

SENATE, No. 2912

STATE OF NEW JERSEY
211th LEGISLATURE

INTRODUCED DECEMBER 1, 2005

Sponsored by:

Senator JOSEPH V. DORIA, JR.

District 31 (Hudson)

SYNOPSIS

Authorizes a system-wide franchise for certain providers of cable television service.

CURRENT VERSION OF TEXT

As introduced.



S2912 DORIA

2

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 charges
23 for cable television system services without unjust discrimination,
24 undue preferences or advantages, or unfair or destructive competitive
25 practices, (4) to promote and encourage harmony between cable
26 television companies and their subscribers and customers, (5) to
27 protect the interests of the several municipalities of this State in
28 relation to the issuance of municipal consents for the operation of
29 cable television companies within their several jurisdictions, and to
30 secure a desirable degree of uniformity in the practices and operations
31 of cable television companies in those several jurisdictions; and (6) to
32 cooperate with other states and with the Federal Government in
33 promoting and coordinating efforts to regulate cable television
34 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. "System-wide 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 in which the company,
11 at the time of the issuance of the system-wide franchise, either has
12 plant or equipment in use for the provision of any consumer video,
13 cable or telecommunications service, including telephone service, or
14 has proposed to place such plant or equipment into use to provide
15 such service in accordance with a schedule of construction of the
16 necessary plant, as approved by the board in conjunction with the
17 issuance of the system-wide franchise.

18 s. "Local franchising authority" or "franchising authority" means a
19 governmental entity empowered by federal, State, or local law to grant
20 a franchise.

21 t. "Telecommunications service provider" or "telecommunications
22 provider" means any owner of facilities and equipment located in
23 public rights-of-way used to provide telecommunications services,
24 except that such term does not include aggregators of
25 telecommunications services.

26 u. "Telecommunications service" means the offering of
27 telecommunications for a fee directly to the public, or to such classes
28 of users as to be effectively available directly to the public, regardless
29 of the facilities used.

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

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

36

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

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

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

S2912 DORIA

7

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

3 5. The office shall be headed and administered by a director, who
4 shall be a person qualified by training and experience to perform the
5 duties of ~~his~~ the office, and shall receive such salary as shall be
6 ~~provided by law~~ determined by the President of the Board. The
7 director shall be appointed by the ~~board~~ President of the Board, and
8 shall serve at the pleasure of the ~~board~~ President of the Board.
9 (cf: P.L.1972, c.186, s.5)

10

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

13 6. The director under the supervision of the ~~board~~ the President
14 of the Board shall organize the work of the office and establish therein
15 such administrative subdivisions as ~~he~~ may ~~deem~~ be deemed
16 necessary, proper and expedient. ~~He~~ The director may formulate
17 ~~and adopt~~ rules and regulations for the board's consideration and
18 prescribe duties for the efficient conduct of the business, work and
19 general administration of the office. ~~He~~ The director may delegate
20 to subordinate officers or employees in the office such ~~of his~~ powers
21 as ~~he~~ may ~~deem~~ be deemed desirable, to be exercised under ~~his~~
22 the supervision and direction of the director.
23 (cf: P.L.1972, c.186, s.6)

24

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

27 7. Subject to the provisions of Title ~~11~~ 11A of the ~~Revised~~
28 New Jersey Statutes, and within the limits of funds appropriated or
29 otherwise made available, the director with the approval of the
30 ~~board~~ President of the Board may appoint such officers and
31 employees of the office as ~~he~~ may ~~deem~~ be deemed necessary for
32 the performance of its duties, and may fix and determine their
33 qualifications, duties and compensation, and may retain or employ
34 engineers and private consultants on a contract basis or otherwise for
35 rendering professional or technical service or assistance.
36 (cf: P.L.1972, c.186, s.7)

37

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

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

44 a. Receive or initiate complaints of the alleged violation of any of
45 the provisions of ~~this act~~ P.L.1972, c.186 (C.48:5A-1 et seq.) or of

1 any of the rules and regulations made pursuant to [this act] P.L.1972,
2 c.186 (C.48:5A-1 et seq.) or of the terms and conditions of any
3 municipal consent or franchise granted pursuant to [this act]
4 P.L.1972, c.186 (C.48:5A-1 et seq.); and for this purpose and all other
5 purposes necessary to enable [him] the director to administer the
6 duties of the office as prescribed by law may hold hearings and shall
7 have power to subpoena witnesses and compel their attendance,
8 administer oaths and require the production for examination of any
9 books or papers relating to any matter under investigation at any such
10 hearing;

