroyed District property do not constitute a sale of District property. Title to such property shall remain with the District.
MANDATORY INVESTIGATION	When negligence or willful misconduct is suspected as the cause of lost, damaged, or destroyed District property, administrative action according to this policy must be taken.
	All District personnel are charged by this policy to make nonaccusatory reports on any incident in which District property has been lost, damaged, or destroyed.
	The employee shall report the information to his or her immediate principal/director/supervisor or, if the immediate supervisor is believed to be involved, to the appropriate assistant superintendent. Reports must be made not later than five calendar days after the date of discovering the information.

An investigation must be initiated by the Superintendent or designee not later than 15 calendar days after the date of the initial report.

CMB

(LOCAL)

FINDINGS	The investigator must provide a statement of findings to the assistant superintendent for human resource development within 30 calendar days from the assignment.
REVIEW	The statement of findings shall provide a clear and concise statement of a conclusion of fact directly supported by evidence contained in the investigator's report or in any exhibits attached. Findings exclude speculation, suspicion, or opinion, instead being conclusions of fact that form the basis for recommendations. The investigator must state the facts in his or her own words and make his or her findings complete so that reviewers can ascertain the liability in the case without returning the report for more information.
	Findings of such an investigation shall be reviewed by a committee chaired by the assistant superintendent for human resource development. This committee shall consist of the assistant superintendent for education services, the assistant superintendent for business services, and two independent members appointed by the Superintendent. Independent, herein, shall be defined as being free from conflict of interest; free from personal responsibility for the property listed on a report at the time the property became lost, damaged, or destroyed; and not in chain-of-command of the employee involved in said occurrence.
	The committee shall discern whether further personal or legal action is necessary. Minutes of each committee meeting shall be recorded and maintained on file in the Superintendent's office.
REMEDIES	If the committee determines that further action should be pursued, the Superintendent or designee shall seek legal counsel on behalf of the District before any such action is taken.
	The Superintendent shall appraise the incident, taking into consideration both the frequency with which the employee is involved in such happenings and the severity of the current occurrence.
	Should the Superintendent deem it necessary, he may recommend to the Board one or more of the remedies defined herein, in addition to any other remedies given the District by law or equity.
	 Restitution (to include financial liability), Written reprimand,

- Suspension of employment, with or without pay,
 Termination of employment.

FCC REGULATIONS

1934 Communications Act (as amended by 1984, 1992 and 1996 Acts)

SEC. 611. [47 U.S.C. 531]

CABLE CHANNELS FOR PUBLIC, EDUCATIONAL, OR GOVERNMENTAL USE.

(a) A franchising authority may establish requirements in a franchise with respect to the designation or use of channel capacity for public, educational, or governmental use only to the extent provided in this section.

(b) A franchising authority may in its request for proposals require as part of a franchise, and may require as part of a cable operator's proposal for a franchise renewal, subject to section 626, that channel capacity be designated for public, educational, or governmental use, and channel capacity on institutional networks be designated for educational or governmental use, and may require rules and procedures for the use of the channel capacity designated pursuant to this section.

(c) A franchising authority may enforce any requirement in any franchise regarding the providing or use of such channel capacity.

Such enforcement authority includes the authority to enforce any provisions of the franchise for services, facilities, or equipment proposed by the cable operator which relate to public, educational, or governmental use of channel capacity, whether or not required by the franchising authority pursuant to subsection (b).

(d) In the case of any franchise under which channel capacity is designated under subsection (b), the franchising authority shall prescribe--

(1) rules and procedures under which the cable operator is permitted to use such channel capacity for the provision of other services if such channel capacity is not being used for the purposes designated, and

(2) rules and procedures under which such permitted use shall cease.

(e) Subject to section 624(d), a cable operator shall not exercise any editorial control over any public, educational, or governmental use of channel capacity provided pursuant to this section, except a cable operator may refuse to transmit any public access program or portion of a public access program which contains obscenity, indecency, or nudity.

(f) For purposes of this section, the term ''institutional network'' means a communication network which is constructed or operated by the cable operator and which is generally available only to subscribers who are not residential subscribers.

FCC FACT SHEET

FEDERAL COMMUNICATIONS COMMISSION

FACT SHEET

June 2000 INFORMATION BULLETIN

CABLE TELEVISION

EVOLUTION OF CABLE TELEVISION

Cable television (also called CATV or community antenna television) was developed in the late 1940's for communities unable to receive TV signals because of terrain or distance from TV stations. Cable television system operators located antennas in areas with good reception, picked up broadcast station signals and then distributed them by coaxial cable to subscribers for a fee.

In 1950, cable systems operated in only 70 communities in the United States. These systems served 14,000 homes. By October 1998 there were more than 10,700 systems serving more than 65 million subscribers in more than 32,000 communities. Cable systems are operating in every state of the United States and in many other countries, including Austria, Canada, Belgium, Germany, Great Britain, Italy, Japan, Mexico, Spain, Sweden and Switzerland.

Most cable systems are technically capable of offering between 36 and 60 channels. Channel capacity in the industry has increased dramatically in recent years; some systems now offer in excess of 100 channels. Most cable subscribers receive service from a system offering more than 54 channels.

The channel capacity of a cable system makes it possible for a cable television system operator to provide many services. In addition to over-the-air television broadcast signals, most systems also offer diverse program services, including, for example, news, weather, business information, movies, sports, special entertainment features, and programming designed for specific audiences such as children, women, and ethnic and racial groups. Within the past few years, some cable systems have begun offering a full-range of telecommunications services, including high-speed Internet access and local telephone service. High-speed Internet access allows subscribers to connect to the Internet more than 100 times faster than the fastest standard analog modem.

Some cable operators also create their own local programming and provide access channels for public and institutional uses. They also provide leased access channels for "rent" to those wishing to show specific programs. Electronic banking, shopping, utility meter reading, and home security are some of the home services that are possible using the two-way transmission capabilities of cable television systems.

