

ASSEMBLY, No. 4874

STATE OF NEW JERSEY 219th LEGISLATURE

INTRODUCED OCTOBER 26, 2020

Sponsored by:

Assemblyman RONALD S. DANCER

District 12 (Burlington, Middlesex, Monmouth and Ocean)

SYNOPSIS

Requires certain CATV companies issued system-wide franchise agreement to make CATV service available throughout its franchise area.

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】** Notwithstanding any other law, rule, order, or
10 regulation to the contrary, as part of any system-wide franchise
11 issued by the board pursuant to P.L.1972, c.186 (C.48:5A-1 et seq.),
12 a CATV company shall be required to:

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

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

18 (b) each municipality within the CATV company's service area
19 that has a population density greater than 7,111 persons per square
20 mile of land area, as determined by the most recent federal
21 decennial census prior to the enactment of P.L.2006, c.83 (C.48:5A-
22 25.1 et al.) **【provide cable television service on commercial basis**
23 **throughout every municipality in its franchise area within five years**
24 **of the effective date of P.L. , c. (C.) (pending before the**
25 **Legislature as this bill) or within five years of the issuance of the**
26 **system-wide franchise, whichever date is later 【.**

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

31 (2) make cable television service available throughout the
32 residential areas of any such municipalities within six years of the
33 date the CATV company first provides cable television service on a
34 commercial basis directly to multiple subscribers within such
35 central office area, subject to the CATV company's line extension
36 policy**【; provided, however, that 【such】 the provision of cable**
37 **television service shall not be required in:** (a) areas where
38 developments or buildings are subject to claimed exclusive
39 arrangements with other CATV companies; (b) developments or
40 buildings that the CATV company cannot access, using its standard
41 technical solutions, under commercially reasonable terms and
42 conditions after good faith negotiation; or (c) areas in which the
43 CATV company is unable to access the public rights-of-way under
44 reasonable terms and conditions. The requirements of this

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 paragraph shall only apply to CATV companies that on the date of
2 the issuance of the system-wide franchise provide more than 40
3 percent of the local exchange telephone service market in this State.
4 As used in this subsection, "central office" has the same meaning as
5 that term is defined in 47 C.F.R. Part 36, Appendix, and "central
6 office area" means the towns or portions of towns served by such
7 central office;

8 **[(3)] (2)** provide service within the CATV company's service
9 area where cable television service is being offered, without
10 discrimination against any group of potential residential cable
11 subscribers because of the income levels of the residents of the
12 local area in which such groups reside; **[and]**

13 **[(4)] (3)** fully complete a system capable of providing cable
14 television service to all households within the CATV company's
15 service area where cable television service is being offered, subject
16 to the CATV company's line extension policy and the provisions of
17 paragraphs (1) through (3) of this subsection **[.] and;**

18 (4) The requirements of this subsection shall only apply to
19 CATV companies that on the date of the issuance of the system-
20 wide franchise provide more than 40 percent of the local exchange
21 telephone service market in this State.

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

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

40 d. The board shall convene proceedings within 36 months after
41 the grant of the first issued system-wide franchise to examine the
42 effects of the entry of system-wide franchisees into the State's cable
43 television market, and shall, within six months of convening such
44 proceedings, report to the Legislature on the following: (1) the
45 extent of actual deployment of cable service by each system-wide
46 franchisee, including the income and race of persons in the areas
47 where **[such]** the facilities were deployed; (2) the franchisee's

1 effect on choice in the marketplace; and (3) the effect that
2 introduction of system-wide competitors has had on consumers.
3 The study shall be transmitted to the Governor, the President of the
4 Senate, the Speaker of the General Assembly, the Minority Leader
5 of the Senate, the Minority Leader of the General Assembly, and
6 the members of the Senate Economic Growth Committee and the
7 Assembly Telecommunications and Utilities Committee, or their
8 respective successor committees.

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

10
11 2. This act shall take effect immediately, but shall remain
12 inoperative for 90 days following the date of enactment.

13
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15 STATEMENT

16
17 This bill requires a cable television (CATV) company holding a
18 system-wide franchise issued by the New Jersey Board of Public
19 Utilities to provide CATV service throughout its franchise area
20 within five years of this bill's effective date or within five years of
21 the issuance of the system-wide franchise, whichever date is later.

22 This requirement would not apply to: 1) areas where
23 developments or buildings are subject to claimed exclusive
24 arrangements with other CATV companies; 2) developments or
25 buildings that the CATV company cannot access, using its standard
26 technical solutions, under commercially reasonable terms and
27 conditions after good faith negotiation; or 3) areas in which the
28 CATV company is unable to access the public rights-of-way under
29 reasonable terms and conditions.

30 Current law requires a CATV company issued a system-wide
31 franchise to provide CATV service only to certain municipalities
32 within its franchise area. It is the sponsor's view that certain CATV
33 companies that have been granted a system-wide franchise,
34 pursuant to section 20 of P.L.2006, c.83, made representations that
35 they would provide CATV service throughout their service area and
36 that the CATV companies have not met the public's expectations
37 concerning CATV service.