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

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

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

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

32

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

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

40 a. Technical standards of performance for CATV systems and the
41 equipment and facilities thereof, including standards of maintenance
42 and safety, not inconsistent with applicable Federal regulations[.]:

43 b. The prohibition and prevention of the imposition of any unjust
44 or unreasonable, unjustly discriminatory or unduly preferential
45 individual or joint rate, charge or schedule for any service supplied or

1 rendered by a CATV company within this State, or the adoption or
2 imposition of any unjust or unreasonable classification in the making
3 or as the basis of any individual or joint rate, charge or schedule for
4 any service rendered by a CATV company within this State[.];

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

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

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

15 f. Procedures and forms for the application by CATV companies
16 to municipalities for amendment of rates or other terms and conditions
17 of municipal consents or franchises and, for the review by the director
18 of the terms of such amendments, and for the resolution by the
19 director of disputes between municipalities and CATV companies over
20 such applications;

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

44 The board through the office is hereby empowered and directed to
45 cooperate with any Federal regulatory agency in the enforcement

1 within this State of all Federal laws, rules, regulations and orders
2 relating to CATV systems and CATV companies, and therein to act as
3 agent for such Federal regulatory body to the extent authorized by or
4 pursuant to Federal law, and to enter into agreements for said purpose.
5 (cf: P.L.1972, c.186, s.10)

6
7 9. Section 11 of P.L.1972, c.186 (C.48:5A-11) is amended to read
8 as follows:

9 11. a. Except as provided in subsection g. of section 28 of [this
10 act] P.L.1972, c.186 (C.48:5A-28) with respect to rates to subscribers
11 to cable television reception service, the board through the office shall
12 prescribe just and reasonable rates, charges and classifications for the
13 services rendered by a CATV company, and the tariffs therefor shall
14 be filed and published in such manner and on such notice as the
15 director with the approval of the board may prescribe, and shall be
16 subject to change on such notice and in such manner as the director
17 with the approval of the board may prescribe.

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

31 c. Any hearing held pursuant to this section shall be open to the
32 public, and notice thereof shall be published by the [director] cable
33 television company at least 10 days prior thereto in a newspaper or
34 newspapers of general circulation [in each municipality comprised, in
35 whole or part,] in the certificated area wherein the rate schedule which
36 is the subject of the hearing applies. [Every municipality may
37 intervene in any hearing held by the director pursuant to this section
38 affecting the municipality or the public within the municipality.]

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

44 e. Whenever pursuant to the provisions of [this act] P.L.1972,
45 c.186 (C.48:5A-1 et seq.) the board or the director is required to

1 determine whether any of the rates, charges, fees, tariffs and
2 classifications of a CATV company subject to this section or to
3 subsection g. of section 28 of [this act] P.L.1972, c.186 (C.48:5A-28)
4 are unjust, unreasonable, discriminatory or unduly preferential, there
5 shall be taken into consideration any fees which are charged for the
6 use of a CATV system, or part thereof, as an advertising medium, or
7 for services ancillary to such use, and from which the CATV system
8 derives revenue, directly or indirectly, and the effect thereof upon, the
9 company's requirements for revenue from such fees, rates, charges,
10 tariffs and classifications subject to the provisions of this section.

11 (cf: P.L.1972, c.186, s.11)

12

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

15 2. Notwithstanding the provisions of P.L.1972, c.186 (C. 48:5A-1
16 et seq.) or of any other State law to the contrary, any CATV company
17 providing service may establish rates or schedules which provide for
18 a reduction or discount in rates for cable television reception service
19 for senior citizens [and], disabled citizens, or other economically
20 disadvantaged groups who meet the eligibility requirements of either
21 the "Pharmaceutical Assistance to the Aged and Disabled" program
22 pursuant to P.L.1975, c.94 (C.30:4D-20 et seq.) ,as amended and
23 supplemented; or are receiving or are eligible to receive benefits under
24 the Supplemental Security Income program, P.L.1973, c.256 (C.44:7-
25 85 et seq.); or are receiving disability insurance benefits under Title II
26 of the federal Social Security Act, 42 U.S.C. s.401 et seq. and meet
27 the income and residency requirements of the "Pharmaceutical
28 Assistance to the Aged and Disabled Program," established pursuant
29 to P.L.1975, c. 194 (C.30:4D-20 et seq.).

