

ASSEMBLY, No. 2448

STATE OF NEW JERSEY

219th LEGISLATURE

INTRODUCED FEBRUARY 3, 2020

Sponsored by:

Assemblyman DANIEL R. BENSON

District 14 (Mercer and Middlesex)

SYNOPSIS

Requires certain CATV companies to make CATV service available throughout residential areas of municipality within specified number of years after CATV company first provides service to municipality.

CURRENT VERSION OF TEXT

As introduced.



1 AN ACT concerning certain cable television franchise agreement
2 service obligations and amending P.L.2006, c.83.

3
4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

6
7 1. Section 20 of P.L.2006, c.83 (C.48:5A-25.2) is amended to
8 read as follows:

9 20. a. As part of any system-wide franchise issued by the
10 board pursuant to P.L.1972, c.186 (C.48:5A-1 et seq.), a CATV
11 company shall be required to:

12 (1) begin providing cable television service on a commercial
13 basis, within three years of issuance of the system-wide franchise,
14 in:

15 (a) each county seat that is within the CATV company's service
16 area; and

17 (b) each municipality within the CATV company's service area
18 that has a population density greater than 7,111 persons per square
19 mile of land area, as determined by the most recent federal
20 decennial census prior to the enactment of P.L.2006, c.83 (C.48:5A-
21 25.1 et al.).

22 The requirements of this paragraph shall only apply to CATV
23 companies that on the date of the issuance of the system-wide
24 franchise provide more than 40 percent of the local exchange
25 telephone service market in this State;

26 (2) make cable television service available throughout the
27 residential areas of any such municipalities within six years of the
28 date the CATV company first provides cable television service on a
29 commercial basis directly to multiple subscribers within **[such]** that
30 central office area, subject to the CATV company's line extension
31 policy; provided, however, that **[such]** the provision of service
32 shall not be required in: (a) areas where developments or buildings
33 are subject to claimed exclusive arrangements with other CATV
34 companies; (b) developments or buildings that the CATV company
35 cannot access, using its standard technical solutions, under
36 commercially reasonable terms and conditions after good faith
37 negotiation; or (c) areas in which the CATV company is unable to
38 access the public rights-of-way under reasonable terms and
39 conditions. The requirements of this paragraph shall only apply to
40 CATV companies that on the date of the issuance of the system-
41 wide franchise provide more than 40 percent of the local exchange
42 telephone service market in this State. As used in this subsection,
43 "central office" has the same meaning as that term is defined in 47
44 C.F.R. Part 36, Appendix, and "central office area" means the towns
45 or portions of towns served by such central office;

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 (3) provide service within the CATV company's service area
2 where cable television service is being offered, without
3 discrimination against any group of potential residential cable
4 subscribers because of the income levels of the residents of the
5 local area in which such groups reside; and

6 (4) fully complete a system capable of providing cable
7 television service to all households within the CATV company's
8 service area where cable television service is being offered, subject
9 to the CATV company's line extension policy and the provisions of
10 paragraphs (1) through (3) of this subsection.

11 b. Any person affected by the requirements of subsection a. of
12 this section may seek enforcement of such requirements by
13 initiating a proceeding with the board. As used in this section, an
14 affected person includes a municipality within which the potential
15 residential subscribers referred to in subsection a. of this section
16 reside.

17 c. If the board determines that a CATV company has denied
18 access to cable television service to a group of potential residential
19 subscribers because of the income levels of the residents of the
20 local area in which **[such]** the group resides or has failed to meet
21 the requirements of paragraph (2) of subsection a. of this section,
22 the board is authorized to, after conducting a hearing with full
23 notice and opportunity to be heard, impose monetary penalties of
24 not less than \$50,000, nor more than \$100,000 per municipality, not
25 to exceed a total of \$3,650,000 per year for all violations. A
26 municipality in which the **[provider]** CATV company offers cable
27 television service shall be an appropriate party in any such
28 proceeding.

29 d. The board shall convene proceedings within 36 months after
30 the grant of the first issued system-wide franchise to examine the
31 effects of the entry of system-wide franchisees into the State's cable
32 television market, and shall, within six months of convening such
33 proceedings, report to the Legislature on the following: (1) the
34 extent of actual deployment of cable service by each system-wide
35 franchisee, including the income and race of persons in the areas
36 where such facilities were deployed; (2) the franchisee's effect on
37 choice in the marketplace; and (3) the effect that introduction of
38 system-wide competitors has had on consumers. The study shall be
39 transmitted to the Governor, the President of the Senate, the
40 Speaker of the General Assembly, the Minority Leader of the
41 Senate, the Minority Leader of the General Assembly, and the
42 members of the Senate Economic Growth Committee and the
43 Assembly Telecommunications and Utilities Committee, or their
44 respective successor committees.

45 e. As part of any system-wide franchise issued by the board
46 pursuant to P.L.1972, c.186 (C.48:5A-1 et seq.), a CATV company
47 that provides cable television service on a commercial basis within
48 any municipality not required to be served pursuant to subsection a.

1 of this section, shall be required to make cable television service
2 available throughout the residential areas of that municipality
3 within: (1) two years if, on the effective date of
4 P.L. , c. (C.) (pending before the Legislature as this bill),
5 the CATV company is providing cable television service on a
6 commercial basis directly to more than 25 percent of subscribers
7 within the municipality, subject to the CATV company's line
8 extension policy; and (2) five years if, on the effective date of
9 P.L. , c. (C.) (pending before the Legislature as this bill),
10 the CATV company is providing cable television service on a
11 commercial basis directly to less than 25 percent, but more than one
12 percent of subscribers within the municipality, subject to the CATV
13 company's line extension policy; provided, however, the provision
14 of service shall not be required in: (a) areas where developments or
15 buildings are subject to claimed exclusive arrangements with other
16 CATV companies; (b) developments or buildings that the CATV
17 company cannot access, using its standard technical solutions,
18 under commercially reasonable terms and conditions after good
19 faith negotiation; or (c) areas in which the CATV company is
20 unable to access the public rights-of-way under reasonable terms
21 and conditions.

22 (cf: P.L.2006, c.83, s.20)

23
24 2. This act shall take effect immediately, but shall remain
25 inoperative for 60 days following the date of enactment.
26

27 STATEMENT

28
29 This bill requires a cable television (CATV) company holding a
30 system-wide franchise issued by the Board of Public Utilities to make
31 CATV service available throughout the residential areas of those
32 municipalities not required to be served pursuant to current law within:
33 1) two years if, on the bill's effective date, the CATV company is
34 providing CATV service on a commercial basis directly to more than
35 25 percent of subscribers within the municipality; and 2) five years if,
36 on the bill's effective date, the CATV company is providing CATV
37 service on a commercial basis directly to less than 25 percent of
38 subscribers, but more than one percent of subscribers within the
39 municipality. This requirement is to be subject to the CATV
40 company's line extension policy and exempted from the requirement
41 in: 1) areas where developments or buildings are subject to claimed
42 exclusive arrangements with other CATV companies; 2) developments
43 or buildings that the CATV company cannot access, using its standard
44 technical solutions, under commercially reasonable terms and
45 conditions after good faith negotiation; or 3) areas in which the CATV
46 company is unable to access the public rights-of-way under reasonable
47 terms and conditions.
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