

# MAINE STATE LEGISLATURE

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# 122nd MAINE LEGISLATURE

## FIRST REGULAR SESSION-2005

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Legislative Document

No. 205

H.P. 156

House of Representatives, January 13, 2005

**An Act Providing for Regulation of the Cable Television Industry by  
the Public Utilities Commission**

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Reference to the Committee on Utilities and Energy suggested and ordered printed.

*Millicent M. MacFarland*  
MILLICENT M. MacFARLAND  
Clerk

Presented by Representative GERZOFKY of Brunswick.

Under suspension of the rules, cosponsored by President EDMONDS of Cumberland and Representatives: ADAMS of Portland, BURNS of Berwick, CROSBY of Topsham, DUDLEY of Portland, DUPLESSIE of Westbrook, LERMAN of Augusta, O'BRIEN of Lewiston, PINEAU of Jay, Speaker RICHARDSON of Brunswick, RINES of Wiscasset, SMITH of Monmouth, TRAHAN of Waldoboro, TWOMEY of Biddeford, WHEELER of Kittery, Senators: BRYANT of Oxford, MAYO of Sagadahoc, PERRY of Penobscot.

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3 **Be it enacted by the People of the State of Maine as follows:**

4 **Sec. 1. 35-A MRSA §8301**, as enacted by PL 1987, c. 141, Pt.  
A, §6, is amended to read:

6 **§8301. Public Utilities Commission regulation**

8 Cable television companies, to the extent they offer  
9 services like those of telephone utilities subject to regulation  
10 by the commission, ~~shall--be~~ are subject to the commission's  
11 jurisdiction over rates, charges and practices, as provided in  
12 this Title.

14 In accordance with 47 United States Code, Sections 532 and  
15 543, the commission shall regulate basic service tier rates and  
16 services provided by any cable system that is not subject to  
17 effective competition. The commission by rule shall establish  
18 appropriate procedures for conducting the regulation.

20 **Sec. 2. 35-A MRSA §§8303 to 8306** are enacted to read:

22 **§8303. Service, product or rate change; hearing; complaint**

24 **1. Hearing and opportunity to comment.** Prior to increasing  
25 a rate or changing a service or product, whether proposed by the  
26 cable system operator or by a municipality, a cable system  
operator shall:

28 A. Notify all affected customers of the proposed increase or  
29 change at least 120 days prior to the effective date of the  
30 proposed increase or change to allow customers to provide  
31 comments;

34 B. Hold a public hearing in accordance with this paragraph  
35 and any rules adopted by the commission. The public  
36 hearing must be held at a time and location convenient to  
37 the customers affected by the proposed increase or change,  
38 and notice of the hearing must be sent to all customers  
39 affected by the proposed increase or change at least 5  
40 business days prior to the date of the hearing;

42 C. Within 10 days following the public hearing, respond in  
43 writing to all affected customers to any complaints,  
44 criticisms or proposals raised during the public hearing and  
45 explain any changes the operator will make as a result of  
46 the complaints, criticisms or proposals; and

48 D. After the hearing but no less than 90 days prior to the  
49 effective date of any increase or change, notify all  
50 affected customers of the final proposed increase or change.

2       **§8304. Petition; regulation**

4           **1. Petition and review.** Within 60 days of receiving notice  
6 of a final proposed increase in a rate or change in a product or  
8 service pursuant to section 8303, subsection 1, paragraph D, 10  
10 or more customers affected by the increase or change may file a  
12 petition with the commission to review the increase or change.  
In response to the petition, the commission may review the  
increase or change to assess its reasonableness. If the petition  
is signed by 25 or more customers, the commission shall review  
the increase or change.

14           **2. Commission review.** If the commission, in its review  
16 under subsection 1 of a final proposed increase in a rate or  
18 change in a product or service finds that the increase or change  
is unreasonable or poses an unreasonable hardship on customers,  
the commission shall petition the Federal Communications  
Commission:

20           **A. To stay the unreasonable increase or change pending**  
22 **review by the Federal Communications Commission; and**

24           **B. To evaluate the commission's findings and recommendations**  
26 **on the matter and to direct the cable system operator and,**  
28 **as applicable, the franchising authority to revise the**  
**increase or change in accordance with the commission's**  
**recommendations.**

30       **§8305. Commission rules**

32           The commission may adopt rules necessary to implement this  
34 chapter. Rules adopted pursuant to this chapter are routine  
36 technical rules as defined in Title 5, chapter 375, subchapter  
2-A.

38       **§8306. Cable system assessment; fund; distribution**

40           The Cable Regulation Reimbursement Fund is established as a  
42 nonlapsing fund to provide funds to pay the costs incurred by the  
44 commission and municipalities in regulating the rates, products  
46 and services of cable systems. The commission shall assess cable  
48 system operators in an equitable manner to provide necessary  
50 funds for the Cable Regulation Reimbursement Fund. The  
commission shall by January 1st of each year provide an  
accounting of its assessments under this section and the amounts  
spent by the commission and distributed to municipalities. The  
commission by rule shall establish the standards and procedures  
for the disbursement of funds to municipalities under this  
section.

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## SUMMARY

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4 This bill subjects basic tier service rates and services of  
6 cable systems to regulation by the Public Utilities Commission.  
8 The bill also establishes hearing and complaint procedures for  
10 rate increases or product or service changes by a cable system  
operator and directs the Public Utilities Commission, on petition  
of 25 or more customers, to petition the Federal Communications  
Commission to address any increases or changes if the Public  
Utilities Commission finds them to be unreasonable.