INITIAL JURISDICTION AND RULES

The Federal Communications Commission first established rules in 1965 for cable systems which received signals by microwave antennas. In March 1966, the Commission established rules for all cable systems (whether or not served by microwave). The Supreme Court affirmed the Commission's jurisdiction over cable in *United States v. Southwestern Cable Co.*, 392 U.S. 157 (1968). The Court ruled that "the Commission has reasonably concluded that regulatory authority over CATV is imperative if it is to perform with appropriate effectiveness certain of its responsibilities." The Court found the Commission needed authority over cable systems to assure the preservation of local broadcast service and to effect an equitable distribution of broadcast services among the various regions of the country.

In March 1972, new rules regarding cable television became effective. These rules required cable television operators to obtain a certificate of compliance from the Commission prior to operating a cable television system or adding a television broadcast signal. The rules

applicable to cable operators fell into several broad subject areas -- franchise standards, signal carriage, network program nonduplication and syndicated program exclusivity, nonbroadcast or cablecasting services, cross-ownership, equal employment opportunity, and technical standards. Cable television operators who originated programming were subject to equal time, Fairness Doctrine, sponsorship identification and other provisions similar to rules applicable to broadcasters. Cable operators were also required to maintain certain records and to file annual reports with the Commission concerning general statistics, employment and finances.

In succeeding years, the Commission modified or eliminated many of the rules. Among the more significant actions, the Commission deleted most of the franchise standards in 1977, substituted a registration process for the certificate of compliance application process in 1978, and eliminated the distant signal carriage restrictions and syndicated program exclusivity rules in 1980. In 1983, the Commission deleted its requirement that cable operators file financial information. In addition, court actions led to the deletion of the pay cable programming rules in 1977.

1984 CONGRESSIONAL POLICY AND RULES

In October 1984, the U.S. Congress amended the Communications Act of 1934 by adopting the Cable Communications Policy Act of 1984. The 1984 Cable Act established policies in the areas of ownership, channel usage, franchise provisions and renewals, subscriber rates and privacy, obscenity and lockboxes, unauthorized reception of services, equal employment opportunity, and pole attachments. The new law also defined jurisdictional boundaries among federal, state and local authorities for regulating cable television systems.

1992 CONGRESSIONAL POLICY AND RULES

Following the 1984 Cable Act, the number of households subscribing to cable television systems increased, as did the channel capacity of many cable systems. However, competition among distributors of cable services did not increase, and, in many communities, the rates for cable services far outpaced inflation. Responding to these problems, Congress enacted the

Cable Television Consumer Protection and Competition Act of 1992. The 1992 Cable Act mandated a number of changes in the manner in which cable television is regulated.

In adopting the 1992 Cable Act, Congress stated that it wanted to promote the availability of diverse views and information, to rely on the marketplace to the maximum extent possible to achieve that availability, to ensure cable operators continue to expand their capacity and program offerings, to ensure cable operators do not have undue market power, and to ensure consumer interests are protected in the receipt of cable service. The Commission has adopted regulations to implement these goals.

1996 CONGRESSIONAL POLICY AND RULES

In adopting the Telecommunications Act of 1996, Congress noted that it wanted to provide a pro-competitive, de-regulatory national policy framework designed to accelerate rapidly private sector deployment of advanced telecommunications and information technologies and services to all Americans by opening all telecommunications markets to competition. The Commission has adopted regulations to implement the requirements of the 1996 Act and the intent of Congress.

WHAT IS CABLE TELEVISION?

Cable television is a video delivery service provided by a cable operator to subscribers via a coaxial cable or fiber optics. Programming delivered without a wire via satellite or other facilities is not "cable television" under the Commission's definitions.

A **cable television system operator** is any person or group of persons who provides cable service over a cable system and directly or through one or more affiliates owns a significant interest in such cable system, or who otherwise controls or is responsible for, through any arrangement, the management and operation of such a cable system.

Cable service is the transmission to subscribers of video programming, or other programming service. This definition includes any subscriber selection required in choosing video programming or other programming service.

A **cable system** is a facility, consisting of a set of closed transmission paths and associated signal generation, reception, and control equipment that is designed to provide cable service which includes video programming and which is provided to multiple subscribers within a community. This term does not include a facility that serves only to retransmit the television signals of one or more television broadcast stations; a facility that serves subscribers without using any public right-of-way; a facility of a common carrier which is subject in whole or in part, to the provisions of Title II of the Communications Act, except that such facility shall be considered a cable system to the extent such facility is used in the transmission of video programming directly to subscribers; unless the extent of such use is solely to provide interactive on demand services; an open video system; or any facilities of any electric utility used solely for operating its electric utility system.

Cable services are often provided in **tiers**. A tier is a category of cable service or services provided by a cable operator for which a separate rate is charged by the cable operator. There are three types of cable service: basic service, cable programming service, and per-channel or per-program (sometimes called pay-per-view) service. **Basic service** is the lowest level of cable service a subscriber can buy. It includes, at a minimum, all over-the-air television broadcast signals carried pursuant to the must-carry requirements of the Communications Act, and any public, educational, or government access channels required by the system's franchise agreement. It may include additional signals chosen by the operator. Basic service is generally regulated by the local franchising authority (the local or state entity empowered by Federal, State, or local law to grant a franchise to a cable company to operate in a given area). **Cable programming service**, but are not separately offered as per-channel or per-program services. Pursuant to a 1996 federal law, the rates charged for cable programming services tiers provided after March 31, 1999 are not regulated. There may be one or more tiers of cable programming service.

Per-channel or per-program service includes those cable services that are provided as single-channel tiers by the cable operator, and individual programs for which the cable operator charges a separate rate. Neither of these services is regulated by the local franchising authorities or the Commission.

A local exchange carrier (LEC) is a telephone company which provides local telephone service.

A **multichannel video programming distributor** is any person such as, but not limited to, a cable operator, a multichannel multipoint distribution service, a direct broadcast satellite service, or a television receive-only satellite program distributor, who makes available for purchase, by subscribers or customers, multiple channels of video programming.

