

Your Municipal Communication Resource

Connecting Your Town to Your Residents

Typically the beginning of August means the hot and humid days of summer are amongst us, while the end of August signifies the end of summer is approaching. For JAG and the Executive Board, August is a busy month. Here is a run-down of some of the things we have been working on



- JAG Executive Board is preparing for a two day, intense board retreat (and I mean intense, just think about the group of people who are about to be locked in a room together for two whole days) in which we will examine our performance and goals, go through the policy and procedures with a fine tooth comb, fine tune our by-laws, set goals moving forward and a whole lot more. Look for the September issue of the Newsletter for updates on our Board Retreat. Wish us luck!!!
- The Conference Committee is closing the books on the 2019 conference and will report out to the board during the retreat. But as the saying goes, when one chapter ends another begins. The Committee will be getting ready to gather again and start planning for the 2020 event. Please track their progress through this newsletter, conference special newsletters and the conference website. Do yourself a favor, and mark your calendar, May 21 and 22, 2020 and make sure you make every effort to attend.
- The JAG Executive Board and Legislative Committee have had a very busy summer. There is a lot of things happening in Washington this summer. We have been tracking them along with our national partner NATOA, in addition to filing comments as well. Look in this newsletter for a recap the current FCC's cable franchising Further Notice of Proposed Rulemaking.
- The JAG Awards will be preparing to open up again in September. Please look for announcements coming up, entry links and further information as sent out by the committee and JAG Organization. Now is a good time to go through your 2018 (you read it correctly) videos and choose your top ones to enter! The success of this event is dependent on our members and their participation.
- JAG External Relations, the entire Executive Board and myself have been working on putting together a program of events for the New Jersey League of Municipalities Conference in November. We will announce the topics shortly, but be prepared to share this information with your township government, administrators and more. I promise you these are MOST ATTEND SESSIONS!

So that is just a glimpse of the things we have been working on and will continue to work on this month and the months ahead. Please stay actively involved by tracking our progress, staying on top of the issues on hand that effect PEG and Local Franchising and stay active in the organization. As always, if there is anything that I can do or the board as a whole, please do not hesitate to reach out of me.

Bob Duthaler
President, Jersey Access Group
Member, National Academy of Television Arts and Sciences (EMMYS)

Trustees 2019-20

Bob Duthaler Pres.- 2020
Dave Garb VP – 2019
Dave Ambrosy
Recording Sec.- 2019
Linda Besink Treasurer- 2020
Anthony Pagliuco
Corresponding Sec. – 2020
Jeff Arban- 2019
Lee Beckerman- 2020
Stephanie Gibbons- 2020
Darryl Love- 2019

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General Meeting Schedule 2019-2020

Sept. 18- Varto Technologies
in East Rutherford
Presentation-by Varto

Oct. 30- Location Available
Presentation- TBD

Dec. 4- Edison
Presentation- TBD

**Jan. 30- East Brunswick
Library**
Presentation- JVC

Feb. 27 Princeton
Presentation- TelVue

Mar. 25- Piscataway
Presentation- TBD

Apr. 29- Oradell
Presentation- Tightrope

May 20- New Brunswick
**JAG Reception, Welcome expo
special guests**

Jun. 10- West Milford
No Vendor Presentation

By Nancy Werner & Mike Wassenaar

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The FCC released its draft Third Report and Order in the Section 621(a)(1) cable franchising FNPRM proceeding. The short summary is that the Order would allow cable operators to deduct from franchise fees the fair market value of cable franchise requirements other than PEG capital costs (the definition of which has been *expanded* in the Order); build-out requirements; customer service obligations; and possibly other provisions that are “an essential part of the provision of cable service to subscribers”. Non-capital PEG-related obligations are franchise fees, but the Commission does not decide whether PEG channel capacity is a capital or non-capital cost and thus it cannot be deducted from franchise fees under this Order. We believe the Commission is merely deferring action on this issue; it is not settled and we should anticipate further action.

Here is a link to the draft Order: <https://docs.fcc.gov/public/attachments/DOC-358439A1.pdf> .

