

# ASSEMBLY, No. 4430

## STATE OF NEW JERSEY 211th LEGISLATURE

INTRODUCED DECEMBER 5, 2005

**Sponsored by:**

**Assemblyman WILFREDO CARABALLO**

**District 29 (Essex and Union)**

**Assemblyman JOSEPH VAS**

**District 19 (Middlesex)**

**SYNOPSIS**

Authorizes a Statewide franchise for certain providers of cable television service.

**CURRENT VERSION OF TEXT**

As introduced.



**(Sponsorship Updated As Of: 12/6/2005)**

1 AN ACT concerning the regulation of cable television service and  
2 amending and supplementing P.L. 1972, c.186 (C.48:5A-1 et seq.),  
3 amending P.L. 1985, c. 356, P.L. 1991, c.412 and P.L. 2003, c.38,  
4 and repealing certain sections of the statutory law.

5

6 **BE IT ENACTED** by the Senate and General Assembly of the State  
7 of New Jersey:

8

9 1. Section 2 of P.L.1972, c.186 (C.48:5A-2) is amended to read as  
10 follows:

11 2. The Legislature finds, determines and declares:

12 a. That, after careful investigation, it appears that the rates,  
13 services and operations of cable television companies in this State are  
14 affected with a public interest;

15 b. That it should be, and is hereby declared, the policy of this State  
16 to provide fair regulation of cable television companies in the interest  
17 of the public;

18 c. That the objects of such regulation are (1) to promote adequate,  
19 economical and efficient cable television service to the citizens and  
20 residents of this State, (2) to encourage the optimum development of  
21 the educational and community-service potentials of the cable  
22 television medium, (3) to provide just and reasonable rates and  
23 charges for cable television system services without unjust  
24 discrimination, undue preferences or advantages, or unfair or  
25 destructive competitive practices, (4) to promote and encourage  
26 harmony between cable television companies and their subscribers and  
27 customers, (5) to protect the interests of the several municipalities of  
28 this State in relation to the issuance of municipal consents for the  
29 operation of cable television companies within their several  
30 jurisdictions, and to secure a desirable degree of uniformity in the  
31 practices and operations of cable television companies in those several  
32 jurisdictions; and (6) to cooperate with other states and with the  
33 Federal Government in promoting and coordinating efforts to regulate  
34 cable television companies effectively in the public interest;

35 d. That to secure such regulation and promote the objectives  
36 thereof, authority to regulate cable television companies generally, and  
37 their rates, services and operations, in the manner and in accordance  
38 with the policies set forth in **[this act]** P.L.1972, c.186 (C.48:5A-1 et  
39 seq.) (the "act"), shall be vested in the **[Department]** Board of Public  
40 Utilities~~[.]~~ ;

41 e. That the Federal Communications Commission (the "FCC")  
42 reported in its 2005 assessment of video programming competition  
43 that increased competition in the multichannel video programming

**EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.**

**Matter underlined thus is new matter.**

1 distributor ("MVPD") market has led to improvements in cable  
2 television services, including more channels of video programming and  
3 increased service options for consumers, but generally not lower  
4 prices;

5 f. That, as a result of ongoing technological innovations, non-  
6 traditional providers of MVPD services such as local telephone  
7 common carriers are offering or preparing to offer MVPD services  
8 over existing telephone lines or over newly-installed high-speed fiber  
9 lines to customers in their local telephone service areas, and such  
10 developments have the potential for stimulating additional competition  
11 in the MVPD market that should lead to further improvements for  
12 MVPD customers;

13 g. That, in order to afford an equal opportunity for non-traditional  
14 MVPD providers such as local telephone common carriers to compete  
15 with existing providers, and to ensure that customers receive the  
16 benefits of a more competitive MVPD market, it is in the public  
17 interest to encourage common carriers to enter the MVPD market by  
18 adapting the existing regulatory framework to the changed  
19 circumstances brought about by recent technological developments  
20 while allowing the State to retain its necessary and appropriate  
21 regulatory oversight with regard to consumer protection and customer  
22 service elements; and

23 h. That nothing in this act shall be seen to limit or otherwise reduce  
24 the protection afforded to cable television customers, and it is in the  
25 public interest to include additional provisions in this act to ensure that  
26 customers continue to be provided a high level of consumer protection  
27 and customer service in a more competitive MVPD market.

28 (cf: P.L.1972, c.186, s.2)

29

30 2. Section 3 of P.L.1972, c.186 (C.48:5A-3) is amended to read as  
31 follows:

32 3. As used in this act, except as the context may otherwise clearly  
33 require or indicate:

34 a. "Board" means the Board of Public Utilities [of this State].

35 b. "Office" means the Office of Cable Television established by  
36 [this act] the "Cable Television Act," P.L.1972, c.186 (C.48:5A-1 et  
37 seq.).

38 c. "Director" means the Director of the Office of Cable Television.

39 d. "Cable television system" or "CATV system" means [any facility  
40 within this State which is operated or intended to be operated to  
41 perform the service of receiving and amplifying the signals broadcast  
42 by one or more television stations and redistributing such signals by  
43 wire, cable or other device or means for accomplishing such  
44 redistribution, to members of the public who subscribe to such service,  
45 or distributing through its facility any television signals, whether  
46 broadcast or not; or any part of such facility] a facility, consisting of

1 a set of closed transmission paths and associated signal generation,  
2 reception, and control equipment, that is designed to provide cable  
3 television service which includes video programming and which is  
4 provided to multiple subscribers within a community, but such term  
5 does not include: (1) a facility that serves only to retransmit the  
6 television signals of one or more television broadcast stations; (2) a  
7 facility that serves subscribers without using any public right-of-way;  
8 (3) a facility of a common carrier which is subject, in whole or in part,  
9 to regulation by the board pursuant to Title 48 of the Revised Statutes,  
10 except that such facility shall be considered a CATV system to the  
11 extent such facility is used in the transmission of video programming  
12 directly to subscribers; (4) an open video system that has been certified  
13 by the Federal Communications Commission as being in compliance  
14 with the provisions of Part 76, "Multichannel Video and Cable  
15 Television Service," of Title 47 of the Code of Federal Regulations;  
16 (5) any facilities of any electric public utility used solely for operating  
17 its electric utility systems; or (6) a facility of an electric public utility  
18 which is subject, in whole or in part, to regulation by the board  
19 pursuant to Title 48 of the Revised Statutes, except that such facility  
20 shall be considered a CATV system to the extent that such facility is  
21 used in the transmission of video programming directly to the  
22 subscribers. The term "facility" as used in this subsection includes all  
23 real property, antennae, poles, wires, cables, conduits, amplifiers,  
24 instruments, appliances, fixtures and other personal property used by  
25 a CATV company in providing service to its subscribers and  
26 customers.

27 e. "Cable television reception service" means the simultaneous  
28 delivery through a CATV system of the signals of television broadcast  
29 stations to members of the public subscribing to such service, which  
30 service may include additional nonbroadcast signals delivered as a part  
31 of the service with no additional charge.

32 f. "Cable communications system" or "cable communications  
33 service" means any communications service other than cable television  
34 reception service delivered through the facilities of a CATV system  
35 and for which charges in addition to or other than those made for cable  
36 television reception service are made or proposed to be made.

37 g. "Cable television company" or "CATV company" means any  
38 person owning, controlling, operating or managing a cable television  
39 system, and the term "person" as used herein shall be construed,  
40 without limiting the generality thereof, to include specifically any  
41 agency or instrumentality of this State or of any of its political  
42 subdivisions, including telecommunications service providers; but this  
43 definition shall not include a telephone, telegraph or electric utility  
44 company regulated by the Board of Public Utilities in a case where it  
45 merely leases or rents or otherwise provides to a CATV company  
46 wires, conduits, cables or pole space used in the redistribution of

1 television signals to or toward subscribers or customers of such CATV  
2 company.

3 h. "Highway" includes every street, road, alley, thoroughfare, way  
4 or place of any kind used by the public or open to the use of the  
5 public.

6 i. "Certificate" means a certificate of approval issued [, or which  
7 may be issued,] by the board pursuant to [this act] P.L.1972, c.186  
8 (C.48:5A-1 et seq.).

9 j. "Cable television service" includes the definitions of cable  
10 television reception service and cable communications service herein,  
11 as well as the provision of any other impulse or signal by a cable  
12 television company or other service lawfully provided, utilizing the  
13 facilities of the system.

14 k. "Basic cable service" means any service tier which includes the  
15 retransmission of local television broadcast signals.

16 l. "Hearing impaired individual" means an individual who, because  
17 of injury to, disease of, or defect in the inner, middle or outer ear, or  
18 any combination thereof, has suffered a loss of hearing acuity such that  
19 the individual cannot receive linguistic information without  
20 amplification, dubbing or captions.

21 m. "In series connection" means a connection where the coaxial  
22 service wire entering the residence of a subscriber connects first to a  
23 television receiver or monitor, with the television receiver or monitor  
24 being connected by coaxial wire to a video cassette recorder or other  
25 auxiliary equipment or where the coaxial service wire connects first to  
26 a video cassette recorder or auxiliary equipment, with the equipment  
27 being connected to a television receiver or monitor and where no  
28 external splitting device is used.

29 n. "Municipality" means one municipality acting singularly or two  
30 or more municipalities acting jointly in the granting of municipal  
31 consent for the provision of cable television service in accordance with  
32 the provisions of the "Cable Television Act," P.L.1972, c.186  
33 (C.48:5A-1 et seq.) as amended and supplemented.

