

1	(New Draft of S.P. 745, L.D. 2048)
2 3	SECOND REGULAR SESSION
4 5	ONE HUNDRED AND ELEVENTH LEGISLATURE
6 7	Legislative Document No. 2423
8 9 . 10 11	S.P. 903 In Senate, April 3, 1984 Reported by Senator Emerson of Penobscot from the Committee on Public Utilities and printed Joint Rule 2. JOY J. O'BRIEN, Secretary of the Senate
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13 14	STATE OF MAINE
15 16 17	IN THE YEAR OF OUR LORD NINETEEN HUNDRED AND EIGHTY-FOUR
18 19 20	AN ACT Regarding Franchising and Regulation of Cable Television Systems.
21 . 22	Be it enacted by the People of the State of Maine as follows:
23 24	Sec. 1. 30 MRSA §2151, sub-§2, ¶H, as amended by PL 1975, c. 623, §45-C, is repealed.
25 26	Sec. 2. 30 MRSA §2151, sub-§2, ¶I, as enacted by PL 1973, c. 676, §3, is repealed.
27 28	Sec. 3. 30 MRSA §2151, sub-§2, ¶J, as enacted by PL 1981, c. 308, is repealed.
29 30	Sec. 4. 30 MRSA §2151, sub-§2, ¶L is enacted to read:
31 32	L. Governing cable television, as provided in section 2158.

- 1 Sec. 5. 30 MRSA §2158 is enacted to read:
- 2 §2158. Cable television
- 3 <u>1. State policy. It is the policy of this State,</u> 4 with respect to cable television:

5 A. To affirm the importance of municipal control 6 of franchising and regulation in order to assure 7 that the needs and interests of local citizens 8 are adequately met;

9 B. That each municipality, when acting to dis-10 place competition with regulation in the area of 11 cable television, shall proceed according to the 12 judgment of the municipal officers as to the type 13 and degree of regulatory activity deemed to be in 14 the best interests of its citizens; and

15 C. To provide adequate statutory authority to 16 municipalities to make franchising and regulatory 17 decisions to implement this policy and to avoid 18 the costs and uncertainty of lawsuits challenging 19 that authority.

20 2. Ordinances. A municipality may enact any or-21 dinances, not contrary to this chapter, governing 22 franchising and regulation of cable television sys-23 tems using public ways. Systems located in accordance 24 with those ordinances, franchises and regulations are 25 not defects in public ways.

The municipal officers of towns shall have exclusive power to enact all ordinances authorized by this section. Seven days' notice of the meeting at which those ordinances are to be proposed shall be given in the manner provided for town meetings and those ordinances shall be effective immediately.

32 3. General requirements. The following require 33 ments apply generally to cable television systems
 34 governed by this section.

A. Any cable television system shall be con structed and operated in accordance with Federal
 Communications Commission regulations.

B. No cable television company, notwithstanding any provision in a franchise, may abandon service or portion thereof without having given 6 months' prior written notice to the franchising municipality, if any, and to the municipalities affected by that abandonment. When abandonment of any service is prohibited by a municipal franchise, no cable television company may abandon that service without written consent of the municipal officers. Any cable television company which violates this paragraph shall be subject to a fine of \$50 a day for each day that the violation continues.

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C. Neither the cable television company whose facilities are used to transmit a program produced by a person other than the cable television company, pursuant to Federal Communications Commission regulations or municipal ordinance, nor the officers, directors or employees of any such cable television company shall be liable for damages arising from any obscene or defamatory statements or actions or invasion of privacy occurring during any program when that company does not originate or produce the program.

D. Notwithstanding any other provisions of this chapter, any permit to provide a cable television system issued prior to July 1, 1965, without a fixed termination date, shall be deemed to expire 29 on September 18, 1996, unless an earlier expiration date is mutually agreed upon by the munici-pality and the permit holder. These cable televi-30 31 sion systems, as a condition of franchise, shall be operated in such a manner as to provide safe, adequate and reliable service to subscribers.

36 E. A municipality shall be entitled to injunc-37 tive relief in addition to any other remedies available by law to protect any rights conferred 38 39 upon the municipality by this section or any or-40 dinances enacted under this section.

41 4. Franchise procedures. Pursuant to subsection 42 a municipality may enact ordinances governing the 43 procedures for granting cable television franchises.