“In-Kind Contributions”

- The draft concludes that “most cable-related, in-kind contributions are encompassed within this definition and thus must be included for purposes of calculating the statutory five percent cap on such fees.”
- “In-kind contributions” are defined as: “any non-monetary contributions related to the provision of cable services provided by cable operators as a condition or requirement of a local franchise agreement, **including but not limited to free or discounted cable service to public buildings, non-capital costs in support of PEG access, and costs attributable to the construction of I-Nets**. It does not include the costs of complying with terms of the franchise agreement that are an essential part of the provision of cable service to subscribers, including but not limited to build-out and customer service requirements.”
 - NOTE: The description of what is excluded has changed from the FNPRM. Rather than looking at whether the provision benefits the LFA, the new test is whether the provision is “an essential part of the provision of cable service to subscribers.” The Order concludes build-out and customer service obligations are “an essential part ...”.
- The Order proposes a new definition of “capital costs”: “[T]he term ‘capital cost’ in section 622(g)(2)(C) should be given its ordinary meaning, which is a cost associated with the acquisition or improvement of a capital asset. ... [T]he exclusion for capital costs under section 622(g)(2)(C) **could include equipment that satisfies this definition, regardless of whether such equipment is purchased in connection with the construction of a PEG access facility**. This is a welcome change to the more restrictive definition the Commission previously adopted.
- Though the Order finds that non-capital PEG-related franchise provisions are franchise fees, the Order **does not allow the offset of PEG channel capacity at this time**. The Order finds “the record is insufficiently developed for the Commission to determine whether the provision of PEG channel capacity is included within section 622(g)(2)(C)’s exclusion for capital costs.”
 - The Order finds the installation of “PEG transport facilities” are capital costs that are exempt from the five percent franchise fee cap, and that maintenance of those facilities are operating costs that

count toward the cap. “PEG transport facilities” are “facilities that LFAs use to deliver PEG services from studios or other locations where the programming is produced to the cable headend.”

- Franchise obligations considered “franchise fees” under the Order are to be valued at fair market value, as proposed in the FNPRM.
- The Order clarifies that it is prospective only; cable operators cannot recoup past franchise fee payments. However, the Order is clear that it applies to existing franchise agreements.
- The process for modifying a franchise to comply with the Order will follow the franchise modification procedure in Section 625 of the Cable Act, which means that, after the Order takes effect (assuming it is adopted), a cable operator may request modification of the franchise agreement and the LFA will have 120 days to make a final decision about the cable operator’s request. “If the LFA rejects the cable operator’s request or disputes the value that the cable operator assigns to an in-kind contribution, the cable operator may bring suit in a state court or federal district court that has jurisdiction over the parties.”

Effects of the order will differ from state-to-state and community-to-community because of the nature of local and state franchising and differing business strategies of cable operators. You should analyze what possible in-kind contributions could be included as an offset to franchise fee support.

For example, if live drop and headend transport are obligations under your agreements, their initial installation will **not** be associated with a franchise fee offset, but their maintenance and operating costs **could be**. This is an incentive for you to own your own transport, and perhaps use PEG capital to acquire it, rather than rely upon the cable provider.

The same can be said for Institutional Networks – construction, maintenance and operation could be counted against franchise fees. Similarly, operating costs of PEG facilities that are operated by cable companies could be counted against the cap.

Another example of impact would be free cable drops to schools and other sites in your community. Each box could be valued at market rate and could count against franchise fee support in your area.

The order does not specify what is and is not a service “essential” to cable subscribers that can be exempted from the cap. Whether Interactive Program Guides fall in this category remains to be determined. Some local authorities have been hesitant to negotiate for HD channels because of the potential cost to franchise fees (i.e., the capacity would be more valuable than an SD channel). HD channel capacity would not be subject to an offset under this Order.

Because the order leaves open the question of what is “essential,” you should be prepared in the modification process to evaluate not only the fair market value a cable operator proposes to offset from franchise fees, but also the franchise provisions they have deemed to be subject to the cap.

Finally, if the Commission adopts this draft order, it can, and often does, make substantive changes to an order after the vote. We will not know the final details of the order until a final report and order is released, which generally occurs within a few days after the Commission meeting. We will provide an update to highlight any substantive revisions to the order that impact the summary and analysis provided above.

Committees

Volunteerism

Rich Desimone, Managing Director

Committees will spend the next 4 weeks finishing up their work for this year. The Executive Board is planning for its retreat in August at which time all the committees will provide their annual reports. The board will review and evaluate the work of the committee and make recommendations for the next year.