34 o. "Open video system" means a facility consisting of a set of  
35 transmission paths and associated signal generation, reception, and  
36 control equipment that is designed to provide cable television service  
37 to multiple subscribers within a municipality and which has been  
38 certified by the Federal Communications Commission as being in  
39 compliance with Part 76 "Multichannel Video and Cable Television  
40 Service" of Title 47 of the Code of Federal Regulations.

41 p. "Private aggregator" means a duly-organized business or  
42 non-profit organization authorized to do business in this State that  
43 enters into a contract with two or more municipalities for the purpose  
44 of facilitating the joint action of those municipalities in granting  
45 municipal consent for the provision of cable television service to those  
46 municipalities.

1     q. "Franchise" means an initial authorization, or renewal thereof,  
2 issued by a franchising authority in accordance with the provisions of  
3 P.L.1972, c.186 (C.48:5A-1 et seq.), whether such authorization is  
4 designated as a franchise, permit, license, resolution, contract,  
5 certificate, agreement or otherwise, which authorizes the construction  
6 or operation of a cable television system.

7     r. "Statewide franchise" means a franchise issued pursuant to  
8 P.L.1972, c.186 (C.48:5A-1 et seq.) which authorizes a cable  
9 television company to construct or operate a cable television system  
10 in any location within the State of New Jersey.

11     s. "Local franchising authority" or "franchising authority" means a  
12 governmental entity empowered by federal, State, or local law to grant  
13 a franchise.

14     t. "Telecommunications service provider" or "telecommunications  
15 provider" means any owner of facilities and equipment located in  
16 public rights-of-way used to provide telecommunications services,  
17 except that such term does not include aggregators of  
18 telecommunications services.

19     u. "Telecommunications service" means the offering of  
20 telecommunications for a fee directly to the public, or to such classes  
21 of users as to be effectively available directly to the public, regardless  
22 of the facilities used.

23     v. "Video reception service" means the simultaneous delivery by  
24 any means, equipment or facilities, of the signals of television  
25 broadcast stations to members of the public subscribing to such service  
26 for a fee or other consideration, which service may include additional  
27 non-broadcast signals delivered as part of the service.

28 (cf: P.L.2003, c.38, s.3)

29  
30     3. Section 4 of P.L.1972, c.186 (C.48:5A-4) is amended to read as  
31 follows:

32     4. There is hereby established in the [Department] Board of Public  
33 Utilities an Office of Cable Television; but nothing in [this act]  
34 P.L.1972, c.186 (C.48:5A-1 et seq.) shall be construed as declaring  
35 or defining cable television to be a public utility or subjecting it to the  
36 application of any of the provisions of Title 48 of the Revised Statutes,  
37 except as otherwise specifically provided in [this act] P.L.1972,  
38 c.186 (C.48:5A-1 et seq.).

39 (cf: P.L.1972, c.186, s.4)

40  
41     4. Section 5 of P.L.1972, c.186 (C.48:5A-5) is amended to read as  
42 follows:

43     5. The office shall be headed and administered by a director, who  
44 shall be a person qualified by training and experience to perform the  
45 duties of [his] the office, and shall receive such salary as shall be  
46 [provided by law] determined by the President of the Board. The

1 director shall be appointed by the [board] President of the Board, and  
2 shall serve at the pleasure of the [board] President of the Board.  
3 (cf: P.L.1972, c.186, s.5)

4

5 5. Section 6 of P.L.1972, c.186 (C.48:5A-6) is amended to read as  
6 follows:

7 6. The director under the supervision of the [board] the President  
8 of the Board shall organize the work of the office and establish therein  
9 such administrative subdivisions as [he] may [deem] be deemed  
10 necessary, proper and expedient. [He] The director may formulate  
11 [and adopt] rules and regulations for the board's consideration and  
12 prescribe duties for the efficient conduct of the business, work and  
13 general administration of the office. [He] The director may delegate  
14 to subordinate officers or employees in the office such [of his] powers  
15 as [he] may [deem] be deemed desirable, to be exercised under [his]  
16 the supervision and direction of the director.

17 (cf: P.L.1972, c.186, s.6)

18

19 6. Section 7 of P.L.1972, c.186 (C.48:5A-7) is amended to read as  
20 follows:

21 7. Subject to the provisions of Title [11] 11A of the [Revised]  
22 New Jersey Statutes, and within the limits of funds appropriated or  
23 otherwise made available, the director with the approval of the  
24 [board] President of the Board may appoint such officers and  
25 employees of the office as [he] may [deem] be deemed necessary for  
26 the performance of its duties, and may fix and determine their  
27 qualifications, duties and compensation, and may retain or employ  
28 engineers and private consultants on a contract basis or otherwise for  
29 rendering professional or technical service or assistance.

30 (cf: P.L.1972, c.186, s.7)

31

32 7. Section 9 of P.L.1972, c.186 (C.48:5A-9) is amended to read as  
33 follows:

34 9. The board, which is empowered pursuant to P.L.1972, c.186  
35 (C.48:5A-1 et seq.) to be the local franchising authority in this State,  
36 and the director under the supervision of the board, shall have full  
37 right, power, authority and jurisdiction to:

38 a. Receive or initiate complaints of the alleged violation of any of  
39 the provisions of [this act] P.L.1972, c.186 (C.48:5A-1 et seq.) or of  
40 any of the rules and regulations made pursuant to [this act] P.L.1972,  
41 c.186 (C.48:5A-1 et seq.) or of the terms and conditions of any  
42 municipal consent or franchise granted pursuant to [this act]  
43 P.L.1972, c.186 (C.48:5A-1 et seq.); and for this purpose and all other  
44 purposes necessary to enable [him] the director to administer the  
45 duties of the office as prescribed by law may hold hearings and shall

1 have power to subpoena witnesses and compel their attendance,  
2 administer oaths and require the production for examination of any  
3 books or papers relating to any matter under investigation at any such  
4 hearing;

5 b. Supervise and regulate every CATV company operating within  
6 this State and its property, property rights, equipment, facilities,  
7 contracts, certificates and franchises so far as may be necessary to  
8 carry out the purposes of [this act] P.L.1972, c.186 (C.48:5A-1 et  
9 seq.), and to do all things, whether herein specifically designated or in  
10 addition thereto, which are necessary or convenient in the exercise of  
11 such power and jurisdiction;

12 c. Institute all proceedings and investigations, hear all complaints,  
13 issue all process and orders, and render all decisions necessary to  
14 enforce the provisions of [this act] P.L.1972, c.186 (C.48:5A-1 et  
15 seq.), of the rules and regulations adopted thereunder, or of any  
16 municipal consents issued pursuant to [this act] P.L.1972, c.186  
17 (C.48:5A-1 et seq.) ;

18 d. Institute, or intervene as a party in, any action in any court of  
19 competent jurisdiction seeking mandamus, injunctive or other relief to  
20 compel compliance with any provision of [this act] P.L.1972, c.186  
21 (C.48:5A-1 et seq.), of any rule, regulation or order adopted  
22 thereunder or of any municipal consent or franchise issued thereunder,  
23 or to restrain or otherwise prevent or prohibit any illegal or  
24 unauthorized conduct in connection therewith.

25 (cf: P.L.1972, c.186, s.9)

26

27 8. Section 10 of P.L.1972, c.186 (C.48:5A-10) is amended to read  
28 as follows:

29 10. The director with the approval of the board shall establish, for  
30 the purpose of assuring safe, adequate and proper cable television  
31 service, [after hearing in accordance with the Administrative  
32 Procedure Act (P.L.1968, c. 410; C. 52:14B-1 et seq.),] rules and  
33 regulations governing:

34 a. Technical standards of performance for CATV systems and the  
35 equipment and facilities thereof, including standards of maintenance  
36 and safety, not inconsistent with applicable Federal regulations[.];

37 b. The prohibition and prevention of the imposition of any unjust  
38 or unreasonable, unjustly discriminatory or unduly preferential  
39 individual or joint rate, charge or schedule for any service supplied or  
40 rendered by a CATV company within this State, or the adoption or  
41 imposition of any unjust or unreasonable classification in the making  
42 or as the basis of any individual or joint rate, charge or schedule for  
43 any service rendered by a CATV company within this State[.];

44 c. Requirements for the reasonably prompt and complete exercise  
45 of the rights conferred by any certificate, subject to revocation thereof  
46 or other penalty provided under [this act] P.L.1972, c.186 (C.48:5A-  
47 1 et seq.);

1 d. Procedures and forms for the application by a CATV company  
2 for municipal consents or for a franchise required under [this act]  
3 P.L.1972, c.186 (C.48:5A-1 et seq.);

4 e. Procedures and forms for review by the director of municipal  
5 consents issued pursuant to the provisions of [this act] P.L.1972,  
6 c.186 (C.48:5A-1 et seq.);

7 f. Procedures and forms for the application by CATV companies  
8 to municipalities for amendment of rates or other terms and conditions  
9 of municipal consents or franchises and, for the review by the director  
10 of the terms of such amendments, and for the resolution by the  
11 director of disputes between municipalities and CATV companies over  
12 such applications;

13 g. Procedures and forms for submission to and resolution by the  
14 director of complaints or disputes by or between CATV companies,  
15 municipalities or citizens regarding proper compliance with the  
16 implementation of the provisions of [this act] P.L.1972, c.186  
17 (C.48:5A-1 et seq.) or the rules and regulations made or municipal  
18 consents or franchises issued pursuant to [this act] P.L.1972, c.186  
19 (C.48:5A-1 et seq.); provided, however, that, notwithstanding the  
20 foregoing provisions of this section or any of the provisions of [this  
21 act] P.L.1972, c.186 (C.48:5A-1 et seq.), it is the intent of [this act]  
22 P.L.1972, c.186 (C.48:5A-1 et seq.) that all the provisions, regulations  
23 and requirements imposed by or pursuant to [this act] P.L.1972,  
24 c.186 (C.48:5A-1 et seq.) shall be operative only to the extent that the  
25 same are not in conflict with the laws of the United States or with any  
26 rules, regulations or orders adopted, issued or promulgated pursuant  
27 thereto by any Federal regulatory body having jurisdiction. No  
28 requirement, regulation, term, condition, limitation or provision  
29 imposed by or pursuant to [this act] P.L.1972, c.186 (C.48:5A-1 et  
30 seq.) which is contrary to or inconsistent with any such Federal law,  
31 regulation or order now or hereafter adopted shall be enforced by the  
32 director or shall be authority for the granting, denial, amendment or  
33 limitation of any municipal consent or certificate of approval which  
34 may be applied for or issued under the terms of [this act] P.L.1972,  
35 c.186 (C.48:5A-1 et seq.).