30 The Board of Public Utilities through the Office of Cable Television
31 shall adopt regulations for the prompt, fair and efficient establishment
32 and maintenance of these reduced or discounted rates and schedules.
33 Subscription to the "Tenants' Lifeline Assistance Program," established
34 pursuant to P.L.1981, c.210 (C.48:2-29.30 et seq.), or to the "Lifeline
35 Credit Program," established pursuant to P.L.1979, c.197 (C.48:2-
36 29.15 et seq.), shall not be a basis for exclusion from any reduction or
37 discount provided under this section, nor shall subscription to any
38 cable television service from such provider be a basis for exclusion
39 from the Tenants' Lifeline Assistance Program or the Lifeline Credit
40 Program.

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

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

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

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

10

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

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

25 (cf: P.L.1972, c.186, s.15)

26

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

29 16. a. The application for ~~[such]~~ a ~~[certificate of approval]~~
30 system-wide franchise from the board shall be in writing, ~~[shall have~~
31 ~~attached thereto the municipal consents required under section 22 of~~
32 ~~this act, except that a CATV company which is authorized under~~
33 ~~section 25 of this act to continue operations after the expiration of a~~
34 ~~municipal consent and pending municipal action upon application made~~
35 ~~for renewal or reissuance of such consent may in lieu of such~~
36 ~~municipal consent attach to its application a statement regarding its~~
37 ~~authorization to continue operations under the provisions of section~~
38 ~~25;]~~ and shall contain such ~~[other]~~ information as the director may
39 from time to time prescribe by duly promulgated rule, regulation or
40 order. Each such application shall be accompanied by a filing fee of
41 ~~[\$100.00]~~ \$1,000.

42 b. Upon receipt of such application, the board shall review the
43 same and shall, within ~~[30]~~45 days of the receipt thereof, ~~[either~~
44 ~~issue the certificate applied for or order the director to schedule a~~
45 ~~hearing upon the application]~~ schedule two public hearings to be held

1 in different geographical areas of the State during the 45-day review
2 period to consider the application submitted pursuant to subsection a.
3 of this section for a system-wide franchise. Upon the expiration of the
4 45-day period, the board shall issue an order in writing approving the
5 application if the applicant has complied with the requirements for a
6 system-wide franchise, or the board shall disapprove the application in
7 writing citing the reasons for disapproval if the board determines that
8 the application for a system-wide franchise is deficient. No application
9 shall be denied without a hearing thereon. In determining whether a
10 ~~[certificate]~~ system-wide franchise should ~~[issue]~~ be issued, the board
11 shall consider, in addition to the requirements of section 17 of
12 P.L.1972, c.186 (C.48:5A-17), among other things, public
13 convenience and necessity, the suitability and character of the
14 applicant, the financial responsibility of the applicant, and the ability
15 of the applicant to perform efficiently the proposed service and other
16 service which may be required by public convenience and necessity
17 during the term of the ~~[municipal consent]~~ system-wide franchise.
18 Upon receipt of a complaint from any person claiming to be aggrieved
19 by the issuance of a ~~[certificate]~~ system-wide franchise applied for,
20 the board shall not issue such ~~[certificate]~~ system-wide franchise
21 without a hearing thereon, if it deems that there is a reasonable ground
22 for such complaint, provided that such a hearing shall be held within
23 the 45-day review period required by this subsection.

24 c. ~~[If in its initial review of the application it shall appear to the~~
25 ~~board that any of the rates in the schedule of rates provided therein~~
26 ~~pursuant to subsection g. of section 28 of this act are or may be~~
27 ~~excessive, unreasonable, unjustly discriminatory or unduly preferential,~~
28 ~~it shall not issue a certificate without a hearing on such application, to~~
29 ~~be held by the director at the order of the board at which hearing the~~
30 ~~applicant CATV company may be required to establish to his~~
31 ~~satisfaction that such rates are just, reasonable and not excessive or~~
32 ~~unjustly preferential or discriminatory. After a hearing at which such~~
33 ~~justification of rates is required, upon notice and full opportunity to~~
34 ~~be heard afforded to the applicant CATV company, the director may,~~
35 ~~recommended that the schedule of rates aforesaid be amended and~~
36 ~~such amended schedule if approved by the board shall supersede and~~
37 ~~replace the schedule so amended.]~~ (Deleted by amendment,
38 P.L. , c.) (pending before the Legislature as this bill)

39 d. ~~[A hearing held pursuant to this section shall be held not later~~
40 ~~than the sixtieth day following the date of receipt of the application;~~
41 ~~it may be adjourned from time to time, but not to a date later than the~~
42 ~~sixtieth day following the date on which it commenced, except with~~
43 ~~the consent of the applicant. If such hearing is held, the director shall~~
44 ~~within 60 days after the conclusion thereof, transmit his findings of~~
45 ~~fact and recommendations to the board, which shall either issue or~~
46 ~~deny the certificate for which application was made, or may issue a~~
47 ~~certificate with such limitations and conditions as the public interest~~

