

FOCUS

Analysis, Commentary and Updates on Legislative and Policy Issues that Affect California Cities

March 3, 2006
Issue #9-2006

CIC ANNOUNCES INFRASTRUCTURE BOND CAMPAIGN – ‘10 DAYS TO TAKE CARE OF THE NEXT GENERATION’

On March 1, the California Infrastructure Coalition (CIC) — of which the League is a member — held a press conference at the State Capitol to kick-off a 10-day campaign to encourage the governor and legislators to work together to pass an infrastructure bond by March 10 — the deadline to place a measure on the June 2006 ballot.

For more, see Page 7.



Chris McKenzie speaks at the March 1 CIC press conference in Sacramento.

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INFRASTRUCTURE DISCUSSIONS CONTINUE

As the California Infrastructure Coalition (CIC) campaign was rolling out, there was continued movement on infrastructure in the State Capitol.

For more, see Page 9.

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LEAGUE BOARD OF DIRECTORS ADOPTS TELECOMMUNICATIONS POLICY

In a special conference call meeting on February 17, the League board of directors voted to adopt a telecommunications policy to guide the League's positions and lobbying activities in the upcoming debate at both the state and national level over a new regulatory framework for telecommunications services. *For more, see Page 10.*

WANT MORE DETAILS ON BILLS?

Visit the League of California Cities website at www.cacities.org/billsearch.

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LOCAL OFFICIALS BRIEFED ON GOVERNOR'S STATE OF EMERGENCY PROCLAMATION FOR CALIFORNIA'S LEVEE SYSTEM

On Monday, February 27, the governor's office briefed a number of city and county officials about the details of the governor's recent Emergency Proclamation to repair 24 identified critical erosion sites on project levees located in Sacramento, Colusa, Solano, Sutter, Yolo and Yuba counties before the start of the next flood season.

The director of California's Department of Water Resources (DWR), Lester Snow, began the conference call briefing by explaining the process for selecting the 24 critical sites. These sites were identified by the Army Corps of Engineers, with cooperation from the State Department of Water Resources. Many city and county officials participating in the call expressed appreciation for the governor's actions.

Without the emergency proclamation, officials from the Schwarzenegger Administration estimated that it would take about three years to repair the erosion sites. With the proclamation, they hope to complete the job by the end of this year. Given the recent heavy rains and increased chances for flooding, the administration indicated that delaying repairs could put the whole state at risk.

The governor has sent a joint letter with California Sen. Dianne Feinstein to President Bush requesting federal funding to assist in the levee repair.

During the conference call, several participants inquired about other potential projects that are not among the 24 slated for action. Director Snow responded that inquiries and information about such projects should be sent to his office. Cities with concerns about other potential critical sites in their area may contact Debbie Deanne of DWR at (916) 653-7007.

For more information, links to the proclamation, list of sites and a map of affected areas, please visit the governor's website at www.governor.ca.gov.

CALED ANNUAL CONFERENCE IN APRIL

The California Association for Local Economic Development (CALED) will hold its 26th Annual Conference & Spring Training on April 24-26, at the Wyndham Palm Springs Hotel, in Palm Springs.

This year's theme is "California – A Great Place to be in Business!?!?!?" The conference features a keynote address that will examine the state's manufacturing. Entitled "California's Manufacturing - Is it Declining, Growing, or Transforming?" the address will begin with welcoming comments at 9 a.m. on Monday, April 24, kicking off the three-day event.

A number of topics will be featured at the daily sessions, including manufacturing, building, technology, and much more. The cost for this event is \$495 until March 15 for everyone. After that date, CALED members pay \$595, while non-members pay \$695. For more information (including a draft agenda) and to register, visit the CALED website at www.caled.org.

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PROPOSITION 81 – LIBRARY BOND ON JUNE 2006 BALLOT

Lost in some of the discussions about the infrastructure bonds is the fact that one infrastructure bond already is scheduled to be on the June 2006 ballot.

Proposition 81, a \$600 million general obligation bond to fund library construction, was placed on the ballot by the Legislature in 2004 by SB 1161 (Alpert). \$300 million of the bond would be allocated to those library proposals that were deemed eligible, but for which funding ran out during the last library bond. The remaining \$300 million would be for new proposals.