REGISTRATION OF A CABLE SYSTEM

Before commencing operation, a cable system operator must send the following information to the Secretary of the Commission for each community to be served:

(1) The legal name of the operator, the entity identification or social security number, and whether the operator is an individual, private association, partnership or corporation. If the operator is a partnership, the legal name of the partner responsible for communications with the Commission;

(2) The assumed name (if any) used for doing business in the community;

(3) The mailing address, including zip code, and the telephone number to which all communications are to be directed;

(4) The date the system provided services to 50 or more subscribers;

(In order to comply with the requirements relating to aeronautical frequency usage, a system must register in advance of providing service to <u>any</u> subscribers, so that a subsequent aeronautical notification may be timely filed pursuant to § 76.615(b)).

(5) The name of the community or area served and the county in which it is located;

(6) The television broadcast signals to be carried;

(7) A certification that the applicant is not subject to a denial of federal benefits pursuant to Section 5301 of the Anti-Drug Abuse Act of 1988, 21 U.S.C., 853a, or, in the case of a non-

individual applicant (for instance, a corporation, partnership, or other unincorporated association), that no party to the application is subject to a denial of federal benefits pursuant to that section; and

(8) For a cable system (or an employment unit) with six or more full-time employees, a statement of the proposed community unit's equal employment opportunity program, unless such program has previously been filed for the community unit or is not required to be filed based on an anticipated number if fewer than six full-time employees.

A registration statement must be signed by an authorized representative of the cable television company. The Commission issues a public notice setting forth the details of each registration statement as it is received. The cable television operator is not required to serve the registration statement on any party and may begin operation immediately upon filing the registration statement. However, commencement of operation is entirely at the risk of the system operator. If violations of the rules are subsequently discovered, appropriate regulatory sanctions, including imposition of a monetary forfeiture and/or the issuance of a cease and/or desist order, may be employed.

STATE AND LOCAL REGULATION OF CABLE SYSTEMS

A variety of laws and regulations for cable television exist at the state and local level. Some states, such as Massachusetts, regulate cable television on a comprehensive basis through a state commission or advisory board established for the sole purpose of cable television regulation. In Alaska, Connecticut, Delaware, Nevada, New Jersey, Rhode Island, and Vermont, the agencies are state public utility commissions. In Hawaii, regulation of cable television is the responsibility of the Department of Regulatory Agencies. In other areas of the country, cable is regulated by local governments such as a city cable commission, city council, town council, or a board of supervisors. These regulatory entities are called "local franchising authorities." In addition, at least 30 other states have one or more laws specifically applicable to cable television, dealing most commonly with such subjects as franchising, theft of service, pole attachments, rate regulation and taxation.

The 1992 Cable Act codified, and the Commission has adopted, a regulatory plan allowing local and/or state authorities to select a cable franchisee and to regulate in any areas that the Commission did not preempt. Local franchising authorities have adopted laws and/or regulations in areas such as subscriber service requirements, public access requirements and franchise renewal standards. Under the 1992 Cable Act, local franchising authorities have specific responsibility for regulating the rates for basic cable service and equipment.

The Communications Act requires that no new cable operator may provide service without a franchise and establishes several policies relating to franchising requirements and franchise fees. The Communications Act authorizes local franchising authorities to grant one or more franchises within their jurisdiction. However, a local franchising authority may not grant an exclusive franchise, and may not unreasonably withhold its consent for new service. Included in the grant of a franchise to a cable system are rights relating to the construction of the system, including the local franchising authority's authorization to use public rights-of-way, easements, and to establish the areas to be served. In addition, the law requires just compensation to property owners who have suffered damages as a result of a cable operator's construction, operation, installation, or removal of its cable television facilities. Moreover, franchising authorities are required to ensure that access to cable service is not denied to any group of potential residential cable subscribers on the basis of income class. Although the Communications Act also generally precludes the regulation of cable systems as common carriers, it authorizes the Commission, to require, if it chooses, the filing of informational tariffs for intrastate communications services, other than cable service, which is provided by a cable system.

Franchising authorities may charge the cable operator a fee for the right to operate a cable system in that franchise area; however, the franchise fee paid by the cable system can be no more than five percent of its annual gross revenue. A franchising authority may use the money collected from this fee for any purpose. A cable operator must list any applicable franchise fee as a separate item on the subscriber's bill.

RATES FOR SERVICE

Prior to passage of the 1992 Cable Act, the Commission did not regulate rates for cable television service. Rates for basic cable service were regulated by local franchising authorities. The 1984 Cable Act permitted local franchising authorities to regulate only if the cable franchise area was served off the air by fewer than three unduplicated broadcast signals; in 1991, the Commission raised this number to six. In passing the 1992 Cable Act, Congress found rates for cable services rose significantly following the 1984 Cable Act. Congress directed the Commission to establish rules to govern rate regulation of cable service tiers offered by cable systems that are not subject to effective competition. These rules are intended to improve service to the cable subscriber and to ensure competitive rates.

Each service tier is regulated in a slightly different manner. Local franchising authorities are responsible for regulating the basic service tier and, until March 31, 1999 (as provided by the 1996 Act), the Commission was responsible for regulating cable programming services tiers. Both follow rules set by the Commission, which established a "benchmark" rate based on a number of factors, including the number of subscribers, channels, and a number of other factors. Pay-per-channel and pay-per-program services are not regulated.

In addition, under the 1996 Act, small cable operators are partially or wholly exempt from rate regulation. A "small cable operator" is defined to include any operator that serves fewer than 1 percent of all subscribers in the United States and that is not affiliated with entities that have gross annual revenues exceeding \$250 million. In any franchise area where a small cable operator serves fewer than 50,000 subscribers, rate regulation does not apply to the operator's cable programming services tiers, or to its basic tier if it was the only tier subject to regulation as of December 31, 1994.