36 The board through the office is hereby empowered and directed to  
37 cooperate with any Federal regulatory agency in the enforcement  
38 within this State of all Federal laws, rules, regulations and orders  
39 relating to CATV systems and CATV companies, and therein to act as  
40 agent for such Federal regulatory body to the extent authorized by or  
41 pursuant to Federal law, and to enter into agreements for said purpose.  
42 (cf: P.L.1972, c.186, s.10)

43

44 9. Section 11 of P.L.1972, c.186 (C.48:5A-11) is amended to read  
45 as follows:

46 11. a. Except as provided in subsection g. of section 28 of [this  
47 act] P.L.1972, c.186 (C.48:5A-28) with respect to rates to subscribers

1 to cable television reception service, the board through the office shall  
2 prescribe just and reasonable rates, charges and classifications for the  
3 services rendered by a CATV company, and the tariffs therefor shall  
4 be filed and published in such manner and on such notice as the  
5 director with the approval of the board may prescribe, and shall be  
6 subject to change on such notice and in such manner as the director  
7 with the approval of the board may prescribe.

8 b. The board shall from time to time cause the established rates and  
9 rate schedules of each CATV company for cable TV reception service  
10 to be reviewed, and if upon such review it shall appear to the board  
11 that such rates, or any of them, are or may be excessive, unreasonable,  
12 unjustly discriminatory or unduly preferential, the board shall require  
13 the CATV company to establish to its satisfaction that such rates are  
14 just, reasonable and not excessive or unjustly preferential or  
15 discriminatory, and for such purpose shall order the director to hold  
16 a hearing thereon. After a hearing upon notice and full opportunity to  
17 be heard afforded to the CATV company, the director may recommend  
18 amendment of the schedule of cable television subscription rates  
19 charged by such company, and such amended schedule if approved by  
20 the board shall supersede and replace the schedule so amended.

21 c. Any hearing held pursuant to this section shall be open to the  
22 public, and notice thereof shall be published by the [director] cable  
23 television company at least 10 days prior thereto in a newspaper or  
24 newspapers of general circulation [in each municipality comprised, in  
25 whole or part,] in the certificated area wherein the rate schedule which  
26 is the subject of the hearing applies. [Every municipality may  
27 intervene in any hearing held by the director pursuant to this section  
28 affecting the municipality or the public within the municipality.]

29 d. No CATV company shall derive from the operations of cable  
30 television reception service or cable communications systems any  
31 revenues other than the fees, charges, rates and tariffs provided for in  
32 subsection a. of this section and in subsection g. of section 28 of [this  
33 act] P.L.1972, c.186 (C.48:5A-28).

34 e. Whenever pursuant to the provisions of [this act] P.L.1972,  
35 c.186 (C.48:5A-1 et seq.) the board or the director is required to  
36 determine whether any of the rates, charges, fees, tariffs and  
37 classifications of a CATV company subject to this section or to  
38 subsection g. of section 28 of [this act] P.L.1972, c.186 (C.48:5A-28)  
39 are unjust, unreasonable, discriminatory or unduly preferential, there  
40 shall be taken into consideration any fees which are charged for the  
41 use of a CATV system, or part thereof, as an advertising medium, or  
42 for services ancillary to such use, and from which the CATV system  
43 derives revenue, directly or indirectly, and the effect thereof upon, the  
44 company's requirements for revenue from such fees, rates, charges,  
45 tariffs and classifications subject to the provisions of this section.  
46 (cf: P.L.1972, c.186, s.11)

1       10. Section 2 of P.L.1985, c.356 (C.48:5A-11.2) is amended to  
2 read as follows:

3       2. Notwithstanding the provisions of P.L.1972, c.186 (C. 48:5A-1  
4 et seq.) or of any other State law to the contrary, any CATV company  
5 providing service may establish rates or schedules which provide for  
6 a reduction or discount in rates for cable television reception service  
7 for senior citizens [and], disabled citizens, or other economically  
8 disadvantaged groups who meet the eligibility requirements of either  
9 the "Pharmaceutical Assistance to the Aged and Disabled" program  
10 pursuant to P.L. 1975, c. 94 (C.30:4D-20 et seq.) ,as amended and  
11 supplemented; or are receiving or are eligible to receive benefits under  
12 the Supplemental Security Income program, P.L.1973, c.256 (C.44:7-  
13 85 et seq.); or are receiving disability insurance benefits under Title II  
14 of the federal Social Security Act, 42 U.S.C. s.401 et seq. and meet  
15 the income and residency requirements of the "Pharmaceutical  
16 Assistance to the Aged and Disabled Program," established pursuant  
17 to P.L.1975, c. 194 (C.30:4D-20 et seq.).

18       The Board of Public Utilities through the Office of Cable Television  
19 shall adopt regulations for the prompt, fair and efficient establishment  
20 and maintenance of these reduced or discounted rates and schedules.  
21 Subscription to the "Tenants' Lifeline Assistance Program," established  
22 pursuant to P.L.1981, c.210 (C.48:2-29.30 et seq.), or to the "Lifeline  
23 Credit Program," established pursuant to P.L.1979, c.197 (C.48:2-  
24 29.15 et seq.), shall not be a basis for exclusion from any reduction or  
25 discount provided under this section, nor shall subscription to any  
26 cable television service from such provider be a basis for exclusion  
27 from the Tenants' Lifeline Assistance Program or the Lifeline Credit  
28 Program.

29       "Senior citizen" means any person 62 years of age or older who  
30 subscribes for CATV service and who does not share the subscription  
31 with more than one other person in the same dwelling unit who is less  
32 than 62 years of age.

33 (cf: P.L.1988, c.81, s.2)

34

35       11. Section 3 of P.L.1985, c.356 (C.48:5A-11.3) is amended to  
36 read as follows:

37       3. [A municipality shall not require]A cable television company  
38 shall not be required, as part of any franchising agreement, or renewal  
39 thereof, or as part of any negotiations leading up to a franchising  
40 agreement, or renewal thereof, [that a CATV company] to provide  
41 the reduction or discount in rates which is permitted under section 2  
42 of [this act] P.L.1985, c. 356 (C.48:5A-11.2).

43 (cf: P.L.1985, c.356, s.3)

44

45       12. Section 15 of P.L.1972, c.186 (C.48:5A-15) is amended to  
46 read as follows:

1 15. No person shall hereafter begin the construction[,] or  
2 extension of a CATV system, or begin or continue the operation of a  
3 CATV system, or acquire ownership or control thereof, without first  
4 obtaining from the board a certificate of approval or franchise issued  
5 in accordance with the provisions and procedures specified in [this  
6 act] P.L.1972, c.186 (C.48:5A-1 et seq.); except that the director  
7 may, by order, rule or regulation, exempt a CATV company from the  
8 above [certificate] requirement in a case [where its] in which the  
9 company's temporary acts or operations do not require the issuance  
10 of a certificate or franchise in the public interest. The issuance of a  
11 certificate by the board to a cable service company shall be deemed to  
12 confer a franchise upon the cable television company.  
13 (cf: P.L.1972, c.186, s.15)  
14

15 13. Section 16 of P.L.1972, c.186 (C.48:5A-16) is amended to  
16 read as follows:

17 16. a. The application for [such] a [certificate of approval]  
18 Statewide franchise from the board shall be in writing, [shall have  
19 attached thereto the municipal consents required under section 22 of  
20 this act, except that a CATV company which is authorized under  
21 section 25 of this act to continue operations after the expiration of a  
22 municipal consent and pending municipal action upon application made  
23 for renewal or reissuance of such consent may in lieu of such  
24 municipal consent attach to its application a statement regarding its  
25 authorization to continue operations under the provisions of section  
26 25;] and shall contain such [other] information as the director may  
27 from time to time prescribe by duly promulgated rule, regulation or  
28 order. Each such application shall be accompanied by a filing fee of  
29 [\$100.00] \$1,000.

30 b. Upon receipt of such application, the board shall review the  
31 same and shall, within 30 days of the receipt thereof, either issue the  
32 [certificate] Statewide franchise applied for or order the director to  
33 schedule a hearing upon the application. No application shall be  
34 denied without a hearing thereon. In determining whether a  
35 [certificate] Statewide franchise should [issue] be issued, the board  
36 shall consider, in addition to the requirements of section 17 of  
37 P.L.1972, c.186 (C.48:5A-17), among other things, public  
38 convenience and necessity, the suitability and character of the  
39 applicant, the financial responsibility of the applicant, and the ability  
40 of the applicant to perform efficiently the proposed service and other  
41 service which may be required by public convenience and necessity  
42 during the term of the [municipal consent] Statewide franchise. Upon  
43 receipt of a complaint from any person claiming to be aggrieved by the  
44 issuance of a [certificate] Statewide franchise applied for, the board  
45 shall not issue such [certificate] Statewide franchise without a hearing  
46 thereon, if it deems that there is a reasonable ground for such  
47 complaint.