The League is in support of Proposition 81. In addition, the League believes that the library bond should remain on the June ballot and not be delayed to the November ballot. At this time, no one seems to be talking about moving the bond to November.

CDBG FUNDING: HAVE YOU WRITTEN YOUR REPRESENTATIVE?

The League continues to urge cities to write their members of Congress to describe the impact that proposed cuts to Community Development Block Grant (CDBG) funding would have on your city.

The League has posted information about the issue on its website [Advocacy Center](#), including a sample letter that can be sent online to members of Congress, a sample resolution that your city can adopt, and a sample op-ed or letter to the editor that can be adapted with local details about CDBG projects in your city.

To access the materials, you must use a login and then select the "Federal Center" tab.

Please be sure to send copies of any letters to write to League Policy Analyst Genevieve Morelos, email gmorelos@cacities.org, fax (916) 658-8240. The League will make good use of your letters during the National League of Cities' Congressional Cities' Congressional City Conference in Washington, D.C., March 11 – 15. They will be presented to members of the California congressional delegation, and help tell the story of how important CDBG is to California cities.

'Dear Colleague' Letter

On February 27, the League also sent an action alert to its members, urging cities to call their members of Congress to ask them to co-sign a "Dear Colleague" letter from Representatives Christopher Shays and Barney Frank.

The Shays-Frank letter would be sent to House Budget Chairman Jim Nussle and Ranking Member John Spratt, urging them to oppose the proposed cut Community Development Block Grant (CDBG) funding in the Bush Administration's FY 2007 budget. The deadline for signatures to the letter was March 3.

CDBG Funding Critical for Local Community Development Projects

President Bush's proposal would fund the CDBG program at \$3.03 billion – a 25 percent reduction than

its current funding level of \$4.18 billion. If passed, the reduced funding would be a significant blow to affordable housing and economic revitalization activities in communities throughout California.

For 30 years the CDBG program has provided funding that has allowed cities to take innovative approaches to community development, including homeownership promotion, job creation, youth employment opportunities, after-school programs, and gang intervention activities.

In FY 2006, CDBG will provide more than \$474 million in funding to California. If the President's proposal is enacted, it will consolidate the CDBG program and may severely reduce or eliminate funding for hundreds of local California programs in FY 2007.

While March 3 was the deadline to co-sign the "Dear Colleague" letter, even after that date CDBG remains a high priority.

If you haven't yet written to your representatives to describe the impact that CDBG cuts would have on their city – **please do so today**. Visit the Advocacy Center on the League's website at www.cacities.org for samples.

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HOUSING STILL A HOT LEGISLATIVE ISSUE

With the February 24 deadline for bill introduction behind us, League staff members are assessing the range of bills introduced in many areas that affect cities, including housing – a key League priority. There are a number of measures that will be of interest to city officials.

The League is sponsoring a number of bills designed to implement the recommendations of the League's Housing/General Plan Task Force. The task force met for more than a year under the leadership of San Diego Council member and League Second Vice President Jim Madaffer.

Much of their work involved discussions with members of the building community about possible changes to state housing law.

While the effort did not produce consensus between cities and the builders, there are a number of ideas for housing reforms that were adopted by the League board of directors. These are now contained in a package of newly introduced bills that the League is sponsoring or will support. These include the following:

1. SB 1754 – Lowenthal. 100 high-density housing infrastructure investment districts.
2. AB 2503 - Mullin. Affordable Housing Trust Funds: dollar for dollar ERAF return for local contributions to affordable housing trusts.
3. AB 2468 - Salinas/Daucher. Housing Element Self-Certification where locals elect to zone affordable housing RHNA allocation "by right."
4. AB 2484 - Hancock. Exemption from Density Bonus Law for parcels already zoned at high density.
5. AB 2158 - Evans. Requiring COG's to consult with LAFCO while developing RHNA allocation.
6. AB 2572 - Emerson. Improving the development of the RHNA number. Bill currently addresses student housing. This will likely be a vehicle for larger discussion.
7. AB 3042 - Evans. Increased Flexibility to

Transfer RHNA numbers between jurisdictions.

