

could be either a reaction to the federal district court ruling in striking down as unconstitutional the cable franchise fees or a move designed to "bring pressure" on the cable industry to agree to legislation granting "blanket immunity" to cities faced with lawsuits stemming from the exercise of the cable regulatory powers.

Mooney said he did not know how "serious" the steering committee vote is, but suggested it was less than it might seem. He said the most vocal and active critics of cable tend to "congregate" at such committee meetings and express a disproportionate amount of dissatisfaction with cable.

To become official NLC policy, the steering committee recommendations have to be reviewed and adopted by two other committees and two-thirds of the membership at NLC's annual conference in December. And to be put on the NLC legislative agenda for 1989, Cable Act reform has to get the nod from the NLC board when it meets early next year.

Cynthia Pols, NLC legislative counsel, said the recommendations will survive the process. "I think there is a pretty good consensus that [Cable Act reform] will be one of the top issues in the next Congress for the NLC."

According to Pols, the steering committee is advocating legislation that would allow more cities to regulate cable rates, strengthen the cities' position in approving franchise renewals, give the cities some oversight of system transfers and limit FCC jurisdiction over cable and, thereby, its ability to preempt local regulation.



Mooney

Pols also said the committee also wants to amend the act to permit telephone companies to offer video services in their telephone service areas subject to some local regulation and certain "safeguards" against cross-subsidization and market dominance.

The question of immunity has strained relations between cable and cities. Mooney said cable is willing to support legislation that would immunize cities against "damage suits" for acting in accordance with the Cable Act. "Unhappily," he said, the cities want more than that. They want legislation that would "confer blanket immunity not only for things the Cable Act says they can do, but also for things the Cable Act prohibits them from doing."

Pols challenged Mooney's assessment of the impasse. Cable wants to limit the immunity protection to suits brought by "over-

builders," she said. It wants the "incumbent protection act," she said. The cities need protection in cases stemming from the enforcement of franchising requirements against incumbent cable operators and decisions not to renew their franchises, she said.

Network-SBN litigation all but settled by superstation bill

Bill defines 'white space', sets fees and paves way for scrambling of network feeds

Passage of the Satellite Home Viewer Copyright Act of 1988 (BROADCASTING, Oct. 24), in the words of H.R. 2848 co-sponsor Congressman Rick Boucher (D-Va.), "makes clear that the satellite carriers have the right to pick up the network signals and provide them at a modest charge to dish owners who could not otherwise receive them." But superstation sellers expect no new superstation launches and only marginal growth in home dish subscriptions.

Those sellers believe, however, that the bill provides long-sought legal sanction of their business activities. And, given passage of the bill by the President, said network spokesmen, copyright litigation between superstation sellers and the network broadcasters originating those distant signals will have been "legislated away"—that is with the qualified exception of one copyright decision already won by NBC in Atlanta district court earlier this year, the ramifications of which, the network says, remain to be settled.

The networks believe they and their affiliates will be protected by the bill's definition of potential subscribers: Only those in "white" regions who cannot receive a grade B network affiliate signal over the air and who have not subscribed to cable within the previous 90 days. The protection includes accountability: Superstation sellers will be required to provide the networks with lists of subscribers' addresses.

Said CBS vice president, Washington, Martin Franks: "We would have preferred [language in the bill saying viewers] 'passed by cable' [could not legally receive distant signal superstations], but once it became evident that we couldn't get that" during negotiations over the bill's language, he said, the networks accepted the 'previous-90-days' limit. "We made a commitment to Congress that we would solve the white space problem," and the bill does that, he said. "Assuming the President signs the bill, we will take the appropriate steps to render cases [against SBN] moot. You will have legislated away the underlying causes of the litigation."

NBC attorney, Howard Monderer, spoke less broadly, confining his statements to a copyright decision in NBC's favor handed down earlier this year in Atlanta district court (BROADCASTING, Aug. 22). That deci-

This announcement appears as a matter of record only.

\$5,500,000

SENIOR SECURED TERM LOAN

To

FAIRCOM FLINT INC.

For the refinancing of

WCRZ (FM) AND WKMF (AM)

Funds provided by:

 **PACIFICORP**
Credit, Inc.

A PacifiCorp Financial Services Company

Media Finance Group

ATLANTA
(404) 393-2310

TAMPA
(813) 622-8030

LOS ANGELES
(818) 710-9956