1 c. [If in its initial review of the application it shall appear to the  
2 board that any of the rates in the schedule of rates provided therein  
3 pursuant to subsection g. of section 28 of this act are or may be  
4 excessive, unreasonable, unjustly discriminatory or unduly preferential,  
5 it shall not issue a certificate without a hearing on such application, to  
6 be held by the director at the order of the board at which hearing the  
7 applicant CATV company may be required to establish to his  
8 satisfaction that such rates are just, reasonable and not excessive or  
9 unjustly preferential or discriminatory. After a hearing at which such  
10 justification of rates is required, upon notice and full opportunity to  
11 be heard afforded to the applicant CATV company, the director may,  
12 recommended that the schedule of rates aforesaid be amended and  
13 such amended schedule if approved by the board shall supersede and  
14 replace the schedule so amended.] (Deleted by amendment,  
15 P.L. , c. ) (pending before the Legislature as this bill)

16 d. [A hearing held pursuant to this section shall be held not later  
17 than the sixtieth day following the date of receipt of the application;  
18 it may be adjourned from time to time, but not to a date later than the  
19 sixtieth day following the date on which it commenced, except with  
20 the consent of the applicant. If such hearing is held, the director shall  
21 within 60 days after the conclusion thereof, transmit his findings of  
22 fact and recommendations to the board, which shall either issue or  
23 deny the certificate for which application was made, or may issue a  
24 certificate with such limitations and conditions as the public interest  
25 may require. The board shall transmit notice of its decision to the  
26 applicant.] (Deleted by amendment, P.L. , c. ) (pending before the  
27 Legislature as this bill)

28 (cf: P.L.1972, c.186, s.16)

29

30 14. Section 17 of P.L.1972, c.186 (C.48:5A-17) is amended to  
31 read as follows:

32 17. a. The board shall issue a [certificate of approval] Statewide  
33 franchise when, after reviewing the application, and after hearing if  
34 one is held, the applicant establishes to [its] the board's satisfaction  
35 that the applicant [has all the municipal consents necessary to support  
36 the application, that such consents and the issuance thereof are in  
37 conformity with the requirements of this act, and that the applicant]  
38 has complied or is ready, willing and able to comply with all applicable  
39 rules and regulations imposed by or pursuant to State or federal law  
40 as preconditions for engaging in [his] the applicant's proposed CATV  
41 operations[; provided, that in the case of any application which has  
42 omitted the attachment of municipal consent in the circumstance  
43 provided for in subsection a. of section 16 of this act, the board shall  
44 condition the issuance of the certificate upon the applicant's reasonably  
45 prompt attainment of the omitted municipal consent or reasonably  
46 prompt initiation of proceedings under subsection d. of this section].

47 b. [In considering any such application, the board shall take into

1 consideration the probable effects upon both the area for which  
2 certification is sought and neighboring areas not covered in the  
3 municipal consents; and if it finds that the probable effects, for  
4 technical and financial reasons, would be to impede the development  
5 of adequate cable television service, or create an unreasonable  
6 duplication of services likely to be detrimental to the development of  
7 adequate cable television service in any area either within or without  
8 the area for which certification is sought, it may deny the certificate or  
9 it may amend the certificate in issuing it so as to:

10 (1) Direct that areas covered in the application be excluded from  
11 the area certified; or

12 (2) Direct that areas not covered in the application be included in  
13 the area certified.] (Deleted by amendment, P.L. , c. ) (pending  
14 before the Legislature as this bill)

15 c. [No such certificate amended pursuant to subsection b. of this  
16 section shall be issued except after hearing of which each affected  
17 municipality shall be given notice and afforded opportunity to be  
18 heard. No such amended certificate shall be issued which would  
19 impair the terms of any existing certificate or of any municipal consent  
20 upon which such existing certificate is based, except with the consent  
21 of the holder of such existing certificate and of any municipality having  
22 issued such municipal consent.] (Deleted by amendment, P.L. , c. )  
23 (pending before the Legislature as this bill)

24 d. [If a municipality shall arbitrarily refuse to grant the municipal  
25 consent required under the terms of this act prerequisite to issuance of  
26 a certificate, or to act upon an application for such municipal consent  
27 within 90 days after such application is filed, then the applicant CATV  
28 company may avoid the necessity of first obtaining such municipal  
29 consent by showing to the satisfaction of the board that the municipal  
30 consent is being arbitrarily withheld. But any CATV company  
31 certificated without municipal consent shall nevertheless pay the  
32 franchise tax to the municipality imposed under section 30 of this act.  
33 An application for certificate filed pursuant to this subsection shall be  
34 accompanied by a filing fee of \$200.00.] (Deleted by amendment,  
35 P.L. , c. ) (pending before the Legislature as this bill)

36 e. [If any municipality or county shall refuse to any CATV  
37 company, whether the holder of a municipal consent from that  
38 municipality or otherwise, any zoning variance or other municipal act  
39 or authorization, or any county act or authorization, necessary to  
40 permit such company to locate any facility of such company within  
41 such municipality or county, or to install transmission facilities through  
42 such municipality or county for the purpose of serving subscribers or  
43 customers in any area for which such company has been issued a  
44 certificate by the board, the company may apply to the board for an  
45 order setting aside such municipal or county refusal and permitting  
46 such location of facility or installation of transmission facilities as  
47 requested by the company. An application pursuant to this subsection

1 shall be accompanied by a filing fee of \$200.00. The board, after  
2 hearing upon notice and full opportunity for both the applicant and the  
3 municipality or county to be heard, shall issue such order when it  
4 appears to the board's satisfaction that such permission is necessary to  
5 enable the company to provide safe, adequate and proper CATV  
6 service to its customers or subscribers in the manner required by this  
7 act, and that such location or installation will not adversely affect the  
8 public health, safety and welfare.] (Deleted by amendment, P.L. . ,  
9 c. ) (pending before the Legislature as this bill)

10 f. [The director shall issue a certificate to any CATV company  
11 lawfully engaged in the construction, extension or operation of a  
12 CATV system on the effective date of this act, for the construction,  
13 extension or operation then being conducted, without further review,  
14 if application for such certificate is filed with the board within 90 days  
15 after such effective date. The construction, extension or operation of  
16 such a CATV system may be lawfully continued pending the filing of  
17 such an application unless the director orders otherwise. An  
18 application for such certificate which is untimely shall be determined  
19 in accordance with the procedures prescribed in subsections a. through  
20 d. of this section. A certificate issued under this subsection shall  
21 expire five years from the date of issuance; and no CATV company  
22 holding such certificate shall be authorized to continue its operations  
23 after such expiration unless prior thereto it shall have obtained a  
24 certificate under the procedures specified in subsections a. through d.  
25 of this section, except that such a CATV company which has initiated  
26 proceedings for certification under subsections a. through d. of this  
27 section prior to the expiration of a certificate granted under this  
28 subsection may continue its operations pending the final disposition of  
29 such proceedings. An application pursuant to this subsection shall be  
30 accompanied by a filing fee of \$50.00.] (Deleted by amendment,  
31 P.L. . , c. ) (pending before the Legislature as this bill)  
32 (cf: P.L.1986, c.163, s.1)

33  
34 15. Section 18 of P.L.1972, c.186 (C.48:5A-18) is amended as  
35 follows:

36 18. a. Any hearing held pursuant to the provisions of section 16  
37 or section 17 of [this act] P.L.1972. c.186 (C.48:5A-16; C.48:5A-17)  
38 shall be open to the public, and notice thereof shall be published by the  
39 [director] applicant at least 10 days prior thereto in a newspaper or  
40 newspapers of general circulation throughout the State [(1) if the  
41 hearing is upon application for certification, in each municipality  
42 comprised, in whole or part, in the area for which certification is  
43 sought, or (2) if the hearing is upon an application under subsection e.  
44 of section 17, in each municipality comprised in whole or part, in the  
45 certificated area or area for which certification is sought, of the CATV  
46 system of the applicant CATV company, and also each other  
47 municipality whose refusal of municipal action or authorization is

1 involved in the application].

2 b. Every municipality may intervene in any hearing or investigation  
3 held under the authority of [this act] P.L.1972, c.186 (C.48:5A-1 et  
4 seq.) which involves rates, charges, services or facilities affecting the  
5 municipality or the public within the municipality.

6 c. For the purpose of defraying the administrative expenses of  
7 hearings held pursuant to section 16 or 17 of [this act] P.L.1972, c.  
8 186 (C.48:5A-16; C.48:5A-17), the applicant CATV company shall be  
9 required to pay to the Office of Cable Television a fee not in excess of  
10 ~~[\$50.00]~~ \$500 per day of hearing or fraction thereof, according to  
11 such fee schedule as the director shall from time to time adopt by rule.  
12 Such fee shall be in addition to any filing fee imposed pursuant to  
13 sections ~~[17]~~ 16 and 18 of [this act] P.L.1972, c.186 (C.48:5A-16;  
14 C.48:5A-18); the amount shall be due and payable upon presentation  
15 of an invoice.

16 d. All fees and charges collected under the provisions of section  
17 ~~16[, 17]~~ or 18 of [this act] P.L.1972, c.186 (C.48:5A-16; C.48:5A-  
18 18) shall be received by the director for the sole use of the State, and  
19 ~~[he]~~ the director shall report on and return to the State Treasurer all  
20 such fees and charges collected ~~[by him]~~.