1 may require. The board shall transmit notice of its decision to the
2 applicant.] (Deleted by amendment, P.L. , c.) (pending before the
3 Legislature as this bill)
4 (cf: P.L.1972, c.186, s.16)
5

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

8 17. a. The board shall issue a [certificate of approval] system-
9 wide franchise when, after reviewing the application, and after
10 [hearing if one is held] the hearings have been held pursuant to
11 section 16 of P.L.1972, c.186 (C.48:5A-16), the applicant establishes
12 to [its] the board's satisfaction that the applicant [has all the
13 municipal consents necessary to support the application, that such
14 consents and the issuance thereof are in conformity with the
15 requirements of this act, and that the applicant] has complied or is
16 ready, willing and able to comply with all applicable rules and
17 regulations imposed by or pursuant to State or federal law as
18 preconditions for engaging in [his] the applicant's proposed CATV
19 operations[; provided, that in the case of any application which has
20 omitted the attachment of municipal consent in the circumstance
21 provided for in subsection a. of section 16 of this act, the board shall
22 condition the issuance of the certificate upon the applicant's reasonably
23 prompt attainment of the omitted municipal consent or reasonably
24 prompt initiation of proceedings under subsection d. of this section].

25 b. [In considering any such application, the board shall take into
26 consideration the probable effects upon both the area for which
27 certification is sought and neighboring areas not covered in the
28 municipal consents; and if it finds that the probable effects, for
29 technical and financial reasons, would be to impede the development
30 of adequate cable television service, or create an unreasonable
31 duplication of services likely to be detrimental to the development of
32 adequate cable television service in any area either within or without
33 the area for which certification is sought, it may deny the certificate or
34 it may amend the certificate in issuing it so as to:

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

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

40 c. [No such certificate amended pursuant to subsection b. of this
41 section shall be issued except after hearing of which each affected
42 municipality shall be given notice and afforded opportunity to be
43 heard. No such amended certificate shall be issued which would
44 impair the terms of any existing certificate or of any municipal consent
45 upon which such existing certificate is based, except with the consent
46 of the holder of such existing certificate and of any municipality having
47 issued such municipal consent.] (Deleted by amendment, P.L. ,

1 c.) (pending before the Legislature as this bill)

2 d. [If a municipality shall arbitrarily refuse to grant the municipal
3 consent required under the terms of this act prerequisite to issuance of
4 a certificate, or to act upon an application for such municipal consent
5 within 90 days after such application is filed, then the applicant CATV
6 company may avoid the necessity of first obtaining such municipal
7 consent by showing to the satisfaction of the board that the municipal
8 consent is being arbitrarily withheld. But any CATV company
9 certificated without municipal consent shall nevertheless pay the
10 franchise tax to the municipality imposed under section 30 of this act.
11 An application for certificate filed pursuant to this subsection shall be
12 accompanied by a filing fee of \$200.00.] (Deleted by amendment,
13 P.L. , c.) (pending before the Legislature as this bill)

14 e. [If any municipality or county shall refuse to any CATV
15 company, whether the holder of a municipal consent from that
16 municipality or otherwise, any zoning variance or other municipal act
17 or authorization, or any county act or authorization, necessary to
18 permit such company to locate any facility of such company within
19 such municipality or county, or to install transmission facilities through
20 such municipality or county for the purpose of serving subscribers or
21 customers in any area for which such company has been issued a
22 certificate by the board, the company may apply to the board for an
23 order setting aside such municipal or county refusal and permitting
24 such location of facility or installation of transmission facilities as
25 requested by the company. An application pursuant to this subsection
26 shall be accompanied by a filing fee of \$200.00. The board, after
27 hearing upon notice and full opportunity for both the applicant and the
28 municipality or county to be heard, shall issue such order when it
29 appears to the board's satisfaction that such permission is necessary to
30 enable the company to provide safe, adequate and proper CATV
31 service to its customers or subscribers in the manner required by this
32 act, and that such location or installation will not adversely affect the
33 public health, safety and welfare.] (Deleted by amendment,
34 P.L. , c.) (pending before the Legislature as this bill)

