

ASSEMBLY, No. 1522

STATE OF NEW JERSEY

219th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2020 SESSION

Sponsored by:

Assemblyman KEVIN J. ROONEY

District 40 (Bergen, Essex, Morris and Passaic)

SYNOPSIS

Requires certain cable television companies renewing system-wide franchise to make cable television service available within certain municipalities.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



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 board
10 pursuant to P.L.1972, c.186 (C.48:5A-1 et seq.), a CATV company
11 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 **such** 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. Notwithstanding the provisions of paragraphs (1) and (2) of
46 subsection a. of this section, as part of any system-wide franchise
47 renewed by the board, pursuant to section 19 of P.L.1972, c.186
48 (C.48:5A-19), to a CATV company that operates as an incumbent
49 local exchange carrier providing, on the effective date of

1 P.L. , c. (C.) (pending before the Legislature as this bill),
2 more than 40 percent of the local exchange service market within its
3 telephone franchise area in this State, the CATV company shall be
4 required, within eight years of the effective date of
5 P.L. , c. (C.) (pending before the Legislature as this bill),
6 to make cable television service available throughout a municipality
7 located within its telephone franchise area that has a population
8 greater than 54,000 and a population density greater than 2,300
9 persons per square mile according to the latest federal decennial
10 census, and is a municipality not required to be served pursuant to
11 subsection a. of this section. The requirement for cable television
12 service pursuant to this subsection shall be subject to the CATV
13 company's line extension policy; provided, however, the provision
14 of cable television service shall not be required in: (1) areas where
15 developments or buildings are subject to claimed exclusive
16 arrangements with other CATV companies; (2) developments or
17 buildings that the CATV company cannot access, using its standard
18 technical solutions, under commercially reasonable terms and
19 conditions after good faith negotiation; or (3) areas in which the
20 CATV company is unable to access the public rights-of-way under
21 reasonable terms 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 28 STATEMENT

29
30 This bill requires, a cable television (CATV) company receiving
31 a system-wide franchise that operates as an incumbent local
32 exchange carrier providing, on the effective date of the bill, more
33 than 40 percent of the local exchange service market within its
34 telephone franchise area in New Jersey, within eight years of the
35 effective date of the bill, to make CATV service available
36 throughout a municipality located within its telephone franchise
37 area that has a population greater than 54,000 and a population
38 density greater than 2,300 persons per square mile according to the
39 latest federal decennial census, and the municipality is not required
40 to be served pursuant to law. The requirement for CATV service
41 under the bill is subject to the CATV company's line extension
42 policy; provided, however, the provision of CATV service is not
43 required in: 1) areas where developments or buildings are subject to
44 claimed exclusive arrangements with other CATV companies; 2)
45 developments or buildings that the CATV company cannot access,
46 using its standard technical solutions, under commercially
47 reasonable terms and conditions after good faith negotiation; or 3)
48 areas in which the CATV company is unable to access the public
49 rights-of-way under reasonable terms and conditions.