21 (cf: P.L.1972, c.186, s.18)

22

23 16. Section 19 of P.L.1972, c.186 (C.48:5A-19) is amended to  
24 read as follows:

25 19. A ~~[certificate of approval]~~ Statewide franchise issued by the  
26 board shall be nontransferable, except by consent of the board; ~~[shall~~  
27 ~~specify the area to which it applies and the municipal consents upon~~  
28 ~~which it is based,]~~ and shall be valid for 15 years from the date of  
29 issuance or 20 years from the date of issuance if the board certifies  
30 that a CATV company has implemented an open video system in  
31 accordance with 47 U.S.C. s.573 ~~[within one year after receiving a~~  
32 ~~municipal consent, or until the expiration, revocation, termination or~~  
33 ~~renegotiation of any municipal consent upon which it is based,~~  
34 ~~whichever is sooner. But amendment of the terms of a municipal~~  
35 ~~consent by mutual consent and in conformity with the procedures~~  
36 ~~specified in this act during the term for which it was issued shall not~~  
37 ~~require the issuance of a new certificate of approval. A CATV~~  
38 ~~company holding a certificate based upon a municipal consent with a~~  
39 ~~provision for automatic renewal for a term not exceeding 10 years~~  
40 ~~beyond its expiration date or 15 years beyond its expiration date if the~~  
41 ~~board certifies that the CATV company has implemented an open~~  
42 ~~video system in accordance with 47 U.S.C. s.573, shall be entitled to~~  
43 ~~automatic reissuance of a certificate for such term, unless it shall~~  
44 ~~forfeit such entitlement by violation of any terms of this act,~~  
45 ~~regulations issued pursuant thereto, or by the terms of the municipal~~  
46 ~~consent]. Renewal of a Statewide franchise shall be valid for 15 years~~

1 from the date of the renewal issuance, and the board shall establish  
2 rules governing the renewal of a Statewide franchise.

3 (cf: P.L.2003, c.38, s.4)

4  
5 17. Section 20 of P.L.1972, c.186 (C.48:5A-20) is amended to  
6 read as follows:

7 20. a. Upon obtaining the prior approval of the board, a CATV  
8 company may construct and maintain the wires, cables, and conduits  
9 necessary to its business upon, under or over any highway, and may  
10 erect and maintain the necessary fixtures, including poles and posts,  
11 for sustaining such wires and cables; provided, however, that such  
12 wires, cables and fixtures shall be so placed or constructed as not to  
13 unreasonably inconvenience public travel on the highway or the use  
14 thereof by public utilities or other persons or organizations having  
15 rights therein.

16 b. Whenever the [Board] board shall find that public convenience  
17 and necessity require the use by a CATV company or a public utility  
18 of the wires, cables, conduits, poles or other equipment, or any part  
19 thereof, on, over or under any highway or any right-of-way and  
20 belonging to another CATV company or public utility, and that such  
21 use will not result in injury to the owner or other users of such  
22 equipment or any right-of-way or in any substantial detriment to the  
23 service, and that such CATV companies or public utilities have failed  
24 to agree upon such use or the terms and conditions or compensation  
25 for the same, the [office] board may order that such use be permitted  
26 and prescribe a reasonable compensation and reasonable terms and  
27 conditions for the joint use. If such use is ordered, the CATV  
28 company or public utility to which the use is permitted shall be liable  
29 to the owner or other users of such equipment for such damage as may  
30 result therefrom to the property of such owner or other users thereof.  
31 (cf: P.L.1972, c.186, s.20)

32  
33 18. Section 7 of P.L.1991, c.412 (C.48:5A-20.1) is amended to  
34 read as follows:

35 7. Within 30 days after the effective date of [this act] P.L. , c.  
36 (C. ) (pending before the Legislature as this bill), the [Board of  
37 Regulatory Commissioners] board shall notify the general manager of  
38 every cable television company that, in order to receive notice by an  
39 applicant pursuant to subsection h. of section 7.1 of P.L.1975, c.291  
40 (C.40:55D-12), the cable television company shall register with any  
41 municipality in which the cable television company has plant located  
42 in a right-of-way or easement.

43 (cf: P.L.1991, c. 412, s.7)

44  
45 19. Section 21 of P.L.1972, c.186 (C.48:5A-21) is amended to  
46 read as follows:

47 21. Upon the prior approval of the [Board] board, any person may

1 lease or rent or otherwise make available facilities or rights-of-way,  
2 including pole space, to a CATV company for the redistribution of  
3 television signals to or toward the customers or subscribers of such  
4 CATV company. Any lease, rental or other method of making  
5 available such facilities or rights-of-way, including pole space, which  
6 is in effect on the effective date of [this act] P.L. , c. (C. )  
7 (pending before the Legislature as this bill) and which will be in effect  
8 for a period of more than 120 days after [the effective] that date [of  
9 this act] shall be submitted to the board for approval within 120 days  
10 after [the effective] that date [of this act], and if such lease or rental  
11 or other method is disapproved by the board it shall thereupon become  
12 void. The terms and conditions, including rates and charges to the  
13 CATV company, imposed by any public utility under any such lease,  
14 rental or other method of making available such facilities or  
15 rights-of-way, including pole space, to a CATV company shall be  
16 subject to the jurisdiction of the [Board of Public Utility  
17 Commissioners] board in the same manner and to the same extent that  
18 rates and charges of public utilities generally are subject to the board's  
19 jurisdiction by virtue of the appropriate provisions of Title 48 of the  
20 Revised Statutes.

21 (cf: P.L.1972, c.186, s.21)

22

23 20. (New section) Municipal consents and certificates of approval  
24 for applications to provide cable television services in a municipality  
25 issued prior to the effective date of P.L. , c. (C. ) (pending  
26 before the Legislature as this bill) shall remain in effect until such time  
27 as they may expire or until such time as the cable television company  
28 is granted a renewal of the franchise as a Statewide franchise. Both  
29 the municipality and the cable television company shall be bound by  
30 the terms of the municipal consents and certificates of approval until  
31 such time as the municipal consents and certificates of approval have  
32 been converted or renewed into a Statewide franchise. A cable  
33 television company with a franchise or franchises issued prior to the  
34 effective date of P.L. , c. (C. ) (pending before the Legislature  
35 as this bill) may, if it wishes, seek early renewal of such franchise or  
36 franchises as a Statewide franchise. All renewals, whether sought  
37 early or at the expiration of the franchise, shall be consolidated under  
38 a single Statewide franchise for each cable television company. No  
39 further municipal consents or certificates of approval shall be issued  
40 after the effective date of P.L. , c. (C. ) (pending before the  
41 Legislature as this bill). Nothing herein shall preclude a municipality  
42 from enforcing its right-of-way management powers on a non-  
43 discriminatory basis.

44

45 21. (New section) a. As part of any Statewide franchise issued by  
46 the board pursuant to P.L.1972, c.186 (C.48:5A-1 et seq.), a cable  
47 television company shall be required to:

1 (1) provide service to any and all municipalities in which the  
2 company, at the time of the issuance of the Statewide franchise, either  
3 has plant or equipment in use for the provision of any consumer video,  
4 cable or telecommunications service, including telephone service, or  
5 has proposed to place such plant or equipment into use to provide  
6 such service in accordance with a schedule of construction of the  
7 necessary plant, which schedule shall be approved by the board in  
8 conjunction with the issuance of the Statewide franchise;

9 (2) provide service to all groups of potential residential cable  
10 television subscribers within a municipality, without discrimination on  
11 the basis of economic or commercial desirability factors such as the  
12 comparative incomes levels of, or the ease of access to, the residents  
13 of the local area in which such groups reside;

14 (3) fully complete a system capable of providing cable television  
15 service to all residents of a municipality subject to any line extension  
16 rules, regulations or policies as set or approved by the board; and

17 (4) not later than six years from the date on which the Statewide  
18 franchise is issued, fully complete a system capable of providing, to  
19 every municipality in the State, cable television service that meets the  
20 requirements of paragraphs (2) and (3) of this subsection.

21 b. Any person affected by the requirements of subsection a. of this  
22 section may seek enforcement of such requirements by initiating a  
23 proceeding with the board. As used in this section, an affected person  
24 includes a municipality within which the potential residential  
25 subscribers referred to in subsection a. of this section reside.

26 c. If the board determines that a cable television company has  
27 denied access to cable television service to a group of potential  
28 residential subscribers on the basis of income level or other  
29 commercial desirability factors, the board is authorized to direct the  
30 provider to rectify the noncompliance, and to enforce such directive  
31 through any appropriate method, including the imposition of monetary  
32 penalties and disgorgement set forth in section 51 of P.L. 1972, c.186  
33 (C.48:5A-51). A municipality in which the provider offers cable  
34 television service shall be an appropriate party in any such proceeding.  
35

36 22. Section 26 of P.L.1972, c.186 (C.48:5A-26) is amended to  
37 read as follows:

38 26. a. [An] With regard to any municipal consent and certificate  
39 of approval issued prior to the effective date of P.L. , c. (C. )  
40 (pending before the Legislature as this bill), the ordinance issuing a  
41 municipal consent pursuant to [this act] P.L.1972, c.186 (C.48:5A-1  
42 et seq.) shall designate some officer, office, bureau or other agency of  
43 the municipal government as "complaint officer" to receive and act  
44 upon complaints by subscribers to cable television reception service of  
45 the CATV company to which such consent is issued; and shall provide  
46 for the establishment of procedures and methods by which such  
47 complaints shall be received, processed and acted upon, for the

1 resolution and settlement of complaints and disputes between such  
2 subscribers and the company, and for the enforcement of decisions  
3 made by such "complaint officer." All complaints by such subscribers  
4 alleging inadequate, unsafe or improper service or failure by the  
5 company to comply with the terms of the municipal consent shall be  
6 made in the first instance to such "complaint officer." The "complaint  
7 officer" shall, within 30 days of the receipt of such a complaint, report  
8 in writing to the subscriber the disposition or status of [his] the  
9 subscriber's complaint. Any subscriber or CATV company aggrieved  
10 by the action of a "complaint officer" in connection with such  
11 complaint or dispute, or any subscriber who shall not have received the  
12 written report required under this section within 30 days, may petition  
13 the office for a hearing upon said complaint, under the rules  
14 promulgated by the director for the hearing and disposition of such  
15 matters.