35 f. [The director shall issue a certificate to any CATV company
36 lawfully engaged in the construction, extension or operation of a
37 CATV system on the effective date of this act, for the construction,
38 extension or operation then being conducted, without further review,
39 if application for such certificate is filed with the board within 90 days
40 after such effective date. The construction, extension or operation of
41 such a CATV system may be lawfully continued pending the filing of
42 such an application unless the director orders otherwise. An
43 application for such certificate which is untimely shall be determined
44 in accordance with the procedures prescribed in subsections a. through
45 d. of this section. A certificate issued under this subsection shall
46 expire five years from the date of issuance; and no CATV company
47 holding such certificate shall be authorized to continue its operations

1 after such expiration unless prior thereto it shall have obtained a
2 certificate under the procedures specified in subsections a. through d.
3 of this section, except that such a CATV company which has initiated
4 proceedings for certification under subsections a. through d. of this
5 section prior to the expiration of a certificate granted under this
6 subsection may continue its operations pending the final disposition of
7 such proceedings. An application pursuant to this subsection shall be
8 accompanied by a filing fee of \$50.00.] (Deleted by amendment,
9 P.L. , c.) (pending before the Legislature as this bill)
10 (cf: P.L.1986, c.163, s.1)

11

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

14 18. a. Any hearing held pursuant to the provisions of section 16
15 or section 17 of [this act] P.L.1972. c.186 (C.48:5A-16; C.48:5A-17)
16 shall be open to the public, and notice thereof shall be published by the
17 [director] applicant at least 10 days prior thereto in a newspaper or
18 newspapers of general circulation throughout the State [(1) if the
19 hearing is upon application for certification, in each municipality
20 comprised, in whole or part, in the area for which certification is
21 sought, or (2) if the hearing is upon an application under subsection e.
22 of section 17, in each municipality comprised in whole or part, in the
23 certificated area or area for which certification is sought, of the CATV
24 system of the applicant CATV company, and also each other
25 municipality whose refusal of municipal action or authorization is
26 involved in the application].

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

31 c. For the purpose of defraying the administrative expenses of
32 hearings held pursuant to section 16 or 17 of [this act] P.L.1972, c.
33 186 (C.48:5A-16; C.48:5A-17), the applicant CATV company shall be
34 required to pay to the Office of Cable Television a fee not in excess of
35 [\$50.00] \$500 per day of hearing or fraction thereof, according to
36 such fee schedule as the director shall from time to time adopt by rule.
37 Such fee shall be in addition to any filing fee imposed pursuant to
38 sections [17] 16 and 18 of [this act] P.L.1972. c.186 (C.48:5A-16;
39 C.48:5A-18); the amount shall be due and payable upon presentation
40 of an invoice.

41 d. All fees and charges collected under the provisions of section
42 16, 17 or 18 of [this act] P.L.1972. c.186 (C.48:5A-16; C.48:5A-
43 18) shall be received by the director for the sole use of the State, and
44 [he] the director shall report on and return to the State Treasurer all
45 such fees and charges collected [by him].

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

47

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

3 19. A **[certificate of approval]** system-wide franchise issued by the
4 board shall be nontransferable, except by consent of the board; **[shall**
5 **specify the area to which it applies and the municipal consents upon**
6 **which it is based,]** and shall be valid for 15 years from the date of
7 issuance or 20 years from the date of issuance if the board certifies
8 that a CATV company has implemented an open video system in
9 accordance with 47 U.S.C. s.573 **[within one year after receiving a**
10 **municipal consent, or until the expiration, revocation, termination or**
11 **renegotiation of any municipal consent upon which it is based,**
12 **whichever is sooner. But amendment of the terms of a municipal**
13 **consent by mutual consent and in conformity with the procedures**
14 **specified in this act during the term for which it was issued shall not**
15 **require the issuance of a new certificate of approval. A CATV**
16 **company holding a certificate based upon a municipal consent with a**
17 **provision for automatic renewal for a term not exceeding 10 years**
18 **beyond its expiration date or 15 years beyond its expiration date if the**
19 **board certifies that the CATV company has implemented an open**
20 **video system in accordance with 47 U.S.C. s.573, shall be entitled to**
21 **automatic reissuance of a certificate for such term, unless it shall**
22 **forfeit such entitlement by violation of any terms of this act,**
23 **regulations issued pursuant thereto, or by the terms of the municipal**
24 **consent]**. A system-wide franchise issued pursuant to P.L.1972, c.186
25 (C.48:5A-1 et seq.) shall not require a CATV company to operate
26 outside of the areas in which the company either has plant or
27 equipment in use for the provision of any consumer video, cable or
28 telecommunications service, or has proposed to place into use such
29 plant or equipment for the provision of such services in accordance
30 with a schedule of construction approved by the board. Renewal of a
31 system-wide franchise shall be valid for 15 years from the date of the
32 renewal issuance, and the board shall establish rules governing the
33 renewal of a system-wide franchise.

