

## STATUTORY REQUIREMENTS FOR THE RENEWAL PROCESS

Section 626 of the 1984 Cable Act (47 U.S.C. § 546) as amended by the Cable Television Consumer Protection and Competition Act of 1992 ("1992 Cable Act"), Communication Policy Act of 1996 sets forth statutory requirements for the franchise renewal process.

1. Notification "window" of six months for either party.  
("Window" = 36th to 30th month before franchise expires.)
2. City must begin the renewal process within six months after receiving a notice from the cable operator.
3. City determines whether to proceed under the formal requirements of the Cable Act or, in the alternative and with the consent of cable operator, to elect the informal process.
4. Under either the formal or informal process, the franchising authority ("City") should gather information including the following:
  - a. Past performance of cable operator.
  - b. Future cable-related community needs and interests.
5. Under the formal process the following steps are required.
6. Request For Proposal ("RFP"). Based upon the information gathered, the City develops an RFP which addresses the issues of past performance and future cable-related needs and interests of the community.
7. Cable operator submits proposal and City provides public notice.  
(Note: Within four months of receiving the operator's proposal, the City must decide whether to grant the renewal of the proposal.)
8. City releases preliminary determination whether to renew or to preliminarily deny renewal.
9. Denial of a renewal request may only be based upon one or more of the following considerations:
  - a. Whether the cable operator has substantially complied with the material terms of the existing franchise.
  - b. The quality of service provided.
  - c. The financial, legal and technical capability of the operator.
  - d. Whether the operator's proposal is reasonable to meet the future cable-related community needs and interests, taking into account the cost of meeting such needs and interests.

## **STATUTORY REQUIREMENTS FOR THE RENEWAL PROCESS (continued)**

10. If the renewal request is preliminarily denied, the cable operator can request administrative proceedings, or such proceedings may begin upon a franchising authority's own initiative.
  - a. In the administrative proceeding the cable operator must be given notice and fair opportunity for full participation.
  - b. City and cable operator must be given right to introduce evidence, to require the production of evidence and to question witnesses.
  - c. A transcript must be made of the proceeding.
11. At completion of the administrative proceeding, the franchising authority must issue a written decision stating the reasons for denial. (There are no time limits specified by which the administrative proceeding must be completed or the franchising authority's written decision must be issued.)
12. If the franchising authority denies renewal, the cable operator may appeal to state or federal court within 120 days of the notice of the decision.