16 b. [Any] With respect to a municipal consent and certificate of  
17 approval issued prior to the effective date of P.L. , c. (C. )  
18 (pending before the Legislature as this bill), any municipality may, in  
19 lieu of complying with the terms of subsection a. of this section,  
20 provide in the ordinance issuing its municipal consent that complaints  
21 by local subscribers to cable television reception service shall be filed  
22 directly with the office, which shall thereupon be deemed the  
23 "complaint officer" for purposes of this section.

24 c. Each CATV company [receiving a municipal consent], with  
25 respect to either a municipal consent and certificate of approval issued  
26 prior to the effective date of P.L. , c. (C. ) (pending before the  
27 Legislature as this bill) or a Statewide franchise issued pursuant to  
28 P.L.1972, c.186 (C.48:5A-1 et seq.), shall provide to each subscriber  
29 to its cable television reception service, at the time [of his becoming]  
30 that person becomes a subscriber and at least once in each calendar  
31 year thereafter while [he] that person remains a subscriber, in a form  
32 approved by the director, information as to the identity of the  
33 "complaint officer," [of] which for Statewide franchises shall be the  
34 Office of Cable Television, the identity and location of the local  
35 business office or agent required under subsection d. of this section,  
36 and [of] the procedure to be followed in making and pursuing  
37 complaints to the "complaint officer" or the office pursuant to this  
38 section.

39 d. A [municipal consent] Statewide franchise issued pursuant to  
40 [this act] P.L.1972, c.186 (C.48:5A-1 et seq.) shall require that the  
41 CATV company to which it is issued shall maintain [a] local business  
42 [office or agent] offices or agents within the political boundary of the  
43 municipality served or, with the prior approval of the board, within ten  
44 miles of the political boundary of the municipality, for the purpose of  
45 receiving, investigating and resolving all complaints regarding the  
46 quality of service, equipment malfunctions, and similar matters.  
47 (cf: P.L.1972, c.186, s.26)

1       23. Section 8 of P.L.2003, c.38 (C.48:5A-26.1) is amended to read  
2 as follows:

3       8. a. In addition to the requirements as provided in section 26 of  
4 P.L.1972, c.186 (C.48:5A-26), the board shall, upon notice, by order  
5 in writing require every CATV company to keep for at least a period  
6 of ~~[one year]~~ three years, a record of complaints received at the  
7 CATV company's office, which shall include the name and address of  
8 the subscriber, the date, the nature of complaint, any corrective action  
9 taken if required, and the final disposition of the complaint. The record  
10 shall be available for inspection by the staff of the office. Copies of  
11 such record shall be provided to the staff of the office upon request.

12       b. Every CATV company shall furnish to the office annually a  
13 detailed report of the number and character of complaints made by  
14 customers and communicated to the CATV company. In meeting such  
15 requirement, the board shall establish a procedure for CATV  
16 companies to record and characterize those customer complaints using  
17 a uniform reporting methodology and containing those matters as the  
18 board may from time to time prescribe. Copies of the report shall be  
19 forwarded to the Governor and members of the Legislature. All  
20 reports submitted to the office shall comply with the provisions of the  
21 "Cable Subscriber Privacy Protection Act," P.L.1988, c.121  
22 (C.48:5A-54 et seq.).

23 (cf: P.L.2003, c.38, s.8)

24

25       24. Section 28 of P.L.1972, c.186 (C.48:5A-28) is amended to  
26 read as follows:

27       28. In addition to whatever other information may be required by  
28 the director under duly promulgated rules and regulations to be  
29 contained in any application for a ~~[municipal consent]~~ Statewide  
30 franchise, each such application shall contain:

31       a. A ~~[description of the area to be served]~~ deployment schedule,  
32 setting forth the municipalities to be served, the date service shall  
33 begin in each proposed municipality, and a date certain by which each  
34 community will be fully built-out, subject to the build-out requirements  
35 set forth in P.L.1972, c.186 (C.48:5A-1 et seq.).

36       b. A description of the proposed service in terms of the number of  
37 channels of cable television reception service.

38       c. Sufficient evidence that the applicant company has the financial  
39 and technical capacity and the legal, character and other qualifications  
40 to construct, maintain and operate the necessary installations, lines and  
41 equipment and to provide the service proposed in a safe, adequate and  
42 proper manner.

43       d. Evidence of sufficient bond, or commitment therefor, with  
44 sureties to be approved by the ~~[municipality]~~ office, in the penal sum  
45 of not less than \$25,000.00 for the faithful performance of all  
46 undertakings by the company as represented in the application; the  
47 sufficiency of which shall be subject to review by the director and

1 approval by the board.

2 e. An undertaking to hold the [municipality] board and all  
3 municipalities served harmless from any liability arising out of the  
4 company's operation and construction of its CATV system.

5 f. Evidence of sufficient insurance insuring the [municipality]  
6 board, all municipalities served and the company with respect to all  
7 liability for any death, personal injury, property damage or other  
8 liability arising out of the company's construction and operation of its  
9 CATV system; the sufficiency of which shall be subject to review by  
10 the director and approval by the board. Such insurance shall be [in the  
11 minimum amounts of] no less than: (1) \$150,000.00 for bodily injury  
12 or death to any one person, within the limit, however, of \$500,000.00  
13 for bodily injury or death resulting from any one accident, (2)  
14 \$100,000.00 for property damage resulting from any one accident, and  
15 (3) \$50,000.00 for all other types of liability; the sufficiency of which  
16 shall be subject to review by the director and approval by the board.

17 g. A schedule of proposed rates for cable television reception  
18 service, which rates shall not be altered during the term for which the  
19 [municipal consent] franchise is issued, except by application to the  
20 board for amendment of the terms and conditions of said [consent]  
21 franchise after public hearing, subject to the rules of the office, review  
22 by the director and approval by the board, or amendment pursuant to  
23 the provisions of subsection c. of section 16 of [this act] P.L.1972,  
24 c.186 (C.48:5A-16) or subsection b. of section 11 of [this act]  
25 P.L.1972, c.186 (C.48:5A-11).

26 h. A commitment as to those municipalities that are served by a  
27 cable television provider at the time of the application, to match or  
28 surpass any line extension policy placed into effect by a local franchise  
29 or certificate of approval, for the duration of the Statewide franchise.  
30 In any event, the cable television company shall extend its plant along  
31 public rights-of-way to all residences and businesses within 150 aerial  
32 feet of the operator's existing plant at no cost beyond the normal  
33 installation rate, and to all residences and businesses within 100  
34 underground feet of the operator's plant at no cost beyond the normal  
35 installation rate, and shall set a minimum house per mile density of no  
36 more than 35 homes per mile. This commitment shall be in addition  
37 to any and all board orders and rules that impact upon the extension  
38 of plant, including, but not limited to, the board's regulations adopted  
39 pursuant to N.J.A.C. 14:3-8.1 et seq.

40 i. A commitment to provide to each municipality that is served by  
41 a cable television provider, with two public, educational and  
42 governmental access channels. In the event that two or more access  
43 channels are requested by a municipality, the municipality shall  
44 demonstrate that its cable-related needs require the provision of such  
45 additional access channels. Any and all cable television providers  
46 operating in a municipality shall provide interconnection to all other  
47 cable television providers on reasonable terms and conditions and the

1 board shall adopt regulations for procedures by which disputes  
2 between such cable television providers shall be determined and  
3 expeditiously resolved. Each municipality or its non-profit designee  
4 shall assume responsibility for the management, operations and  
5 programming of the public, educational and governmental access  
6 channels.

7 j. A commitment to retain or provide, without charge, one service  
8 outlet activated for basic service to any and all fire stations, public  
9 schools, police stations, public libraries, and other such buildings used  
10 for municipal purposes.

11 k. A commitment to provide free Internet service, without charge,  
12 through one service outlet activated for basic service to any and all fire  
13 stations, public schools, police stations, public libraries, and other  
14 such buildings used for municipal purposes.

15 l. A commitment to provide equipment and training for access  
16 users, without charge, on a schedule to be agreed upon between the  
17 municipality and the cable television operator.

18 m. A commitment to provide a return feed from any one location  
19 in the municipality, without charge, to the cable television company's  
20 headend or other location of interconnection to the cable television  
21 system for public, educational or governmental use and which, at a  
22 minimum, provides the ability for the municipality to cablecast live or  
23 taped access programming, in real time, as may be applicable, to the  
24 cable television company's customers in the municipality. A cable  
25 television company shall only be required to provide a return line  
26 without charge if such return line would be within the distance of a  
27 standard installation, as defined by the cable television company and  
28 specified in the tariff on file with the board. If an installation exceeds  
29 the distance limitations of a standard installation, the cable television  
30 company may only charge the municipality for the costs of extending  
31 the line beyond the distance limitations of standard installation costs.  
32 No cable television company is responsible for providing a return  
33 access line unless a municipality requests a line in writing. A cable  
34 television company that has interconnected with another cable  
35 television company may require the second cable television company  
36 to pay for half of the cable television company's absorbed costs for  
37 extension. The board shall adopt rules for procedures for resolving  
38 disputes between cable television companies and between cable  
39 television companies and municipalities concerning the provisions of  
40 this section.