These ordinances must be enacted prior to granting 1 any such franchise or franchises and shall be de-2 3 signed to assure that the terms and conditions of a franchise will adequately protect the needs and in-4 5 terests of the municipality. The ordinances shall in-6 clude, but are not limited to, provisions for the 7 following: A. A mechanism for determining special local 8 9 needs or interests before issuance of a request 10 for proposals, whether by actively seeking to determine those needs or interests, or by allowing 11 12 a period for public comment on a proposed request 13 for proposals; 14 B. The filing of franchise applications and related documents as public records, with reason-15 able notice to the public that the records are 16 17 open to inspection during reasonable hours; 18 C. A reasonable opportunity for public input 19 prior to granting franchises; and 20 D. The assessment of reasonable fees to defray the costs of public notice, advertising and other 21 22 expenses incurred by the municipality in acting 23 upon applications. 24 5. Franchise agreements or contracts. The State specifically authorizes municipal officers pursuant to ordinances to contract on such terms and condi-25 26 27 tions and impose such fees as are in the best interests of the municipality, including the grant of ex-clusive or nonexclusive franchises for a period not 28 29 to exceed 15 years, for the placing and maintenance 30 31 of cable television systems and appurtenances, or parts thereof, along public ways and including con-32 33 tracts with cable television companies which receive 34 the services of television signal transmission of-35 fered by any public utilties using public ways for 36 such transmission. No public utility may be required to contract with the municipal officers pursuant to 37 this subsection. Each franchise shall contain the 38 39 following provisions:

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A. The area or areas to be served;

1 B. A line extension policy;

2 <u>C. A provision for renewal, the term of which</u> 3 <u>shall not exceed 15 years;</u>

- D. Procedures for the investigation and resolu tion of complaints by the cable television compa ny; and
- 5 E. Such other terms and conditions which are in
 8 the best interests of the municipality.

9 <u>6. Current ordinances and agreements. This sec-</u> 10 <u>tion shall not be construed to invalidate any ordi-</u> 11 <u>nance, franchise or agreement in effect or under con-</u> 12 sideration on the effective date of this section.

- 13 Sec. 6. 35 MRSA §256 is amended to read:
- 14 §256. Joint use of equipment

15 Whenever the commission, after a hearing had upon 16 its own motion or upon complaint of a public utility 17 or cable television system affected, shall find that 18 public convenience and necessity require the use by 19 one public utility or cable television system of the conduits, subways, tracks, wires, poles, pipes or other equipment, or any part thereof, on, over or un-20 21 22 der any street or highway and belonging to another 23 public utility or cable television system, and that such use will not result in irreparable injury to the 24 25 owner or other users of such conduits, subways, tracks, wires, poles, pipes or other equipment or in 26 27 any substantial detriment to the service, and that 28 such public utilities or cable television system have failed to agree upon such use or the terms and condi-29 30 tions or compensation for the same, the commission 31 may by order direct that such use be permitted and prescribe a reasonable compensation and reasonable 32 33 terms and conditions for the joint use. If such use 34 be directed, the public utility or cable television 35 system to whom the use is permitted shall be liable 36 the owner or other users of such conduits, subto 37 ways, tracks, wires, poles, pipes or other equipment for such damage as may result therefrom to the prop-38 39 erty of such owner or other users thereof. Any ac-40 tions taken or orders issued by the commission under

this section shall take into account the interests of 1 the subscribers of the affected cable television sys-2 3 tem, as well as the customers of the affected public 4 utilities. 5 Sec. 7. 35 MRSA §2362 is enacted to read: 6 §2362. Public Utilities Commission regulation Cable television companies, to the extent they 7 offer services like those of telephone companies sub-8 ject to regulation by the Public Utilities Commis-sion, shall be subject to the commission's jurisdic-9 10 11 tion over rates, charges and practices, as provided in this Title. 12 13 STATEMENT OF FACT 14 The new draft deletes provisions in the bill for Public Utilities Commission's review of 15 local 16 franchising of cable television. It does establish a clear state policy of municipal regulation, including 17 option of awarding exclusive or nonexclusive 18 the 19 franchises, so that municipalities will be immune 20 from antitrust suits if they award such franchises. 21 The new draft states clearly in the Revised Statutes, Title 35, section 2362, that cable television 22 23 companies are subject to Public Utilities Commis-24 sion's regulation when they offer services like those 25 services offered by telephone companies which are so 26 regulated. 27 The new draft gives the Public Utilities Commission jurisdiction over pole attachments involving ca-28 29 ble television companies and public utilities, when the parties fail to reach agreement. 30 31 6474032784