Rates for a cable system's service tiers and associated equipment may be regulated only if the cable system is not subject to effective competition. There are four separate tests to establish that effective competition exists: (1) the households subscribing to a cable system constitute fewer than 30 percent of the households in its franchise area; or (2) (a) there are at least two unaffiliated multichannel video programming distributors (one of which may be the cable system in question), with each offering comparable video programming to at least 50 percent of the households in the franchise area, and (b) the households subscribing to all but the

largest multichannel video programming distributor exceed 15 percent of the households in the franchise area; or (3) the franchising authority is itself a multichannel video programming distributor offering video programming to at least 50 percent of the households in the franchise area; or (4) a local exchange carrier or its affiliate (or any multichannel video programming distributor using the facilities of such carrier or its affiliate) offers video programming services directly to subscribers by any means (other than direct-to-home satellite services) in the franchise area, but only if the video programming services so offered in that area are comparable to the video programming services provided by the unaffiliated cable operator in that area. In the absence of a demonstration to the contrary, a franchising authority may presume that a cable system is not subject to effective competition.

In order to exercise its authority to regulate basic cable rates <u>and equipment</u>, a franchising authority must be certified by the Commission. Unless notified otherwise by the Commission, a franchising authority's certification becomes effective 30 days after it is filed with the Commission. A franchising authority whose request for certification has been denied or revoked may petition the Commission for re-certification. In addition, a franchising authority that lacks the resources or legal authority to regulate basic cable service rates may petition the Commission to assume regulation, but the franchising authority must affirmatively demonstrate its inability to regulate to the Commission. The Commission will not intervene to regulate basic cable service rates should a franchising authority choose not to seek certification or choose not to request that the Commission assume jurisdiction. Appeals of local decisions will be heard by the Commission or by state or local courts, depending upon the subject matter involved.

The 1996 Act modified the regulation of cable programming services and the rate complaint process established under the 1992 Cable Act. Pursuant to the 1996 Act, the Commission's authority to regulate the rates charged for cable programming services (those are the channels that are not on cable system's basic tier and are not sold on a per-channel or per-program basis) was terminated for services provided after March 31, 1999. Therefore, the rates charged for cable programming services are determined by the cable company and the Commission does not have the authority to review these rates or to investigate allegations that the rates are excessive.

The 1996 Act did not modify the local franchising authority's ability to regulate basic cable rates. Therefore, complaints about basic cable rates should be filed with the franchise authority.

Rates for channels sold on a per-channel or per-program basis are not regulated.

CUSTOMER SERVICE GUIDELINES

Pursuant to the 1992 Cable Act, the Commission adopted federal guidelines which provide a standard for improving the quality of customer service rendered by cable operators. These guidelines provide minimum levels of service which should be provided by a cable operator. The guidelines address issues such as the cable operator's communications with customers over the telephone, installations, service problems, changes in rates or service, billing practices and information that must be provided to all customers. Although the standards were issued by the Commission, local franchising authorities are responsible for adopting and enforcing customer service standards. Franchising authorities may also adopt more stringent or additional standards with the consent of the cable operator or through enactment of a state or municipal law.

Subscriber Calls to a Cable System

Under the federal guidelines, each cable system must maintain a local, toll-free or collect-call telephone line available 24 hours a day, 7 days a week. During normal business hours, company representatives must be available to respond to customer inquiries. After normal business hours, (the hours during which most similar businesses in the community are open to serve customers), the cable system may use an answering service or machine so long as messages are answered the next business day. In addition, the cable system's customer service center and bill payment locations must be conveniently located and must be open at least during normal business hours and should include at least one night per week and/or some weekend hours.

A call to a cable system must be answered -- including time the caller is put on hold -- within 30 seconds after the connection is made. If the call is transferred, the transfer time

may not exceed 30 seconds. Also, cable system customers may receive a busy signal no more than three percent of the time. Although no special equipment is required to measure telephone answering and hold time, cable operators should use their best efforts in documenting compliance. These requirements must be met 90 percent of the time, measured quarterly, under normal operating conditions.

Installations, Service Interruptions and Service Calls

Federal guidelines state that standard installations -- which are those located up to 125 feet from the existing distribution system -- must be performed within seven days after an order has been placed. Except in situations beyond its control, the cable operator must begin working on a service interruption no later than 24 hours after being notified of the problem. A service interruption has occurred if picture or sound on one or more channels has been lost. The cable operator must begin to correct other service problems the next business day after learning of them. Cable operators may schedule appointments for installations and other service calls either at a specific time or, at a maximum, during a four-hour time block during normal business hours. Cable operators may also schedule service calls outside of normal business hours for the convenience of the customer. No appointment cancellations are permitted after the close of business on the business day prior to the scheduled appointment. If the cable installer or technician is running late and will not meet the specified appointment time, he or she must contact the customer and reschedule the appointment at the convenience of the subscriber. These requirements concerning installations, outages and service calls must ordinarily be met at least 95 percent of the time, measured quarterly, under normal operating conditions.

Changes in Rates or Service and Billing Practices

Thirty days advance written notice (using any reasonable written means) must be given to subscribers and local franchising authorities of any changes in rates, programming services or channel positions, if the change is within the control of the cable operator. Cable operators are not required to provide prior notice of any rate change that is the result of a regulatory fee, franchise fee, or any other fee, tax, assessment, or charge of any kind imposed by a

Federal agency, State, or franchising authority on the transaction between the operator and the subscriber. Cable system bills must be clear, concise and understandable, with full itemization. Cable operators should respond to written complaints about billing matters within 30 days. Refunds must be issued no later than either the customer's next billing cycle or 30 days following resolution of the request, whichever is earlier, or upon the return of equipment when service is terminated. Credits must be issued no later than the billing cycle following the determination that a credit is warranted.

Information to Customers

The following information must be provided to customers at the time of installation and at least annually to all subscribers and at any time upon request: products and services offered; prices and options of programming services and conditions of subscription to programming and other services; installation and service maintenance policies; instructions on how to use the cable service; channel positions of programming carried on the system; and billing and complaint procedures, including the address and telephone number of the local franchising authority's office.

UNAUTHORIZED RECEPTION OF CABLE SERVICES

The 1984 Cable Act provides damages and penalties of up to two years in prison and/or \$50,000 in fines to be assessed against anyone determined to be guilty either of the unauthorized interception or reception of cable television services or of the manufacture or distribution of equipment intended to be utilized for such a purpose. The Commission does not prosecute unauthorized reception of cable services. Rather, cable operators aggrieved by a violation may bring an action in a United States district court or in any other court of competent jurisdiction. Knowledge of violations should be reported directly to the cable system.