Executive 2019	Production 2019	Membership 2019
Bob Duthaler, President 2020	Lee Beckerman (Chair)	Darryl Love (Co-Chairs-Development)
Dave Garb, Vice-President-2019	TBD: (Secretary)	Bruce Goldsmith (Co-Chairs-Reports)
Linda Besink, Treasurer-2020	Dave Ambrosy: Producer	Linda Besink: (Secretary) Data Management
Dave Ambrosy, Secretary-2019	Nick Besink	Bob Duthaler: List Serve
Anthony Pagliuco, Corresponding Sec.-2020	Brian Belzer: Editor/Camera	George Bumiller: Outreach
Stephanie Gibbons, Trustee 2020	Anthony Pagliuco: Editor/Camera	Stephanie Gibbons: Outreach
Jeff Arban, Trustee 2019	Peter Neman	Dave Grab
Lee Beckerman, Production	Dave Grab	JAG Awards 2019
Darryl Love, Trustee 2019		Bob Duthaler (Chair):
Geoffrey Belinfante, External Relations		various members: (Secretary)
Rich Desimone: Managing Director Action Plan		David Bandfield (Vice-Chair)
		Dave Garb
Finance 2019	Legislation 2019	Lee Beckerman
Linda Besink: (Chair)	Dave Grab (Chair):	Darryl Love
TBD: (Secretary)	Linda Besink: (Secretary)	Amanda Olsen
Bob Duthaler: Budget Review	Ada Erik: NJ Legislation	Bob Nicholson
Dave Garb	Nick Besink	Dave Ambrosy
	Dave Bandfield	Conference 2019
		Stephanie Gibbons: (Co-chair) Registration, Municipal Outreach
		Cindy Hahn: (Co-chair/Secretary) Program, Marketing, Newsletter
Outside Contract: Bookkeeper		Linda Besink: Treasurer, Registration
Outside Contract: CPA		Geoffrey Belinfante: Workshops/Vendors
External Relations 2019	Sub Committee Marketing 2019	J Robertson: Affinity Lunch & topics
Geoffrey Belinfante (Chair)	Bruce Goldsmith: Chair	Bob Duthaler: Marketing
TBD (Secretary)	TBD: (Secretary)	Anthony Pagliuco: P&D, Tec Support
Stephanie Gibbons: Members	Bob Duthaler: JAG Web Site	Jeff Arban: Power, Tec Support
Bob Duthaler: NJLOM Join Session, JAG Session, Booth Staffing and rooms	Cindy Hahn: JAG Newsletter, Writer/Editor	Mary Foti: Video Marketing
Cindy Hahn: Writer/Editor	Mary Foti: Video	Ed Cologna: Vendors, Tec Support
George Burmiller	Bruce Goldsmith: Spotlight	Rich Desimone: Managing Director Conference Coordinator
Vivian Gaspar		Outside Contract: Web Site, Program, Fliers
Mariam Rosenberg	Rich Desimone: Managing Director JAG Newsletter Editor	Outside Contract: Social Media
Dave Garb	Outside Contract: Social Media-TBA	Outside Contract: Photographer
Bruce Goldsmith		
Rich Desimone: Managing Director Rep. to NJLOM and NATOA		

Bits & Bytes

- Aug. 14 & 15 — Executive Board Retreat
 - Board of Trustees Meeting & Ex. Committee Retreat
 - Report Card 2018-19 (accomplishments/challenges)
 - Review Finances
 - Review Action Plan: All committee reports
 - Introduce Houses of Worship membership
 - Review Bylaws and Policies & Procedures
- Sept. 11, 12 noon-2pm — Executive Board meeting
 - Vote on JAG's Policy and Procedures.
 - Vote on any Bylaws changes
 - Go over agenda topics for membership meeting
- Sept. 18, 12 noon – 2pm — General Meeting, Varto Technologies
NOTE: This meeting has been changed to a week earlier.
 - Present Action Plan
 - Introduction of any Bylaws changes
 - Ask members for NJ League conference booth support
 - Ask members for committee participation/sign-up
 - Set meeting locations for Jan/Feb/Mar/Apr-2020
 - Varto Technologies will be presenting its completely renovated facility.
This will be a meeting you will not want to miss.

***The JAG Awards registration will reopen in September.
Award Presentation to Be Held in December***



Organizational Members



HELMER, CONLEY & KASSELMAN, P.A.

ATTORNEYS AT LAW



**Eastern Region Video Expo
JAG Executive Board Meeting**



JAG/NATAO Annual Meeting



COMMITTEES CORNER

EXTERNAL RELATIONS COMMITTEE: *Geoffrey Belinfante, Chair*

There's an old expression that I'm sure you all are familiar with which says "the whole is greater than the sum of its parts." That particular expression has particular meaning for JAG members today as we face threats in Washington to the very existence of PEG channels. We need your support more than ever to fight the cable companies who wish to change the way townships are compensated, and we are truly stronger if we all stand together to fight rule changes in Washington. Today, more than ever we need to work hard to retain old members, to cultivate new ones and find companies that believe in community television so we can present a strong, unified front to those who might want to change the funding process. If you know someone who is on the fence about JAG, talk to them; if you know people in other towns who are not members, urge them to join; and finally if you do business with companies that we may not have spoken to about JAG, let us know. In these troubled times, we need to make the "whole" as strong as it can be by adding as many "parts" as we can. Strength comes from the number of organizations we represent and their commitment to the cause. To join the committee, contact Geoffrey Belinfante at geoffbel512@gmail.com.