41 (cf: P.L.1972, c.186, s.28)

42

43 25. (New section) a. In the event the cable television company is  
44 required to modify any element of the franchise application, including  
45 the deployment schedule, the cable television company shall seek prior  
46 board approval.

47 b. All of the elements required to be included in the franchise

1 application pursuant to P.L.1972, c.186 (C.48:5A-1 et seq.) shall be  
2 considered as part of the commitment of the Statewide franchise, and  
3 shall form, in part, the foundation for the board's decision as to the  
4 Statewide franchise. The failure of a cable television company to  
5 abide by or conform its practices to the commitments in the application  
6 shall be considered a violation of the Statewide franchise, and the  
7 board may enforce these provisions through any appropriate method,  
8 including the imposition of penalties and disgorgement under section  
9 51 of P.L.1972, c.186 (C.48:5A-51), or the suspension or revocation  
10 of the Statewide franchise.

11

12 26. Section 29 of P.L.1972, c.186 (C.48:5A-29) is amended to  
13 read as follows:

14 29. All proposals and representations included in an application for  
15 [municipal consent] a Statewide franchise shall conform to applicable  
16 rules and regulations of the office; except that nothing in [this act]  
17 P.L.1972, c.186 (C.48:5A-1 et seq.) shall be construed to prevent an  
18 applicant from exceeding minimum requirements set by the office, or  
19 offering facilities and services not required or forbidden by such rules  
20 and regulations.

21 (cf: P.L.1972, c.186, s.29)

22

23 27. Section 30 of P.L.1972, c.186 (C.48:5A-30) is amended to  
24 read as follows:

25 30. a. In consideration of a [municipal consent] Statewide  
26 franchise issued under [this section] P.L.1972, c.186 (C.48:5A-1 et  
27 seq.), the CATV company to which [it] the Statewide franchise is  
28 issued shall annually pay: (1) to [the] each municipality [granting the  
29 same] served by the CATV company, in lieu of all other franchise  
30 taxes and municipal license fees, except as may otherwise be provided  
31 by this subsection, a sum equal to [2%] three percent of the gross  
32 revenues [from all recurring charges in the nature of subscription fees  
33 paid by subscribers to its cable television reception service in such  
34 municipality] that the company derives during the calendar year from  
35 all the charges or fees paid by subscribers in the municipality to the  
36 company for providing cable television service for basic, expanded  
37 basic and premier tier programming, for pay-per-view events, seasonal  
38 or sporting events of limited duration, and for all similar programming  
39 or channels; (2) to the county in which such municipality is located,  
40 a sum equal to one half of one percent of the gross revenues that the  
41 company derives during the calendar year from all the charges or fees  
42 paid by subscribers in the municipality to the company for providing  
43 cable television service for basic, expanded basic and premier tier  
44 programming, for pay-per-view events, seasonal or sporting events of  
45 limited duration, and for all similar programming or channels; and (3)  
46 to persons residing in the municipality who are eligible for the  
47 "Pharmaceutical Assistance to the Aged and Disabled" program

1 established pursuant to P.L.1975, c.194 (C.30:4D-20 et seq.), a sum  
2 equal to the amount that such eligible persons pay as charges or fees  
3 to the company for providing the basic tier programming service to  
4 such persons, provided that the yearly total of such payments from the  
5 company does not exceed one half of one percent of the gross  
6 revenues that the company derives during the calendar year from all  
7 the charges or fees paid by subscribers in the municipality to the  
8 company for providing cable television service for basic, expanded  
9 basic and premier tier programming, for pay-per-view events, seasonal  
10 or sporting events of limited duration, and for all similar programming  
11 or channels. Each CATV company shall, on or before the twenty-fifth  
12 day of January each year, file with the chief fiscal officer of each  
13 municipality and county, in the territory in which it is certificated to  
14 operate a statement, verified by oath, showing the gross receipts from  
15 such charges, and shall at the same time pay thereon: (1) to [said]the  
16 chief fiscal officer of the municipality the [2%] three percent charge  
17 hereby imposed on those receipts as a yearly franchise revenue for the  
18 use of the streets, which sum the municipality may use as part of its  
19 general revenue fund or to meet the cable-related needs of the  
20 municipality; (2) to the chief fiscal officer of the county in which the  
21 municipality is located the one half of one percent charge hereby  
22 imposed on those receipts as a yearly fee for payment of the costs of  
23 providing recreational programs in the county; and (3) to eligible  
24 subscribers residing in the municipality an amount equal to the charges  
25 or fees paid by such subscribers during the preceding calendar year to  
26 the company for providing the basic tier of cable television service to  
27 such subscribers, provided that the yearly total of such payments by  
28 the company to such subscribers does not exceed the one half of one  
29 percent charge hereby imposed.

30 b. [Any CATV company which, pursuant to any agreement in  
31 effect prior to the date of this act, paid or had agreed to pay to any  
32 municipality in fees or other charges in consideration of the consent  
33 of such municipality to the use of streets, alleys and public places  
34 thereof for the installation and operation of a CATV system, or similar  
35 consideration, a sum or rate exceeding that which it would pay  
36 pursuant to this section shall, in applying for a certificate (other than  
37 the certificate granted pursuant to subsection f. of section 17 of this  
38 act) show to the satisfaction of the board that the reduction in such  
39 payments effectuated by the application of this section shall be  
40 reflected in (1) commensurate reduction of rates to subscribers to  
41 cable television reception service or (2) commensurate improvements  
42 in such service made available to such subscribers. If the board is not  
43 so satisfied it shall amend, as excessive, the rate schedule contained  
44 in the application so that such rates shall be reduced to a degree  
45 commensurate with the reduction in payments by the CATV company  
46 to the municipality.] (Deleted by amendment, P.L. , c. ) (pending  
47 before the Legislature as this bill)

1 c. [A municipality may petition the board for permission to charge  
2 a yearly franchise fee exceeding that prescribed in subsection a. of this  
3 section. A municipal consent setting such a fee in excess of the  
4 amount prescribed in subsection a. of this section shall be deemed to  
5 constitute such a petition when filed with the board pursuant to section  
6 16 of this act as part of an application for certificate of approval. A  
7 hearing pursuant to the provisions of section 16 shall be held upon any  
8 application containing such petition, or upon any such petition  
9 separately filed, and at such hearing full notice and opportunity to be  
10 heard upon the matter shall be accorded to both the municipality and  
11 any CATV company affected thereby. The board after such hearing  
12 and upon recommendation of the director may grant such petition and  
13 allow the imposition of a franchise revenue exceeding that prescribed  
14 in subsection a. of this section, and at a rate to be prescribed by the  
15 board, when the board is satisfied that the same is warranted by the  
16 expenses to the municipality with respect to the regulation or  
17 supervision within its territory of cable television, or any other  
18 expenses caused by the existence and operation within its territory of  
19 cable television.] (Deleted by amendment, P.L. , c. ) (pending  
20 before the Legislature as this bill)

21 d. Under any municipal consent and certificate of approval issued  
22 prior to the effective date of P.L. , c. (C. ) (pending before the  
23 Legislature as this bill), and in consideration of such municipal consent  
24 and certificate of approval, the cable television company to which they  
25 were issued shall pay to the municipality which granted the same, in  
26 lieu of all other franchise taxes and municipal license fees, a sum equal  
27 to two percent of the gross revenues from all recurring charges in the  
28 nature of subscription fees paid by subscribers to its cable television  
29 reception service in such municipality. Each cable television company  
30 shall, on or before the twenty-fifth day of January each year, file with  
31 the chief fiscal officer of each municipality in the territory in which it  
32 is certificated to operate a statement, verified by oath, showing the  
33 gross receipts from such charges, and shall at the same time pay  
34 thereon to said chief fiscal officer the two percent charge hereby  
35 imposed as a yearly franchise revenue for the use of the streets.

36 (cf: P.L.1972, c.186, s.30)

37

38 28. Section 47 of P.L.1972, c.186 (C.48:5A-47) is amended to  
39 read as follows:

40 47. The board may, after affording the holder an opportunity to be  
41 heard, revoke, suspend or alter any certificate of approval or franchise  
42 for the violation of any provisions of [this act] P.L.1972, c.186  
43 (C.48:5A-1 et seq.) or the rules, regulations or orders made under  
44 authority of [this act] P.L.1972, c.186 (C.48:5A-1 et seq.), or for  
45 other reasonable cause, upon a finding that the revocation, suspension  
46 or alteration will not adversely affect the public interest in the  
47 provision of safe, adequate and proper cable television service in this

1 State.

2 (cf: P.L.1972, c.186, s.47)

3

4 29. Section 51 of P.L.1972, c.186 (C.48:5A-51) is amended to  
5 read as follows:

6 51. a. Any person or any officer or agent thereof who shall  
7 knowingly violate any of the provisions of [this act] P.L.1972, c.186  
8 (C.48:5A-1 et seq.) or aid or advise in such violation, or who, as  
9 principal, manager, director, agent, servant or employee knowingly  
10 does any act comprising a part of such violation, is guilty of a  
11 misdemeanor.