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

35

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

38 20. a. Upon obtaining the prior approval of the board, a CATV
39 company may construct and maintain the wires, cables, and conduits
40 necessary to its business upon, under or over any highway, and may
41 erect and maintain the necessary fixtures, including poles and posts,
42 for sustaining such wires and cables; provided, however, that such
43 wires, cables and fixtures shall be so placed or constructed as not to
44 unreasonably inconvenience public travel on the highway or the use
45 thereof by public utilities or other persons or organizations having
46 rights therein.

47 b. Whenever the **[Board]** board shall find that public convenience

1 and necessity require the use by a CATV company or a public utility
2 of the wires, cables, conduits, poles or other equipment, or any part
3 thereof, on, over or under any highway or any right-of-way and
4 belonging to another CATV company or public utility, and that such
5 use will not result in injury to the owner or other users of such
6 equipment or any right-of-way or in any substantial detriment to the
7 service, and that such CATV companies or public utilities have failed
8 to agree upon such use or the terms and conditions or compensation
9 for the same, the [office] board may order that such use be permitted
10 and prescribe a reasonable compensation and reasonable terms and
11 conditions for the joint use. If such use is ordered, the CATV
12 company or public utility to which the use is permitted shall be liable
13 to the owner or other users of such equipment for such damage as may
14 result therefrom to the property of such owner or other users thereof.
15 (cf: P.L.1972, c.186, s.20)

16

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

19 7. Within 30 days after the effective date of [this act] P.L. _____,
20 c. _____ (C. _____) (pending before the Legislature as this bill), the [Board of
21 Regulatory Commissioners] board shall notify the general manager of
22 every cable television company that, in order to receive notice by an
23 applicant pursuant to subsection h. of section 7.1 of P.L.1975, c.291
24 (C.40:55D-12), the cable television company shall register with any
25 municipality in which the cable television company has plant located
26 in a right-of-way or easement.
27 (cf: P.L.1991, c.412, s.7)

28

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

31 21. Upon the prior approval of the [Board] board, any person may
32 lease or rent or otherwise make available facilities or rights-of-way,
33 including pole space, to a CATV company for the redistribution of
34 television signals to or toward the customers or subscribers of such
35 CATV company. Any lease, rental or other method of making
36 available such facilities or rights-of-way, including pole space, which
37 is in effect on the effective date of [this act] P.L. _____, c. _____ (C. _____)
38 (pending before the Legislature as this bill) and which will be in effect
39 for a period of more than 120 days after [the effective] that date [of
40 this act] shall be submitted to the board for approval within 120 days
41 after [the effective] that date [of this act], and if such lease or rental
42 or other method is disapproved by the board it shall thereupon become
43 void. The terms and conditions, including rates and charges to the
44 CATV company, imposed by any public utility under any such lease,
45 rental or other method of making available such facilities or
46 rights-of-way, including pole space, to a CATV company shall be
47 subject to the jurisdiction of the [Board of Public Utility

1 Commissioners] board in the same manner and to the same extent that
2 rates and charges of public utilities generally are subject to the board's
3 jurisdiction by virtue of the appropriate provisions of Title 48 of the
4 Revised Statutes.

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

6

7 20. (New section) Municipal consents and certificates of approval
8 for applications to provide cable television services in a municipality
9 issued prior to the effective date of P.L. , c. (C.) (pending
10 before the Legislature as this bill) shall remain in effect until such time
11 as they may expire or until such time as the cable television company
12 is granted a renewal of the franchise as a system-wide franchise. Both
13 the municipality and the cable television company shall be bound by
14 the terms of the municipal consents and certificates of approval until
15 such time as the municipal consents and certificates of approval have
16 been converted or renewed into a system-wide franchise. A cable
17 television company with a franchise or franchises issued prior to the
18 effective date of P.L. , c. (C.) (pending before the Legislature
19 as this bill) may, if it wishes, seek early renewal of such franchise or
20 franchises as a system-wide franchise. All renewals, whether sought
21 early or at the expiration of the franchise, shall be consolidated under
22 a single system-wide franchise for each cable television company. No
23 further municipal consents or certificates of approval shall be issued
24 after the effective date of P.L. , c. (C.) (pending before the
25 Legislature as this bill). Nothing herein shall preclude a municipality
26 from enforcing its right-of-way management powers on a non-
27 discriminatory basis.