SIGNAL CARRIAGE REQUIREMENTS

The 1992 Cable Act established new standards for television broadcast station signal carriage on cable systems. Under these rules, each local commercial television broadcast station was

given the option of selecting mandatory carriage ("must-carry") or retransmission consent ("may carry") for each cable system serving the same market as the commercial television station. The market of a television station is established by its Area of Dominant Influence ("ADI"), as defined by Arbitron and/or modified by the Commission. Every county in the country is assigned to an ADI, and those cable systems and television stations in the same ADI are considered to be in the same market. Upon the request of a television station or a cable system, the Commission has the authority to change the ADI to which a station is assigned. As a result of Arbitron abandoning the television research business, the Commission has determined that, effective January 1, 2000, the market of a television station shall be its Designated Market Area ("DMA") as determined by Nielsen Media Research.

Must-Carry/Retransmission Consent Election

Every three years, every local commercial television station has the right to elect either mustcarry or retransmission consent. The initial election was made on June 17, 1993, and was effective on October 6, 1993. The next election occurred on October 1, 1996, and was effective January 1, 1997. All subsequent elections will occur every three years (October 1 1999, to be effective January 1, 2000; October 1, 2002, to be effective January 1, 2003; etc.).

Election of Must-Carry Status

Generally, if a local commercial television station elects must-carry status, it is entitled to insist on cable carriage in its local market. Each cable system with more than 12 channels must set aside up to one-third of its channel capacity for must-carry stations. For example, if a cable system has 60 channels, it must set aside 20 of those channels for must-carry stations. If there are 25 stations in the market which elected must-carry, the cable operator may choose 20 to carry. On the other hand, if only 15 stations elected must-carry in the market, the cable system would have to carry all 15 of these stations. A must-carry station has a statutory right to a channel position, usually its over-the-air channel number, or another channel number on which it has historically been carried.

Retransmission Consent Election

A cable system is not permitted to carry a commercial station without the station's consent. Therefore, if the local commercial television station elects retransmission consent, the cable system must obtain that station's consent prior to carrying or transmitting its signal. Except for "superstations," a cable system may not carry the signal of any television broadcast station that is not located in the same market as the cable system without that broadcaster's consent. Superstations are transmitted via satellite, usually nationwide, and the cable system may carry such stations outside their local market without their consent. The negotiations between a television station and a cable system are private agreements which may, but need not, include some form of compensation to the television station such as money, advertising time or additional channel access.

Noncommercial Educational Television Stations

Every cable system across the country must carry at least one local noncommercial educational ("NCE") station. A noncommercial station which places a Grade B signal over a cable system's principal headend, or whose city of license is within fifty miles of the cable system's principal headend, is considered "local" for this purpose. Cable systems with more than 36 channels may be required to carry all local noncommercial educational television stations which request carriage. Any cable system operating in a market where no local NCE station is available is required to import one NCE station.

Low Power Television Stations

The 1992 Cable Act provides mandatory carriage for "qualified" low power television stations ("LPTV") in certain situations. A LPTV station has to meet certain qualifications specified in the Act and incorporated into the Commission's Rules, before it is qualified for the right to must-carry. If a LPTV is qualified, it may assert must-carry rights, and, provided the cable operator has not met its mandatory carriage obligations, the LPTV station must be carried. Otherwise, a LPTV station must negotiate for carriage under the retransmission consent provisions or under the leased commercial access provisions.

Radio Programming

While the 1992 Cable Act's must-carry provisions only apply to local commercial and noncommercial educational television stations, the Act's retransmission consent provisions apply to all commercial broadcast stations. Many cable systems carry radio stations as an "all-band" offering, meaning that as with any standard radio receiver, all stations which deliver a signal to the antenna are carried on the system. The Commission only requires consent from those radio stations within 57 miles of the cable system's receiving antenna. Thus, even though a cable operator's antenna may pick up a station's signal, operators are not required to obtain the consent of stations outside of the 57 mile zone unless the station affirmatively seeks retransmission consent.

Manner of Carriage

Subject to the Commission's network nonduplication, syndicated exclusivity and sports broadcasting rules, cable systems must carry the entirety of the program schedule of every local television station carried pursuant to the mandatory carriage provisions or the retransmission consent provisions of the 1992 Cable Act. A broadcaster and a cable operator may negotiate for partial carriage of the signal where the station is not eligible for must carry rights, either because of the station's failure to meet the requisite definitions or because the cable system is outside the station's market. In those situations where the carriage in the entirety rule applies, the primary video and accompanying audio of all television broadcast stations must be carried in full, without alteration or deletion of their content. Ancillary services such as closed captioning and program-related material in the vertical blanking interval must be carried. However, other information contained in the vertical blanking interval need not be carried.

Syndicated Program Exclusivity Protection

With respect to non-network programming, cable systems that serve at least 1,000 subscribers may be required, upon proper notification, to provide syndicated protection to broadcasters who have contracted with program suppliers for exclusive exhibition rights to certain programs within specific geographic areas, whether or not the cable system affected is carrying the station requesting this protection. However, no cable system is required to delete

a program broadcast by a station which is either significantly viewed or which places a Grade B or better contour over the community of the cable system.

Network Program Nonduplication

Commercial television station licensees are entitled to protect the network programming they have contracted for by exercising nonduplication rights against more distant television broadcast stations carried on a local cable television system that serves more than 1,000 subscribers. Commercial broadcast stations may assert these nonduplication rights regardless of whether or not their signals are being transmitted by the local cable system and regardless of when, or if, the network programming is scheduled to be broadcast. Generally, the zone of protection for such programming cannot exceed thirty-five miles for stations licensed to a community in the Commission's list of top 100 television markets or fifty-five miles for stations licensed to communities in smaller television markets. In addition, a cable operator does not have to delete the network programming of any station which the Commission has previously recognized as significantly viewed in the cable community.

