

MAINE STATE LEGISLATURE

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No. 420

H.P. 336

House of Representatives, January 29, 2007

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

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.
Cosponsored by Senator STRIMLING of Cumberland and
Representatives: ADAMS of Portland, BLANCHETTE of Bangor, BLISS of South Portland,
CANAVAN of Waterville, FLETCHER of Winslow, KOFFMAN of Bar Harbor, RAND of
Portland, RINES of Wiscasset.

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

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

4 **§8301. Public Utilities Commission regulation**

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

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

12 **Sec. 2. 35-A MRSA §8303** is enacted to read:

13 **§8303. Service, product or rate change; hearing; complaint**

14 **1. Hearing and opportunity to comment.** Prior to increasing a rate or changing a
15 service or product, whether proposed by the cable television system operator or by a
16 municipality, a cable television system operator shall:

17 A. Notify all affected customers of the proposed increase or change at least 120 days
18 prior to the effective date of the proposed increase or change to allow customers to
19 provide comments;

20 B. Hold a public hearing in accordance with this paragraph and any rules adopted by
21 the commission. The public hearing must be held at a time and location convenient
22 to the customers affected by the proposed increase or change, and notice of the
23 hearing must be sent to all customers affected by the proposed increase or change at
24 least 5 business days prior to the date of the hearing;

25 C. Within 10 days following the public hearing, respond in writing to all affected
26 customers to any complaints, criticisms or proposals raised during the public hearing
27 and explain any changes the cable television system operator will make as a result of
28 the complaints, criticisms or proposals; and

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

32 **Sec. 3. 35-A MRSA §8304** is enacted to read:

33 **§8304. Petition; regulation**

34 **1. Petition and review.** Within 60 days of receiving notice of a final proposed
35 increase in a rate or change in a product or service pursuant to section 8303, subsection 1,
36 paragraph D, 10 or more customers affected by the increase or change may file a petition
37 with the commission to review the increase or change. In response to the petition, the

1 commission may review the increase or change to assess its reasonableness. If the
2 petition is signed by 25 or more customers, the commission shall review the increase or
3 change.

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

8 A. To stay the unreasonable increase or change pending review by the Federal
9 Communications Commission; and

10 B. To evaluate the commission's findings and recommendations on the matter and to
11 direct the cable television system operator and, as applicable, the franchising
12 authority to revise the increase or change in accordance with the commission's
13 recommendations.

14 **Sec. 4. 35-A MRSA §8305** is enacted to read:

15 **§8305. Commission rules**

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

19 **Sec. 5. 35-A MRSA §8306** is enacted to read:

20 **§8306. Cable television system assessment; fund; distribution**

21 The Cable Regulation Reimbursement Fund is established as a nonlapsing fund to
22 provide funds to pay the costs incurred by the commission and municipalities in
23 regulating the rates, products and services of cable television systems. The commission
24 shall assess cable television system operators in an equitable manner to provide necessary
25 funds for the Cable Regulation Reimbursement Fund. The commission shall by January
26 1st of each year provide an accounting of its assessments under this section and the
27 amounts spent by the commission and distributed to municipalities. The commission by
28 rule shall establish the standards and procedures for the disbursement of funds to
29 municipalities under this section.

30 **SUMMARY**

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