FINANCE COMMITTEE: *Linda Besink, Chair*

As JAG grows as an organization, the Executive Board relies increasingly on financial reporting. Any JAG member in good standing may join the Finance Committee. It's a rewarding task that culminates in keeping our fiduciary promise of transparency and best practices. Please contact JAG Treasurer, Linda Besink, at lbesink@gmail.com or call 201-650-0116 if you'd like to be a part of this committee.

PRODUCTION COMMITTEE: *Lee Beckerman, Chair*

The Production Committee met on August 7th. We looked at the first test of the new testimonials shot at the conference for the website. Overall the committee was satisfied with the look and length of the video but suggested some tweaks to the graphics to make them look clean and readable for all the videos. Woodbridge TV will refine the videos.

We discussed the "JAG elevator speech", which the committee is planning to use as the basis of a JAG membership video. Geoff plans to discuss it at the JAG retreat and work to further polish it.

The committee talked about the possible revival of the "Access New Jersey" television program. Ideas were discussed to gather resources to produce the monthly program using member stations, independent producers, school/colleges and possibly a JAG production team to ensure a steady stream of content and create an efficient system for assembling the program on a regular basis. We will discuss these ideas further at the JAG retreat and create a questionnaire/prospectus to send to various groups to ascertain their willingness to participate in the creation and distribution of a JAG program on various formats.

AD HOC COMMITTEES

Legislation Committee: *Dave Garb, Chair*

No report provided. Contact David Garb davegarb@paps.net or call 732-376-6030 x23538.

Membership Committee: *Darryl Love and Bruce Goldsmith (Co-Chairs)*

No report provided. If you are interested in joining this growing team please contact: Darryl Love at dflove@aol.com or Bruce Goldsmith, Bruce@goldsmithstudios.com

JAG Video Awards Committee: *Bob Duthaler, Chair*

Although the JAG Awards did not take place at the Conference this year, they are still going to happen. This year's JAG Awards will happen in December 2019. Time/Date/Location TBA.

So to prepare for the JAG Awards, you should start looking through all the programs, specials, sporting events, PSAs and more that you created and aired in 2018 (not a typo that is the correct year) and get them ready to be submitted. Dust off the cobwebs and get ready to enter your best choices!

The JAG Awards entry will open up in September. Please look for future email announcement and in upcoming newsletter. If you already entered the JAG Awards back in April-May, you are good to go! You will receive an email in late October telling you how to upload your videos. Now is a good time to see if there are also any other programs you forgot about and get them ready to enter as well.

If you have any questions, please feel free to reach out to Bob Duthaler @ bduthaler@jagonline.org or David Banfield @ cbandi@aol.com .

Conference Committee: *Stephanie Gibbons & Cindy Hahn, Co-Chairs*

The Conference Committee for the 2019 conference has had their final meeting. Co-Chairs Stephanie Gibbons and Cindy Hahn, along with Conference Coordinator Rich Desimone, wish to thank the members of the 2019 committee for their hard work and tremendous dedication in putting together a great 2019 conference.

The 2020 Conference Committee will be forming after the August JAG Retreat. Membership on this committee calls for a wide variety of skills and involvement in the annual conference is very rewarding. Please consider joining the 2020 Committee to help plan the next conference - May 21st and 22nd at the New Brunswick Hyatt. Contact Stephanie at stgibbons@verizon.net .

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- Advancements in New Technology
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- Production & Management Best Practices
- Integrating Distribution Platforms
- Create Quality Content to Engage Audience
- Legislative and Regulatory Updates

Presented by The Jersey Access Group in association with the TelVue Corporation, Varto Technologies, National Association of Telecommunications Officers and Advisors and the NJ League of Municipalities. Trade show produced in partnership with FM Valenti Roadshow.

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New Jersey Chapter of NATOA and New Jersey League of Municipalities Affiliate

Editor: Rich Desimone, Managing Director, Staff: Cindy Hahn, Stephanie Gibbons --Marketing Committee