12 b. Any person who shall violate any provision of [this act] P.L.  
13 1972, c.186 (C.48:5A-1 et seq.) or any rule, regulation or order duly  
14 promulgated hereunder, shall be liable to a penalty of not more than  
15 [\$500.00 for a first offense, not less than \$100.00 nor more than  
16 \$1,000.00 for a second offense, and not less than \$500.00 nor more  
17 than \$1,000.00 for a third and every subsequent offense] \$10,000 as  
18 well as disgorgement of economic benefits received by any person or  
19 persons committing such violation. The penalties and return of  
20 economic benefits provided in this subsection [shall] may be enforced  
21 by summary proceedings instituted by the board in the name of the  
22 State in accordance with ["the penalty enforcement law"  
23 (N.J.S.2A:58-1 et seq.). The Superior Court and the municipal courts  
24 shall have jurisdiction to enforce said "penalty enforcement law" in  
25 connection with this act] the "Penalty Enforcement Law of 1999,"  
26 P.L.1999, c.274 (C.2A:58-10 et seq.). In addition, the board may,  
27 after hearing, suspend a Statewide franchise for a period of up to five  
28 years, or may revoke a Statewide franchise. A person whose franchise  
29 is revoked shall be barred from making a new application for a  
30 Statewide franchise for five years from the date of revocation. In the  
31 case of a cable television service provider who has failed to fully  
32 complete a system capable of providing cable service to every  
33 municipality in the State in violation of paragraph (4) of subsection b.  
34 of section 20 of P.L. \_\_\_\_\_, c. \_\_\_\_\_ (C. \_\_\_\_\_) (pending before the  
35 Legislature as this bill), or who has denied cable television service  
36 access to a group of potential residential subscribers on the basis of  
37 income level or other commercial desirability factors in violation of  
38 subsection c. of section 20 of P.L. \_\_\_\_\_, c. \_\_\_\_\_ (C. \_\_\_\_\_) (pending  
39 before the Legislature as this bill), the person's Statewide franchise  
40 shall be revoked, and the person shall be barred from making a new  
41 application for a Statewide franchise for five years from the date of  
42 revocation.

43 c. Whenever it shall appear to the board that any person has  
44 violated, intends to violate, or will violate any provisions of this act or  
45 any rule, regulation or order duly promulgated hereunder, the board  
46 may institute a civil action in the Superior Court for injunctive relief  
47 and for such other relief as may be appropriate in the circumstances,

1 and the said court may proceed in any such action in a summary  
2 manner.

3 (cf: P.L.1991, c.91, s.470)

4

5 30. Section 6 of P.L. 2003, c.38 (C.48:5A-64) is repealed.

6

7 31. This act shall take effect immediately, but sections 1 through  
8 30 shall be inoperative until the 90th day after enactment, except that  
9 the board may take such anticipatory administrative action as may be  
10 necessary to effectuate the purposes of P.L. , c. (C. ) (pending  
11 before the Legislature as this bill).

12

13

14

#### STATEMENT

15

16 The bill amends the State's "Cable Television Act," P.L.1972, c.186  
17 (C.48:5A-1 et seq.) (the "act") to provide for the approval of  
18 Statewide franchises for cable television companies to construct or  
19 operate a cable system anywhere within the State.

20 Under current law, cable television ("CATV") companies are  
21 required to obtain municipal consent in the form of an ordinance  
22 before they may obtain a certificate of approval from the Board of  
23 Public Utilities (the "BPU") to provide cable television service within  
24 a particular municipality.

25 The bill amends section 3 of P.L.1972, c.186 (C.48:5A-3) to clarify  
26 the definition of CATV system and to expand the definition to include  
27 facilities of either a telephone common carrier or an electric public  
28 utility subject to BPU regulation to the extent that such facilities are  
29 used for transmission of video programming.

30 The bill also amends section 3 of P.L.1972, c.186 (C.48:5A-3) to  
31 expand the definition of CATV company to include  
32 telecommunications service providers and to add certain definitions to  
33 section 3 of P.L.1972, c.186 (C.48:5A-3) to clarify the meaning of  
34 terms such as Statewide franchise, local franchising authority,  
35 telecommunications service and video reception service.

36 The bill amends section 2 of P.L.1985, c.356 (C.48:5A-11.2) to  
37 include eligible members of economically disadvantaged groups as  
38 persons who may receive a reduction or discount for CATV service.

39 The bill amends section 16 of the act to require an application for  
40 a Statewide franchise to: (1) be in written form; (2) include such  
41 information as may be required by the Director of the office of Cable  
42 Television (the "director"); and (3) be accompanied by a filing fee of  
43 \$1,000 (which is increased from the current fee of \$100).

44 The bill amends section 17 of the act to authorize issuance of a  
45 Statewide franchise by the BPU if the applicant establishes to the  
46 BPU's satisfaction that all federal and State requirements have been  
47 met. The bill amends section 18 of the act to increase the fee for

1 hearing an application for a Statewide franchise from \$50 to \$500 per  
2 day to defray administrative expenses.

3 The bill amends section 19 of the act to provide that: (1) a  
4 Statewide franchise shall not be transferable except by consent of the  
5 BPU; (2) renewal of a Statewide franchise shall be valid for 15 years  
6 from the renewal issuance date; and (3) the BPU shall establish rules  
7 governing the renewal of Statewide franchises.

8 Section 20 of the bill provides that any municipal consent and  
9 certificate of approval issued prior to the effective date of the bill for  
10 existing CATV providers shall remain in effect until they expire or  
11 until the CATV provider is granted a Statewide franchise. Section 22  
12 also provides that no further municipal consents or certificates of  
13 approval shall be issued after the effective date of the bill.

14 Section 21 of the bill requires that as part of any Statewide  
15 franchise issued by the BPU, a CATV provider shall be required to:

16 (1) provide service to all municipalities in which a CATV provider  
17 has plant or equipment in use, or has proposed to place into use, for  
18 providing CATV service in accordance with a schedule approved by  
19 the BPU;

20 (2) provide such service to all groups within a municipality on a  
21 non-discriminatory basis;

22 (3) fully complete a CATV service system subject to line extension  
23 rules, regulations or policies set or approved by the BPU; and

24 (4) not later than six years from the date on which the Statewide  
25 franchise is issued, fully complete a system capable of providing, to  
26 every municipality in the State, CATV service that meets the  
27 requirements of paragraphs (2) and (3) of this subsection.

28 Section 21 of the bill also allows any person affected by the  
29 requirements of a Statewide franchise to initiate proceedings with the  
30 BPU to determine whether there has been a denial of access and  
31 authorizes the BPU to impose appropriate penalties to direct the  
32 provider to comply with the Statewide franchise requirements.

33 Section 24 of the bill amends section 28 of P.L.1972, c.186  
34 (C.48:5A-28) to require that an application for a Statewide franchise  
35 contain, in addition to other information required by the director, a  
36 deployment schedule setting forth the municipalities to be served, the  
37 dates that service shall begin in each municipality and the dates by  
38 which the build out requirements shall be met pursuant to the act.

39 In addition, section 24 of the bill requires a commitment from a  
40 CATV provider to:

41 (1) match or surpass any line extension policy in effect at the time  
42 of the provider's application for a Statewide franchise, for the duration  
43 of the franchise;

44 (2) provide each municipality served with two public, educational  
45 or governmental access channels;

46 (3) provide, without charge, one basic service outlet and free  
47 Internet service to fire stations, public schools, police stations, public

1 libraries and other municipal buildings; and

2 (4) provide a return feed from any one location in the municipality,  
3 without charge, to the CATV company's headend or other location of  
4 interconnection for public, educational or governmental use that  
5 enables the municipality to cablecast live or taped access programming  
6 to CATV customers in the municipality.

7 The bill amends section 30 of the act to require CATV providers to  
8 pay:

9 (1) to the municipality served, a sum equal to three percent of  
10 gross revenues derived from all tier levels of CATV programming  
11 including pay-per-view events, seasonal or sporting events of limited  
12 duration, and other similar programming or channels provided to  
13 subscribers within the municipality;

14 (2) to the county in which the municipality is located, a sum equal  
15 to one half of one percent of such gross revenues; and

16 (3) to persons residing in the municipality served who are eligible  
17 for the "Pharmaceutical Assistance to the Aged and Disabled" program  
18 established pursuant to P.L.1975, c.194 (C.30:4D-20 et seq.), a sum  
19 equal to the amount such persons pay annually for basic tier CATV  
20 service provided that such payments do not exceed one half of one  
21 percent of such gross revenues.

22 The bill further amends section 30 of the act to provide that:

23 (1) the three percent paid to municipalities by CATV companies  
24 pursuant to section 30 of the act may be used as part of the general  
25 revenue fund for municipal purposes or to meet cable-related needs of  
26 the municipality;

27 (2) the one half of one percent paid to the county in which such  
28 municipality is located pursuant to section 30 of the act shall be  
29 allocated for payment of recreational programs in the county; and

30 (3) the payments required to be made to eligible CATV subscribers  
31 for basic CATV service pursuant to section 30 of the act shall not  
32 exceed an amount equal to the one half of one percent charge imposed  
33 by section 30 of the act.

34 The bill also amends section 30 of the act to provide that CATV  
35 companies issued municipal consents and certificates of approval prior  
36 to the effective date of the bill, shall continue to pay to the  
37 municipality two percent of the gross revenues from providing basic  
38 CATV service to subscribers in the municipality for the use of streets.

39 This bill amends section 51 of the act to increase penalties for  
40 violation of the act to \$10,000 as well as disgorgement of economic  
41 benefits received by persons committing violations of the act. The bill  
42 authorizes the BPU to suspend a violator's Statewide franchise for up  
43 to five years, or to revoke a violator's franchise. A person whose  
44 Statewide franchise is revoked would be barred for five years from  
45 reapplying for a new Statewide franchise. A cable television service  
46 franchisee who has failed to meet the six-year deadline for completion  
47 of a system capable of providing cable service to every municipality in

1 the State, or who has denied cable television service access to a group  
2 of potential residential subscribers on the basis of income level or  
3 other commercial desirability factors, shall be subject to revocation of  
4 the Statewide franchise and barred for five years from making a new  
5 application for a Statewide franchise.

6 The bill also amends the act to clarify eligibility for various  
7 discounts that may be offered to subscribers and to update and clarify  
8 certain provisions of the act.