8. AB 2259 - Salinas. Extends the sunset date on legislation advocated by the League in 2000, which permits LAFCO's to review urban expansions in unincorporated areas. This bill may also be a forum for stakeholder discussions about the past effectiveness of the law.

There is also a package of bills relating to group homes that the League will either sponsor or support. These include:

AB 3005 (Emmerson) — Requires the Director of Social Services (DSS) to consider comments from local governments on adjacent land use issues, prior to siting a new DSS six-or-fewer group home.

AB 3006 (Emmerson) — ADP website search reformat (same principal co-authors as above)

AB 3007 (Emmerson) — 300-foot ADP-home siting limitation (same principal co-authors as above).

AB 3008 (Emmerson) — spot bill in code sections pertaining to licensure of alcohol/drug abuse treatment facilities.

AB 3009 (Emmerson) — spot bill on 'sex offenders' that may be used to address the parolee home issue

AB 1795 (Bermudez) — requires proof of that local governments have been notified, prior to issuing license for new DSS six-or-fewer facility.

Bills of Concern

Additionally, there are a number of housing bills with which the League is likely to have concerns. Some of the most significant include:

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ILG ETHICS TRAINING RESOURCES HELP CITIES COMPLY WITH AB 1234

The Institute for Local Government's (ILG) new AB 1234 webpage (www.ca-ilg.org/ab1234compliance) offers a variety of resources to help cities and other local agencies meet new state ethics laws requirements, including new mandatory ethics training requirements.

AB 1234 requires elected and appointed officials to take two hours of ethics training if they receive compensation for their service or are reimbursed for their expenses. Local officials who are subject to the training requirements and who are in office as of January 1, 2006, must receive that training by the end of the year.

In addition, newly elected and appointed officials must receive their first training within one year of commencing service. After that, the requirement is every two years. A "frequently-asked-questions" document, also located on ILG's AB 1234 webpage answers many questions about the scope of these and other new ethics requirements.

Here are some of the resources ILG has developed to help local officials meet the requirements of AB 1234. All of these are located at www.ca-ilg.org/ab1234compliance:

- **Regional and Other Workshops.** ILG and the League of California Cities are offering regional workshops for officials to satisfy AB 1234's requirements. Those planned so far are listed, along with links to registration information. Sessions will also be offered at the League Planners Institute (March in Monterey), Executive Forum (July in Monterey) and Annual Conference (September in San Diego).
- **Self-Study Materials.** ILG is developing self-study materials for those who can't make it to in-person trainings. The first half will be published in the April edition of *Western City* magazine and is available now, while the second half is in production and will be posted prior to publication in June.

- **In-House Trainers.** ILG's website also offers support for agencies that want to do AB 1234 training in-house, including official guidelines on course content. Handouts and other supporting materials are available, including a handout on the "ethics principles" aspect of AB 1234's training requirements (thanks to the support of the law firm Kronick, Moskovitz, Tiedemann & Girard) and a new *Key Ethics Law Principles for Local Officials* (formerly the ethics law bookmark), updated in light of AB 1234's requirements (thanks to the support of the law firm Richards, Watson & Gershon).

ILG also encourages local officials and their staff to think of AB 1234's two-hour requirement as a minimum and to document any ethics-related education activities that go beyond the minimum or are beyond the four-corners of AB 1234's requirements.

THE 2006 CITY HALL DIRECTORY IS COMING SOON!

Don't miss this opportunity to get the League's most useful reference tool. This comprehensive California directory provides important contact information for mayors, council members and city department heads. The directory also features the League's staff directory, League partners, affiliate organizations and a wide variety of advertisers.

INFORMATION YOU NEED, RIGHT AT YOUR FINGERTIPS!

Purchase this publication online at www.cacities.org/store or call (916) 658-8257 for an order form. City officials price \$30, non-city official price \$65, plus shipping & handling.

SB 1206 (KEHOE) PASSED BY SENATE LOCAL GOVERNMENT COMMITTEE

A measure that would significantly limit local flexibility under the California Redevelopment Law passed of Senate Local Government Committee on March 1 with a 5-0 vote. Three members of the committee (Sens. Tom Torlakson –D, Antioch, Dave Cox – R, Fair Oaks and Dick Ackerman – R, Irvine) voted for the bill with the understanding that issues and concerns raised in the hearing would be addressed and the committee would revisit the bill.