Sports Programming Blackouts

A cable system located within 35 miles of the city of license of a broadcast station where a sporting event is taking place may not carry the live television broadcast of the sporting event on its system if the event is not available live on a local television broadcast station, if the holder of the broadcast rights to the event, or its agent, requests such a blackout. The holder of the rights is responsible for notifying the cable operator of its request for program deletion at least the Monday preceding the calendar week during which the deletion is desired. If no television broadcast station is licensed to the community in which the sports event is taking place, the 35-mile blackout zone extends from the broadcast station's licensed community with which the sports event or team is identified. If the event or local team is not identified with any particular community nearest the sports event which has a licensed broadcast station. The sports blackout rule does not apply to cable television systems serving less than 1,000 subscribers, nor does it require deletion of a sports event on a broadcast station's signal

that was carried by a cable system prior to March 31, 1972. The rule does not apply to sports programming carried on nonbroadcast program distribution services such as ESPN. These services, however, may be subject to private contractual blackout restrictions.

For example, if the Boston Celtics are playing the Atlanta Hawks at Boston Gardens in a National Basketball Association ("NBA") game, and the game is not broadcast live on a Boston television station, and the NBA sends a blackout notice to cable systems within 35 miles of Boston, those systems will have to delete the game which is carried on their systems by "superstation" WTBS from Atlanta. If a sports event were carried, for example, on ESPN or a regional subscription sports network, any blackout would be the result of a private contractual agreement between the holder of the rights to the event and the sports network.

Copyright

The Copyright Act requires cable operators to obtain a compulsory license for the carriage of programming. The cable operator pays the fee to the copyright office, for distribution to the copyright holders of the program material. The fee for each cable system is based on the system's "gross receipts" from the carriage of broadcast signals and the number of "distant signal equivalents" a term identifying non-network programming from distant television stations carried by the system.

Under the Commission's must-carry rules, a cable operator is not required to carry a signal of a television broadcast station if that station would be considered a distant signal under the Copyright Act, unless the station agrees to indemnify the cable operator for any increased copyright liability resulting from carriage of the signal.

The Copyright Act requires a cable operator to file semi-annually a statement of account, including information about system revenue and signal carriage as well as the royalty fee payment. For further information regarding copyright regulation, contact the Licensing Division, Copyright Office, Library of Congress, Washington, DC 20557; telephone (202) 707-8380.

Program Content Regulations

Cable television system operators generally make their own selection of channels and programs to be distributed to subscribers in response to consumer demands. The Commission does, however, have rules in some areas that are applicable to programming -- called "origination cablecasting" that is subject to the editorial control of the system operator. The rules generally do not apply to the contents of broadcast signals or access channels over which the system operator has no editorial control.

Cable subscribers may request a "lockbox" from cable operators to prevent viewing of any channel on which objectionable programming may appear. Cable operators are required to make lockboxes available for sale or lease to customers who request them. Lockboxes can also be purchased from other commercial distributors.

The 1996 Act included several provisions that were designed to increase the subscriber's ability to control the programming coming into the home. Section 551 of the 1996 Act required representatives of the broadcast and cable television industries to develop, within one year after enactment of the 1996 Act, voluntary rules to rate programming that contains violence and sexual or other indecent material. The industry proposed the *TV Parental Guidelines* and the proposal was approved by the Commission on March 12, 1998. The *TV Parental Guidelines* (labels and content indicators and respective meanings) are:

TV-Y -- This program is designed to be appropriate for all children.

TV-Y7 -- This program is designed for children age 7 and above. Note: For those programs where fantasy violence may be more intense or more combative than other programs in this category, such programs will be designated **TV-Y7-FV**.

TV-G -- Most parents would find this program suitable for all ages.

TV-PG -- This program contains some material that parents may find unsuitable for younger children. The program contains one or more of the following: moderate violence (**V**), some sexual situations (**S**), infrequent coarse language (**L**), or some suggestive dialogue (**D**).

TV-14 -- This program contains some material that many parents would find unsuitable for children under 14 years of age. This program contains one or more of the following: intense violence (**V**), intense sexual situations (**S**), strong coarse language (**L**), or intensely suggestive dialogue (**D**).

TV-MA -- This program is specifically designed to be viewed by adults and therefore may be unsuitable for children under 17. This program contains one or more of the following: graphic violence (**V**), explicit sexual activity (**S**), or crude indecent language (**L**).

The ratings icons and associated symbols appear for 15 seconds at the beginning of all rated programming. Sports, news, commercials, promotions and unedited movies with a Motion Picture Association of America rating that are aired on premium cable channels are exempt from these ratings.

The 1996 Act also required that television receivers manufactured or imported for use in the United States be equipped with circuitry that is capable of identifying all programs with a common rating and blocking individual channels during selected time periods. This is the circuitry commonly referred to as the "V-chip." This requirement applies to all television sets with a least a 13 inch screen. Manufacturers of such equipment were required to include a v-chip on at least 50% of their products by July 1, 1999 and on the remaining 50% by January 1, 2000. The Commission also required that personal computers that include a television tuner and a 13 inch or larger monitor must also include the v-chip. However, the requirement to rate programming applies only to video transmissions that are delivered to the computer by using the television tuner. Video transmissions delivered over the Internet or via computer networks are not required to be rated.

Section 504 of the 1996 Act required a cable operator to fully scramble or block the audio and video portions of programming services not specifically subscribed to by a household. The cable operator must fully scramble or block the programming in question upon the request of the subscriber and at no charge to the subscriber. In addition, Section 505 states that cable operators or other multichannel video programming distributors who offer sexually explicit programming or other programming that is indecent on any channel(s) primarily

dedicated to sexually-oriented programming must fully scramble or block both the audio and video portions of the channels so that someone who does not subscribe to the channel does not receive it. Until a multichannel video distributor complies with this provision, the distributor cannot provide the programming during hours when a significant number of children are likely to view it.

