

[First Reprint]

**ASSEMBLY, No. 2139**

**STATE OF NEW JERSEY**  
**218th LEGISLATURE**

PRE-FILED FOR INTRODUCTION IN THE 2018 SESSION

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**Assemblyman NICHOLAS CHIARAVALLOTI**

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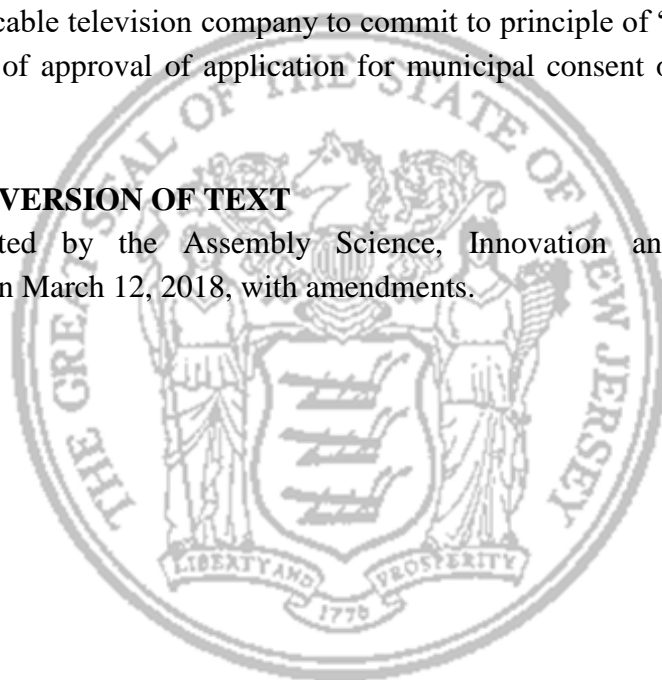
**Assemblywoman Murphy, Assemblyman Mukherji, Assemblywoman Swain, Assemblyman Tully, Assemblywoman Pinkin and Assemblyman Conaway**

**SYNOPSIS**

Requires cable television company to commit to principle of “net neutrality” as condition of approval of application for municipal consent or system-wide franchise.

**CURRENT VERSION OF TEXT**

As reported by the Assembly Science, Innovation and Technology Committee on March 12, 2018, with amendments.



**(Sponsorship Updated As Of: 6/21/2019)**

1 AN ACT concerning cable television service and amending  
2 P.L.1972, c.186.

3

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

6

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

9 28. Each application for a municipal consent or system-wide  
10 franchise shall contain:

11 a. A description of the initial area to be served.

12 b. A description of the proposed service in terms of the number of  
13 channels of cable television reception service.

14 c. Sufficient evidence that the applicant has the financial and  
15 technical capacity and the legal, character and other qualifications to  
16 construct, maintain and operate the necessary installations, lines and  
17 equipment and to provide the service proposed in a safe, adequate and  
18 proper manner.

19 d. Evidence of sufficient bond, or commitment therefor, with  
20 sureties to be approved by the office, in the penal sum of not less than  
21 \$25,000 for the faithful performance of all undertakings by the  
22 applicant as represented in the application; the sufficiency of which  
23 shall be subject to review by the director and approval by the board.

24 e. An undertaking to hold the board and all municipalities served  
25 harmless from any liability arising out of the applicant's operation and  
26 construction of its CATV system.

27 f. Evidence of sufficient insurance insuring the board, all  
28 municipalities served and the applicant with respect to all liability for  
29 any death, personal injury, property damage or other liability arising  
30 out of the applicant's construction and operation of its CATV system;  
31 the sufficiency of which shall be subject to review by the director and  
32 approval by the board. Such insurance shall be no less than: (1)  
33 \$150,000 for bodily injury or death to any one person, within the limit,  
34 however, of \$500,000 for bodily injury or death resulting from any one  
35 accident, (2) \$100,000 for property damage resulting from any one  
36 accident, and (3) \$50,000 for all other types of liability; the sufficiency  
37 of which shall be subject to review by the director and approval by the  
38 board.

39 g. A schedule of proposed rates for cable television reception  
40 service, which rates shall not be altered during the term for which the  
41 municipal consent is issued, except by application to the board for  
42 amendment of the terms and conditions of said consent after public  
43 hearing, subject to the rules of the office, review by the director and

**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.

Matter enclosed in superscript numerals has been adopted as follows:

<sup>1</sup>Assembly AST committee amendments adopted March 12, 2018.

1 approval by the board, or amendment pursuant to the provisions of  
2 subsection b. of section 11 of P.L.1972, c.186 (C.48:5A-11).