The bill is authored by Sen. Christine Kehoe (D-San Diego), who also chairs the Senate Local Government Committee. The League and the California Redevelopment Association (RDA) are both opposing the bill, as are the California Contract Cities Association and several individual cities.

The committee vote came after a lengthy discussion of the bill, during which the League, the City of Oakland, RDA and others presented testimony about the harmful effects the bill would have on cities' ability to eradicate blight, clean-up environmentally polluted properties, build affordable housing, and create jobs and economic opportunity.

Although there are concerns with other aspects of the bill, much of the opposition testimony focused on the "metrics" approach to defining "blight" in Sections 2 and 13 of the bill. Redevelopment agencies must make a finding of blight before an area can be declared a redevelopment area.

SB 1206 would change that process, by imposing numerical standards to define factors used in a finding of blight (e.g. economic factors such as "depreciated or stagnant property values" and "abnormally high business vacancies," as well as quality of life factors such as "residential overcrowding" and "high crime rate").

Support for the measure came from tax groups, the urban counties caucus and the Attorney General's office. The California State Association of Counties (CSAC) does not yet have a position on the bill, testified in support of the concept of reform. The Western Center on Law and Poverty, an affordable housing advocacy group, also supported the concept of tightening the definition of blight.

Committee member Torlakson asked many key questions and pointed out a number of flaws with the "metrics" tests and other provisions of the measure. The bill passed after Sen. Kehoe expressed her willingness to work with all concerned parties, and committed to bring the bill back to the committee.

Background. SB 1206 is one of numerous bills recently introduced in the wake of the Supreme Court's decision in *Kelo v. City of New London*, which upheld the use of eminent domain in cases involving economic development projects.

Recent legislative interim hearings on the effects of the case, have helped to verify that the *Kelo* decision did not change California law, which was already more restrictive than Connecticut's. But, despite the lack of clear evidence of a significant impact of *Kelo* in California, the hearings also resulted in additional legislative focus on the practices and activities of redevelopment agencies. This has provided the opponents of redevelopment an opportunity to advocate for limits to redevelopment law – even when the proposed reforms have little to do with eminent domain.

What's Next? The League urges city officials to carefully review this measure and assess its impacts on their cities' ability to address blighted conditions and build affordable housing, and to contact their legislators on this bill. The measure will be heard next in the Senate Judiciary Committee, chaired by Sen. Joe Dunn (D - Santa Ana) – who is, along with Sen. Machado D - Linden, a co-author of the measure.

Our Mission

Restore and protect local control for cities
through education and advocacy to
enhance the quality of life for all Californians.

HOUSING from page 4 CIC from page 1

- SB 1800 (Ducheny). This measure requires all local governments to establish 20-year land supplies for housing. This is an extremely complex bill with many impacts on local land use authority. Cities need to review this bill now!
- SB 1177 (Hollingsworth) – further limits local options under density bonus law.
- AB 2922 (Jones) – requires a 50 percent redevelopment agency set aside for affordable housing.
- AB 2511 (Jones) – a land use/housing measure with numerous restrictions on local land use authority.
- SB 1330 (Dunn) – makes numerous changes to attorney fee provisions affecting housing development.

City attorneys are urged to study these bills carefully to determine how they impact your city!

CALLING ALL CALIFORNIA CITIES!

SING Your City's Praises by entering the 2006 Helen Putnam Award for Excellence Program.

This program recognizes outstanding cities that deliver the highest quality and level of service in the most effective manner possible. Particular credit and attention is given to applications specifically advancing the League's strategic priorities.

Visit www.cacities.org/helenputnam for details on the program and how to enter!

Working with the theme "10 Days to Take Care of the Next Generation," CIC representatives stressed the importance of investing in infrastructure now, as opposed to waiting for the November ballot, when election year politics may make it even more difficult to reach consensus on a package.

"We have just 10 days to take care of future generations," said League Executive Director Chris McKenzie, who also serves as chairman of the CIC board of directors. "We applaud the leadership of the governor and our legislators in pushing forward their infrastructure proposals. We urge these leaders to work together to address California's pressing infrastructure needs before true disaster strikes our state.