On March 4, 1996, the Commission adopted an Order and Notice of Proposed Rulemaking (FCC 96-84) establishing interim rules to implement Section 505 of the 1996 Act. The interim rules established the hours of 6:00 a.m. to 10:00 p.m. as those hours when a significant number of children are likely to have access to and view the programming. However, before the rules could take effect, Section 505 was challenged in the courts and the Commission was subsequently prevented from enforcing the rules because of a temporary restraining order and a number of stays granted by the United States District Court for the District of Delaware. On March 24, 1997, the United States Supreme Court affirmed the District Court's decision to deny the request for a preliminary injunction of section 505. Thus, on April 17, 1997, the Commission adopted an Order establishing May 18, 1997 as the effective date of our rules implementing section 505. However, on December 28, 1998, a federal court in Delaware issued a decision (*Playboy Entertainment Group v. U.S.*) which determined that Section 505 is unconstitutional. Therefore, the Commission's rules based on Section 505 could not be enforced. An appeal of this decision was filed with the U.S. Supreme Court. On May 22, 2000, the U.S. Supreme Court also determined that Section 505 is unconstitutional. Thus, the Commission's rules implementing Section 505 cannot be enforced. However, persons who wish to prevent the viewing of such programming may do so by obtaining a "lockbox" or by exercising the options provided in Section 504 of the 1996 Act.

Finally, Section 506 of the 1996 Cable Act allows cable operators to refuse to transmit any public access or leased access program which contains obscenity, indecency, or nudity. On June 28, 1996, the U.S. Supreme Court issued a decision (*Denver Area Educational Telecommunications Consortium, Inc. v. FCC*) which held that cable operators may decline to carry indecent programming on leased access channels, but cannot exercise the same control over programming on public access channels.

Political Cablecasting

Once a cable system allows a legally qualified candidate to use its facilities, it must afford "equal opportunities" to all other candidates for that office to use its facilities. The cable system may not censor the content of the candidate's "equal opportunity" material in any way, and may not discriminate between candidates in practices, regulations, facilities or services rendered pursuant to the equal opportunities rules. Candidate appearances which are exempt from the "equal opportunities" rules include appearances on a bona fide newscast, bona fide news interview, bona fide news documentary, or on-the-spot coverage of a bona fide news event.

Cable television systems may charge political candidates only the "lowest unit charge" of the system for the same class and amount of time for the same period, during the 45 days preceding a primary or runoff election and the 60 days preceding a general or special election. Candidates should be charged no more per unit than the system charges its most favored commercial advertisers for the same classes and amounts of time for the same periods. Information concerning the rates, terms, conditions and all discounts and privileges offered to commercial advertisers should be disclosed and made available to candidates.

Fairness Doctrine

Prior to the Fairness Doctrine's repeal in 1987, cable television system operators engaging in origination cablecasting were required to afford reasonable opportunity for the discussion of conflicting views on controversial issues of public importance. Although this requirement still appears in the Commission's rules, the fairness doctrine in its broadcast application and from which the cable rules is derived, is no longer enforced as a consequence of a Commission proceeding and a court decision.

Personal Attacks

When an attack is made upon the honesty, character, integrity, or like personal qualities of an identified person or group during origination cablecasting concerning controversial issues of public importance, the cable system must give the following to the person or group attacked

within one week: (1) notification and identification of the cablecast, (2) a script, tape or accurate summary of the attack, and (3) an offer of a reasonable opportunity to respond over the cable facilities. The rule exempts attacks by political candidates and their associates on other candidates, including attacks that occur during "uses" by candidates such as attacks made during bona fide newscasts, bona fide news interviews and on-the-spot coverage of bona fide news events; and attacks on foreign groups or foreign public figures.

Political Editorials

Once a cable system carries an editorial endorsing or opposing a legally qualified political candidate, it must give opposing candidates (or the candidate opposed in the editorial) an opportunity to respond. Within 24 hours after the political editorial, the cable system must give to the other candidates or the candidate opposed the following: (1) notification and identification of the editorial, (2) a script or tape of the editorial, and (3) an offer of a reasonable opportunity for the candidate or his or her spokesman to respond over the cable facilities. Where an editorial is cablecast within 72 hours prior to election day, the cable system is obliged to give notice and an opportunity to respond sufficiently far in advance to enable the candidate opposed or not endorsed a reasonable opportunity to prepare a response and to present it in a timely fashion.

Lottery Information

Like broadcasting stations, cable systems are generally prohibited from transmitting information or advertisements concerning lotteries or other schemes offering prizes dependent upon chance in exchange for consideration. The rule exempts information about a state lottery cablecast by a system located in that state or another state which conducts a state lottery, or by a system which is integrated with a cable system in such a state, if it is technically unable to terminate the transmission to other states. It also permits the cablecast of information about a lottery or similar scheme that is not prohibited by the state in which it is conducted and which is (1) conducted by a not-for-profit or governmental organization or (2) conducted by a commercial organization and which is clearly occasional and ancillary to

the organization's primary business. Information about gaming conducted pursuant to the Indian Gaming Regulatory Act is also exempt.

On June 14, 1999, the U.S. Supreme Court issued a decision (*Greater New Orleans Broadcasting Association, Inc. v. U.S.*) which held that this prohibition could not be applied to the advertisements of lawful private casino gambling that are broadcast on radio or television stations located in Louisiana, where such gambling is legal.

Sponsorship Identification

The sponsorship identification rule requires the identification of the sponsor of any origination cablecasting which is presented in exchange for money, service or "other valuable consideration." All political spots must contain a visual sponsorship identification in letters equal to at least four percent of the screen height and which are on the air for at least four seconds. Where the cablecast advertises commercial products or services, a mention of the corporate or trade name is usually considered sufficient. Sponsorship identification announcements must also be made before and after certain material if inducements are given to the cable system in exchange for cablecasting the material.

Commercial Limits in Children's Programs

Regulations implemented pursuant to the Children's Television Act of 1990 restrict the amount of commercial matter that cable operators may cablecast on programs originally produced and broadcast primarily for children 12 years old and younger. Cable operators may transmit no more than 10.5 minutes of commercial matter per hour during children's programming on weekends and no more than 12 minutes of commercial matter per hour on weekdays. Cable systems must maintain records available for public inspection which document compliance with the rule.

