

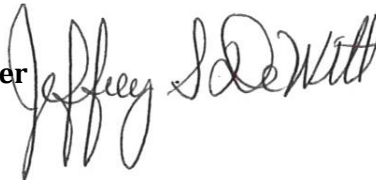
Government of the District of Columbia
Office of the Chief Financial Officer



Jeffrey S. DeWitt
Chief Financial Officer

MEMORANDUM

TO: The Honorable Phil Mendelson
Chairman, Council of the District of Columbia

FROM: Jeffrey S. DeWitt
Chief Financial Officer 

DATE: June 6, 2018

SUBJECT: Fiscal Impact Statement – Approval of the Comcast of the District, LLC
Cable Television System Franchise Act of 2018

REFERENCE: Draft bill shared with the Office of Revenue Analysis on June 5, 2018

Conclusion

Funds are sufficient in the fiscal year 2018 budget and proposed fiscal year 2019 through fiscal year 2022 budget and financial plan to implement the bill.

Background

The bill approves a renewal of the cable franchise agreement¹ between the Government of the District of Columbia and Comcast of the District, LLC (Comcast) to construct, install, maintain, extend, and operate a cable communications system in the District. The agreement is for ten years with an option for an additional five years upon the mutual consent of the District Government and Comcast.

Financial Plan Impact

Funds are sufficient in the fiscal year 2018 budget and proposed fiscal year 2019 through fiscal year 2022 budget and financial plan to implement the bill.

The Office of Cable Television, Film, Music and Entertainment (OCTFME) is responsible for implementing cable franchise agreements on behalf of the District Government. The agency does not require additional resources to implement the renewal of Comcast's cable franchise agreement.

¹ Pursuant to the Cable Television Reform Act of 2002, effective October 9, 2002 (D.C. Law 14-193; D.C. Official Code § 34-1251.01 et seq.).

The Honorable Phil Mendelson

FIS: "Approval of the Comcast of the District, LLC Cable Television System Franchise Act of 2018," Draft bill shared with the Office of Revenue Analysis on June 5, 2018.

Under the renewed agreement, Comcast will continue to pay a cable franchise fee that is equal to five percent of its annual gross revenue. Comcast will also continue to charge its customers an amount equivalent to two percent of its annual gross revenues in fees to support the District's public, educational, and government access (PEG) cable channels. Revenue generated from the cable franchise agreement is deposited into OCTFME's special purpose revenue fund and is used to support agency functions. OCTFME expects to collect approximately \$13 million in fiscal year 2019 from cable franchise agreements.