"We simply can't wait any longer. A comprehensive, sustainable funding mechanism to ensure that California can provide for future generations is essential."

Joining McKenzie at the podium were CIC board members Jim Keene, Executive Director, California State Association of Counties; Bill Hauck, President, California Business Roundtable; Catherine Smith, Executive Director, California Special Districts Association; and Sam Hassoun, representing the Associated General Contractors. Approximately 10 other CIC members also joined the speakers on the platform.

"Without a solid infrastructure, employers are reluctant to bring new jobs and facilities to our state," Hauck said. "It has been decades since we have made a substantial commitment to California's aging infrastructure. The time has come to immediately address this shortfall. The June ballot provides a great opportunity to begin the process of fixing California's inadequate systems and facilities."

The press conference came on a day when a Field Poll was released, showing strong statewide voter support for an infrastructure package. The CIC had also run a large ad that day in the *Sacra-*

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mento Bee, announcing the start of the 10-day campaign.

Public Works Officers Join at San Diego Press Conference

A similar press conference was conducted the following day in San Diego, where the League's Public Works Officers' Department was holding its annual conference. League Executive Director McKenzie again served as emcee for the event, joined by other CIC representatives and a number of public works officers.

Those speaking including Jack Boda, Director, Mobility Management And Project Implementation, San Diego Area Governments; Brad Barnum, Vice President of Government Relations, Associated General Contractors; Lisa Rapp, public works director for the City of Lakewood; and Peter Rei, Transportation Committee Chair, County Engineers Association of California.

Both Rapp and Rei stressed the urgency of getting an infrastructure package on the June ballot was critical to California's development.

"We work every day to maintain safe roads, reliable water systems and well-maintained parks and schools," Rapp explained. "It can't be done without a significant investment, and we need that investment now."

Rei agreed, adding that safety is also a primary concern.

"Too many of our roads are crumbling and our flood-control measures are inadequate to keep our families and businesses safe," Rei said. "That's why we're calling on our elected leaders in Sacramento to create a strong plan that they can put before the voters in June and begin to offer long-overdue resources to meet our needs and the needs of the next generation."

Campaign Countdown Continues

CIC is also releasing ***Eye on Infrastructure Special Report***, a supplement to *Eye on Infrastructure*, CIC's monthly newsletter. These special reports began publishing on March 1, and will continue to publish until the March 10 deadline of placing an infrastructure investment plan on the June 2006 ballot. To view these reports, visit the CIC website at www.calinfrastructure.org.

In addition, other press events are scheduled in the Bay Area and in the Coachella Valley next week, continuing the effort to encourage action on this issue by the Friday, March 10 deadline. City officials interested in these press conferences are urged to contact their [League Regional Representatives](#), who are organizing the events.

The Importance of the March 10 Deadline: What You Can Do

There is a real risk that if infrastructure bonds are not on the June ballot, election year politics will make it even more difficult to get a package for the November ballot. California cannot afford to wait. We all know that our state infrastructure is badly in need of significant investment - and working for this investment is a key League goal. The Field poll this week confirmed that voters support funding for infrastructure, and that they want their representatives to work together to achieve it.

With infrastructure a top priority for the League, we are committed to working with all parties to ensure that timely action is taken on negotiating a bond package in time for the June ballot. **The League urges cities to contact the governor and their legislators** – thanking them for the work that they are doing, and encouraging them to continue to work together to pass a consensus infrastructure package by the March 10 deadline for getting a measure on the June ballot.



INFRASTRUCTURE from page 1

The governor had called a "Big Five" meeting (governor, Senate President pro Tem Don Perata, Senate Minority Leader Dick Ackerman, Assembly Speaker Fabian Nunez, and Assembly Minority Leader Kevin McCarthy) for the same time as the CIC State Capitol press conference down the hall.

Democratic leaders came away from that session expressing frustration with what they saw as the governor's shifting funding priorities, referring specifically to his recent proposal to increase bond funding for levees and flood control from \$2.5 billion to \$6 billion.

Later that day, reacting to the CIC press conference, Sen. Perata issued a letter directed to Chris McKenzie, as president of the CIC board of directors, expressing frustration with what he called "the moving target before us."