28

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

32 (1) begin providing cable television service on a commercial basis,
33 within three years of issuance of the system-wide franchise, in the sixty
34 municipalities having the greatest population density in the cable
35 television company's service area. Such population density
36 determination and rankings shall be based on the average population
37 density in all municipalities within the cable television company's
38 service area, as determined by the last decennial census prior to the
39 cable television company's application;

40 (2) make cable television service available throughout the
41 residential areas of any such municipalities within six years of the date
42 the company first provides cable television service on a commercial
43 basis directly to multiple subscribers within such municipalities,
44 provided, however, that such provision of service shall not be required
45 in: (a) areas where developments or buildings are subject to claimed
46 exclusive arrangements with other providers; (b) developments or
47 buildings that the cable television company cannot access under

1 commercially reasonable terms and conditions after good faith
2 negotiation; (c) developments or buildings in which the cable television
3 company is unable to provide cable television service for technical
4 reasons or which require non-standard facilities that cannot be
5 deployed on a commercially reasonable basis; or (d) areas where the
6 cable television company is unable to access the public rights-of-way
7 under reasonable terms and conditions;

8 (3) provide service to all groups of potential residential cable
9 television subscribers within a municipality for which a franchise has
10 been granted to the cable television company, without discrimination
11 on the basis of the incomes levels of the residents of the local area in
12 which such groups reside; and

13 (4) fully complete a system capable of providing cable television
14 service to all residents of a municipality for which a franchise has been
15 issued to the cable television company pursuant to the provisions of
16 P.L.1972, c.186 (C.48:5A-1 et seq.), subject to any line extension
17 rules, regulations or policies as set or approved by the board and the
18 requirements of paragraphs (1) through (3) of this subsection.

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

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

34

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

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

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

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

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

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

46 (cf: P.L.1972, c.186, s.26)

47

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]** system-wide
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 company 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 system-wide
30 franchise. In any event, the cable television company shall extend its
31 plant along public rights-of-way to all residences and businesses within
32 150 aerial feet of the operator's existing plant at no cost beyond the
33 normal installation rate, and to all residences and businesses within
34 100 underground feet of the operator's plant at no cost beyond the
35 normal installation rate, and shall set a minimum house per mile
36 density of no more than 35 homes per mile. This commitment shall be
37 in addition to any and all board orders and rules that impact upon the
38 extension of plant, including, but not limited to, the board's regulations
39 adopted 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 company, 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 companies
46 operating in a municipality shall provide interconnection to all other
47 cable television companies on reasonable terms and conditions and the

1 board shall adopt regulations for procedures by which disputes
2 between such cable television companies 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 system-wide franchise,
3 and shall form, in part, the foundation for the board's decision as to the
4 system-wide 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 system-wide 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 system-wide 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 system-wide franchise~~ shall conform to
16 applicable rules and regulations of the office; except that nothing in
17 ~~[this act] P.L.1972, c.186 (C.48:5A-1 et seq.)~~ shall be construed to
18 prevent an applicant from exceeding minimum requirements set by the
19 office, or offering facilities and services not required or forbidden by
20 such rules 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] system-wide~~
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 system-wide 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, a
40 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
35 similar 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]
13 P.L.1972, c.186 (C.48:5A-1 et seq.) or any rule, regulation or order
14 duly promulgated hereunder, shall be liable to a penalty of not more
15 than [\$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 system-wide franchise for a period of up to
28 five years, or may revoke a system-wide franchise. A person whose
29 franchise is revoked shall be barred from making a new application for
30 a system-wide franchise for five years from the date of revocation. In
31 the case of a cable television company that has failed to fully complete
32 a system capable of providing cable service in violation of section 21
33 of P.L. , c. (C.) (pending before the Legislature as this
34 bill), or that has denied cable television service access to a group of
35 potential residential subscribers on the basis of income level in
36 violation of section 21 of P.L. , c. (C.) (pending before
37 the Legislature as this bill), the company's system-wide franchise shall
38 be revoked, and the company shall be barred from making a new
39 application for a system-wide franchise for five years from the date of
40 revocation.

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

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

2

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

4

5 31. This act shall take effect immediately, but sections 1 through
6 30 shall be inoperative until the 90th day after enactment, except that
7 the board may take such anticipatory administrative action as may be
8 necessary to effectuate the purposes of P.L. , c. (C.) (pending
9 before the Legislature as this bill).