Cigarette Advertising

Advertisements for cigarettes, little cigars and smokeless tobacco are prohibited on any medium of electronic communication subject to the jurisdiction of the Federal

Communications Commission. Laws against these types of advertising have criminal penalties and are administered by the U.S. Department of Justice rather than by the Commission.

ACCESS AND ORIGINATION CHANNELS

Access channels typically provide community-oriented programming, such as local news, public announcements and government meetings. They are usually programmed by individuals or groups, on either public, educational or governmental access channels or on commercial leased access channels.

Origination channels are usually programmed by the cable system and may include many types of specialized program packages such as movies, sports, national news and public affairs, feature entertainment, children's programming or programming for specific ethnic or other minority groups.

The Commission's rules do not require cable operators to originate programming. Operators who originate programming, however, are required to comply with the Commission's program content rules.

Channels for Public, Educational, Or Governmental Use

Under the 1984 Cable Act, local franchising authorities may require that cable operators set aside channels for public, educational, or governmental ("PEG") use. In addition, franchising authorities may require cable operators to provide services, facilities, and equipment for the use of these channels. Many cable systems include several PEG channels.

In general, cable operators are not permitted to control the content of programming on PEG channels. Cable operators may impose non-content-based requirements, such as minimum production standards, and may mandate equipment user training.

PEG channel capacity which is not in use for its designated purpose may, with the franchising authority's permission, be used by the cable operator to provide other services. Under certain conditions, a franchising authority may authorize the use of unused PEG

channels to carry low power commercial television stations and local noncommercial educational television stations that are required by law.

Information relating to PEG channels may be obtained directly from the cable system or the local franchising authority.

Leased Commercial Access

The statutory framework for commercial leased access was established by the 1984 Act and amended by the 1992 Cable Act. The 1984 Cable Act established leased access to assure access to the channel capacity of cable systems by parties unaffiliated with the cable operator who want to distribute video programming free of the editorial control of the cable operator. Channel set-aside requirements were established in proportion to a system's total activated channel capacity, in order to "assure that the widest possible diversity of information sources are made available to the public from cable systems in a manner consistent with the growth and development of cable systems." A cable system operator was permitted to use any unused leased access channel use was obtained. Each system operator subject to this requirement was to establish the "price, terms, and conditions of such use which are at least sufficient to assure that such use will not adversely affect the operation, financial condition, or market development of the cable system."

The only exception to the leased commercial access channel set-aside provides that up to 33 percent of a system's designated leased commercial access channel capacity may be used for qualified minority or educational programming from sources that may or may not be affiliated with the cable operator. The qualified minority or educational source may be affiliated with the operator.

The 1992 Cable Act amendments broadened the statutory purpose to include "the promotion of competition in the delivery of diverse sources of video programming," and the Commission was provided with expanded authority: (1) to determine the maximum reasonable rates that a cable operator may establish for leased access use, including the rate charged for the billing of subscribers and for the collection of revenue from subscribers by

the cable operator for such use; (2) to establish reasonable terms and conditions for leased access, including those for billing and collection; and (3) to establish procedures for the expedited resolution of leased access disputes. The legislative history of the 1992 amendments expresses concern that some cable operators may have established unreasonable terms or may have had financial incentives to refuse to lease channel capacity to potential leased access users based on anticompetitive motives, especially if the operator had a financial interest in the programming services it carried.

Any person aggrieved by the failure or the refusal of a cable operator to make commercial channel capacity available or to charge rates as required by Commission rules may file a petition for relief with the Commission within 60 days of the alleged violation. In order to merit relief, the petition must show by clear and convincing evidence that the operator violated the leased access statutory or regulatory provisions or otherwise acted unreasonably or in bad faith. Relief may be in the form of refunds, injunctive relief or forfeitures. The Commission encourages parties to use alternative dispute resolution procedures such as settlement negotiation, conciliation, facilitation, mediation, fact finding, mini-trials and arbitration. The 1992 Cable Act provides for both judicial and Commission review of leased commercial access disputes.

HOW TO OBTAIN INFORMATION

Every cable operator serving 1,000 or more subscribers is required by the Commission to have an up-to-date copy of the Cable Television Rules and Regulations (47 C.F.R. Part 76 and 78) and to keep track of Commission actions that might alter the rules.

Due to budgetary constraints, the Commission is unable to supply copies of its regulations and orders free of charge. We regret that we are unable to do so. However, photocopies of the Commission's rules and orders may be obtained from International Transcription Services (ITS) at (202) 857-3800, or through the Internet at the following addresses: Gopher site: gopher.fcc.gov; Web site: <u>http://www.fcc.gov/;</u> and FTP site: <u>ftp://ftp.fcc.gov/</u>.

Copies of the Telecommunications Act of 1996, the Cable Television Consumer Protection and Competition Act of 1992, the Cable Communications Policy Act of 1984, and the entire

Communications Act in the form of a Compilation of Communications Laws, the Code of Federal Regulations (47 C.F.R. Parts 70-79, including Part 76-Cable Regulations), or the Federal Register Summaries of decisions by published date, may be purchased from the Government Printing Office (GPO) in Washington, D.C. at (202) 512-1800. GPO outlets are also located in many major cities.

Copies of Fact Sheets on Cable Television Regulation may be obtained via the Internet at <u>http://www.fcc.gov/csb/facts/csogpofa.html</u>, from the Call Center at 1-888-225-5322, or through the use of Fax-on-Demand, or the Internet at the following electronic addresses: Gopher site: gopher.fcc.gov; Web site: <u>http://www.fcc.gov/</u>; and FTP site: <u>ftp://ftp.fcc.gov/</u>.

OBTAINING FURTHER INFORMATION FROM THE COMMISSION

The Cable Services Bureau is located at 445 12th Street, S.W., Washington, D.C. General inquiries should be directed to the Federal Communications Commission, 1-888-225-5322 (1-888-CALLFCC). This is a toll-free call. Commission offices are normally open from 8:00 a.m. to 5:30 p.m., Monday through Friday, excluding federal holidays, unless otherwise stated.

- FCC -