On March 2, the governor held a quickly-convened press conference, in which he said he was optimistic that he and the Legislature could come to an agreement on a package.

Afterwards he held a meeting with Speaker Nunez. *Sacramento Bee* columnist Dan Weintraub, writing in his blog, had this to report about the meeting:

"The speaker said his meeting with the governor was by far the best they have had on the issue this year. He said he sensed a new urgency on the governor's part to get a deal done. He said the governor said he was open to including affordable housing and natural resources in the bond package, and said he would work with the Dems on public transportation funding if they would work with him on roads. And Núñez said the governor explained his decision this week to ask for more flood control money in a way that made some sense."

The Legislature's Conference Committee on Infrastructure Bonds met later that day and heard reports from some of the various policy committees who had held hearings to review specific

bond proposals in their various areas of jurisdiction. While it was clear that committee members had made progress defining their priorities for funding, a number of times legislators from both sides of the aisle talked about the importance of taking the time necessary to "do it right."

The tone of the discussion among conference committee members and legislators presenting the reports from their policy committees was thoughtful and collegial. Particularly encouraging were the discussions between Republicans and Democrats, both on the committee and among legislators presenting reports.

While expressing clear differences of opinion on approaches and priorities, there was talk of coming up with "hybrid systems" on hot button issues such as design-build contracts for infrastructure projects (proposed by the governor, supported by Republicans and opposed by Democrats), and the Assembly Republicans' proposal for a "pay-as-you-go" approach to funding infrastructure, instead of bonding.

Co-chairman Sen. Kevin Murray summed up the tenor of the discussions when he said, "At least until we have to vote on things seems like everybody is holding hands and singing kumbaya."

The Conference Committee plans to hold hearings next week, considering in detail the reports from the various policy committees.

To view the committee reports from the Assembly Transportation and Assembly Water Parks and Wildlife Committees, please visit the individual committee web pages at www.assembly.ca.gov. The Senate Education, Environmental Quality, Natural Resources and Water, Public Safety, and Transportation and Housing Committee reports are available at www.senate.ca.gov.

TELECOM from page 1

This debate is being fueled by the revolutionary changes in telecommunications technology. Cable companies want to become telephone providers and telephone companies want to deliver video services and it is all possible because of the new technology.

The board action followed by one week a February 10-11 board meeting, during which the board of directors heard presentations and engaged in an extensive Q&A with representatives from the "new" AT&T, Verizon and the California Cable Television Association. The industry representatives described the services they envision providing to local communities and were more than willing to point out why the services of their particular company were superior to the competition.

The cable industry argued for maintaining the status quo of the current local franchising process. Verizon and AT&T are concerned that the traditional franchising process will be a barrier in getting their product/service to market in a timely manner.

On the following day, the board considered and debated parameters for a telecommunications policy that would guide the League's positions and reactions to telecom reform discussions in Congress and the Legislature. The debate was complex and involved, with the board ultimately deciding to use the follow-up conference call the following week to finalize their telecommunications policy.

Reform Moving in Congress and Legislature

The adoption of the policy is timely, as regulatory reform discussions appear to be heating up in both Congress and the California Legislature. In California, Assembly Speaker Fabian Nunez and Assembly Utilities and Commerce Chairman Lloyd Levine (Van Nuys) have introduced a spot bill (AB 2987) that could be the vehicle for regulatory reform discussions here in California.

Reports from Washington D.C. this week were that Congressman Joe Barton, chairman of the Energy and Commerce Committee, plans to move to mark up this month of legislation that would focus on letting the former regional Bell operating companies rapidly enter the video marketplace to compete head-on with the cable industry. The mark up would occur in the Energy and Commerce Telecommunications and the Internet Subcommittee.

"My position is that there should be a national [video] franchise," Barton said after addressing a National Association of Broadcasters' gathering.

While the phone companies now offering video services seek such a national franchise, cable operators — who had had to obtain franchises at the local level — argue the Bells should be subject to similar rules in order to offer video services.

Last year the League joined with the National League of Cities (NLC) in opposing the Barton proposal. (Please visit the League's special website Telecom page at www.cacities.org/telecom to view a copy of this letter.)