3 h. (1) With regard only to applications for a system-wide  
4 franchise, a commitment as to those municipalities that are served by a  
5 CATV company at the time of the application, to match or surpass any  
6 line extension policy operative at the time the system-wide franchise is  
7 granted and placed into effect prior to the enactment of P.L.2006, c.83  
8 (C.48:5A-25.1 et al.) by a local franchise or certificate of approval, for  
9 the duration of the system-wide franchise. In any event, the CATV  
10 company shall extend its plant along public rights-of-way to all  
11 residences and businesses within 150 aerial feet of the CATV  
12 company's existing plant at no cost beyond the normal installation rate,  
13 and to all residences and businesses within 100 underground feet of  
14 the CATV company's plant at no cost beyond the normal installation  
15 rate, and shall set a minimum house per mile density of not less than  
16 35 homes per square mile.

17 (2) This commitment shall be in addition to any and all board  
18 orders and rules that impact upon the extension of plant, except that  
19 such commitment shall supersede the board's regulations adopted as  
20 N.J.A.C.14:3-8.1 et seq., which shall not apply to CATV companies,  
21 including telecommunications service providers that have obtained a  
22 system-wide franchise.

23 i. With regard only to applications for a system-wide franchise, a  
24 commitment to provide to each municipality that is served by a CATV  
25 company, with two public, educational and governmental access  
26 channels. In the event that two or more access channels are requested  
27 by a municipality, the municipality shall demonstrate that its cable-  
28 related needs require the provision of such additional access channels.  
29 Any and all CATV companies operating in a municipality shall  
30 provide interconnection to all other CATV companies on reasonable  
31 terms and conditions, and the board shall adopt regulations for  
32 procedures by which disputes between such CATV companies shall be  
33 determined and expeditiously resolved. Each municipality or its non-  
34 profit designee shall assume responsibility for the management,  
35 operations and programming of the public, educational and  
36 governmental access channels.

37 j. With regard only to applications for a system-wide franchise, a  
38 commitment to install and retain or provide, without charge, one  
39 service outlet activated for basic service to any and all fire stations,  
40 public schools, police stations, public libraries, and other such  
41 buildings used for municipal purposes.

42 k. With regard only to applications for a system-wide franchise, a  
43 commitment to provide free Internet service, without charge, through  
44 one service outlet activated for basic service to any and all fire  
45 stations, public schools, police stations, public libraries, and other such  
46 buildings used for municipal purposes.

47 l. With regard only to applications for a system-wide franchise, a  
48 commitment to provide equipment and training for access users,

1 without charge, on a schedule to be agreed upon between the  
2 municipality and the CATV company.

3 m. With regard only to applications for a system-wide franchise, a  
4 commitment to provide a return feed from any one location in the  
5 municipality, without charge, to the CATV company's headend or  
6 other location of interconnection to the cable television system for  
7 public, educational or governmental use, which return feed, at a  
8 minimum, provides the ability for the municipality to cablecast live or  
9 taped access programming, in real time, as may be applicable, to the  
10 CATV company's customers in the municipality. No CATV company  
11 is responsible for providing a return access feed unless a municipality  
12 requests such a feed in writing. A CATV company that has  
13 interconnected with another CATV company may require the second  
14 CATV company to pay for half of the CATV company's absorbed  
15 costs for extension.

16 n. With regard only to applications for a system-wide franchise, a  
17 commitment to meet any consumer protection requirements applicable,  
18 pursuant to board regulations, to cable television companies operating  
19 under certificates of approval.

20 o. 1[If the] With regard to an application by a<sup>1</sup> CATV company  
21 'that<sup>1</sup> provides Internet service in this State, a commitment to provide  
22 Internet service that shall include:

23 (1) public disclosure to customers located in this State of accurate  
24 information regarding the network management practices and  
25 performance, and commercial terms of its Internet service;

26 (2) the prohibition of paid prioritization; and

27 (3) the grant of permission to customers located in this State to:

28 (a) access all lawful Internet content, applications, and services,  
29 and to use non-harmful Internet-enabled devices, without  
30 discrimination, subject to reasonable network management; and

31 (b) access all lawful Internet content, applications, and services,  
32 and to use non-harmful Internet-enabled devices, without the  
33 impairment or degradation of Internet access speeds, subject to  
34 reasonable network management.

35 (4) As used in this subsection: "paid prioritization" means the  
36 management of a CATV company' s Internet network to directly or  
37 indirectly favor some <sup>1</sup>data<sup>1</sup> traffic over other <sup>1</sup>data<sup>1</sup> traffic, including  
38 through use of techniques such as <sup>1</sup>data<sup>1</sup> traffic shaping, prioritization,  
39 resource reservation, or other forms of preferential <sup>1</sup>data<sup>1</sup> traffic  
40 management, either in exchange for consideration from a third party or  
41 to benefit an affiliated entity.

42 (cf: P.L.2006, c.83, s.23)

43

44 2. This act shall take effect immediately.