10

11

12 STATEMENT

13

14 The bill amends the State's "Cable Television Act," P.L.1972, c.186
15 (C.48:5A-1 et seq.) (the "act") to provide for the approval of system-
16 wide franchises for cable television companies to construct or operate
17 a cable system at any location within the State in which the company,
18 at the time of the issuance of the system-wide franchise, either has
19 plant or equipment in use for the provision of any consumer video,
20 cable or telecommunications service or has proposed to place such
21 plant or equipment into use to provide such service.

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

27 The bill amends section 3 of the act to clarify and expand a number
28 of definitions such as including in the definition of cable television
29 company, the facilities of either a telephone common carrier or an
30 electric public utility subject to BPU regulation, to the extent that such
31 facilities are used for transmission of video programming.

32 The bill also amends section 3 of the act to add certain definitions
33 and to clarify the meaning of terms such as system-wide franchise,
34 local franchising authority, telecommunications service and video
35 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 system-wide 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 system-wide 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 system-wide franchise from \$50 to \$500
2 per day to defray administrative expenses.

3 The bill amends section 19 of the act to provide that: (1) a system-
4 wide franchise shall not be transferable except by consent of the BPU;
5 (2) renewal of a system-wide franchise shall be valid for 15 years from
6 the renewal issuance date; and (3) the BPU shall establish rules
7 governing the renewal of system-wide 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 companies shall remain in effect until they expire or
11 until the CATV company is granted a system-wide franchise. Section
12 20 of the bill also provides that no further municipal consents or
13 certificates of approval shall be issued after the effective date of the
14 bill.

15 Section 21 of the bill requires that as part of any system-wide
16 franchise issued by the BPU, a CATV company shall be required to:

17 (1) begin providing cable television service on a commercial basis,
18 within three years of issuance of the system-wide franchise, in the sixty
19 municipalities having the greatest population density in the cable
20 television company's service area;

21 (2) make cable television service available throughout the
22 residential areas of any such municipalities within six years of the date
23 the company first provides cable television service on a commercial
24 basis directly to multiple subscribers within such municipalities, except
25 where it may be commercially unreasonable to do so;

26 (3) provide such service to all groups within a municipality for
27 which a franchise has been issued to the CATV company, without
28 discrimination on the basis of the income levels of the residents of the
29 municipality; and

30 (4) fully complete a CATV service system to provide service to all
31 residents of a municipality for which a franchise has been issued to the
32 CATV company, subject to line extension rules, regulations or policies
33 set or approved by the BPU and consistent with the other requirements
34 of the section.

35 Section 21 of the bill also allows any person affected by the
36 requirements of a system-wide franchise to initiate proceedings with
37 the BPU to determine whether there has been a denial of access and
38 authorizes the BPU to impose appropriate penalties to direct the
39 provider to comply with the system-wide franchise requirements.

40 Section 24 of the bill amends section 28 of the act to require that
41 an application for a system-wide franchise contain, in addition to other
42 information required by the director, a deployment schedule setting
43 forth the municipalities to be served, the dates that service shall begin
44 in each municipality and the dates by which the build out requirements
45 shall be met pursuant to the act.

46 In addition, section 24 of the bill requires a commitment from a
47 CATV company to:

1 (1) match or surpass any line extension policy in effect at the time
2 of the provider's application for a system-wide franchise, for the
3 duration of the franchise;

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

6 (3) provide, without charge, one basic service outlet and free
7 Internet service to fire stations, public schools, police stations, public
8 libraries and other municipal buildings; and

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

14 Section 27 of the bill amends section 30 of the act to require CATV
15 companies to pay:

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

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

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

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

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

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

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

41 The bill also amends section 30 of the act to provide that CATV
42 companies issued municipal consents and certificates of approval prior
43 to the effective date of the bill, shall pay to the municipality two
44 percent of the gross revenues from providing basic CATV service to
45 subscribers in the municipality for the use of streets.

46 This bill amends section 51 of the act to increase penalties for
47 violation of the act to \$10,000 as well as disgorgement of economic

S2912 DORIA

32

1 benefits received by persons committing violations of the act. The bill
2 authorizes the BPU to suspend a violator's system-wide franchise for
3 up to five years, or to revoke a violator's franchise. A person whose
4 system-wide franchise is revoked would be barred for five years from
5 reapplying for a new system-wide franchise. A cable television service
6 franchisee who has failed to complete a system capable of providing
7 cable service pursuant to the criteria set forth in section 21 of the bill
8 shall be subject to revocation of the system-wide franchise and barred
9 for five years from making a new application for a system-wide
10 franchise.

11 The bill also amends the act to clarify eligibility for various
12 discounts that may be offered to subscribers and to update and clarify
13 certain provisions of the act.