League Urges Cities to Write Legislators and Members of Congress

While passage of legislation this year establishing a new regulatory framework for telecom is far from certain, it does appear that there are serious discussions moving in both Congress and the Legislature. Earlier this week, the League issued an action alert to cities, asking them to sign onto a League letter to the California congressional delegation that urges the delegation to consider the League's newly-adopted telecommunications principles as they move forward with the reform of federal telecommunications law. The letter along with a list of cities who have signed on will be delivered to the California delegation during the National League of Cities Congressional City Conference in March.

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LEAGUE TELECOMMUNICATIONS POLICY

FEBRUARY, 2006

The telecommunications debate at both the federal and state levels promises to be a key issue for cities in 2006. The primary goal for local government interests in the debate is to provide the best telecommunications services to all of the constituents in our communities. A key factor in achieving this level of service is to enable competition among all telecommunications providers.

Traditional franchising at the local level has served the valuable purpose of tailoring service to unique local conditions and needs and assuring responsiveness of providers to consumers. The continued involvement of local government in any new state or federal regulatory scheme by way of locally negotiated agreements is an essential component of telecommunications regulations, best serves the needs of consumers, and is consistent with the goal of providing consumers greater choice in telecommunications options.

Any new state or federal standards must conform to the following principles:

REVENUE PROTECTIONS

- Protect the authority of local governments to collect revenues from telecommunications providers and ensure that any future changes are revenue neutral for local governments.
- Regulatory fees and/or taxes should apply equitably to all telecommunications service providers.
- A guarantee that all existing and any new fees/taxes remain with local governments to support local public services and mitigate impacts on local rights-of-way.
- Oppose any state or federal legislation that would pre-empt or threaten local taxation authority

RIGHTS-OF-WAY

- To protect the public's investment, the control of public rights-of-way must remain local.
- Local government must retain full control over the time, place and manner for the use of the public right-of-way in providing telecommunications services, including the appearance and aesthetics of equipment placed within it.

ACCESS

- All local community residents should be provided access to all available telecommunications services.
- Telecommunications providers should be required to specify a reasonable timeframe for deployment of telecommunications services that includes a clear plan for the sequencing of the build-out of these facilities within the entire franchise area.

PUBLIC EDUCATION AND GOVERNMENT (PEG) SUPPORT

- The resources required of new entrants should be used to meet PEG support requirements in a

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LEAGUE TELECOM POLICY from page 11.....

balanced manner in partnership with incumbent providers.

- For cities currently without PEG support revenues, a minimum percentage of required support needs to be determined.

INSTITUTIONAL OR FIBER NETWORK (INET)

- The authority for interested communities to establish INET services and support for educational and local government facilities should remain at the local level.

PUBLIC SAFETY SERVICES

- The authority for E-911 and 911 services should remain with local government, including any compensation for the use of the right-of-way. All E-911 and 911 calls made by voice over internet protocol shall be routed to local public safety answering points (PSAPs); i.e., local dispatch centers.
- All video providers must provide local emergency notification service.

CUSTOMER SERVICE PROTECTION

- State consumer protection laws should continue to apply as a minimum standard and should be enforced at the local level. Local governments should retain the authority to assess penalties to improve customer service

OTHER ISSUES

- Existing telecommunications providers and new entrants shall adhere to local city policies on public utility undergrounding.

The League is scheduling meetings with all members of the Senate and Assembly committees where this legislation will be heard. In addition, the League is seeking city officials to sign on to a letter that will go to the California Congressional delegation outlining the key telecommunications policy issues. City officials will be contacted by League Regional Representatives in the month of March to set up meetings with state legislators and members of Congress. We encourage all city officials to engage in this issue. We are at a critical point where telecommunications policies will be set at the state and/or the federal level for possibly the next 25 to 30 years. This will have a tremendous influence on the services the businesses and residential consumers in your community will receive.

TELECOM from page 10

The League is also urging cities to contact their California legislators to ask them to consider the League principles in their discussions about changes to telecommunications regulations.

Bookmark www.cacities.org/telecom.

To stay up to date on telecommunications reform issues that affect cities, please bookmark the League's special website telecom page. You'll find background materials, action alerts and updates on this very important issue for cities.