

SACRAMENTO METROPOLITAN



Cable Television Commission

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RICHARD E. ESPOSTO
EXECUTIVE DIRECTOR

BILL NO. AB 2929

DATE: April 19, 1990

AUTHOR Moore

TO: Law and Legislation Committee

AMENDMENT DATE 4-16
Position Revised

To what extent does this Bill affect our operation?

significantly slightly No Impact May Affect _____dept(s)

EXISTING LAW AND DEPARTMENTAL PRACTICE:

Federal law allows local jurisdictions to promulgate their own customer service standards.

PROPOSED LAW AND EFFECT ON DEPARTMENTAL PRACTICE:

This Bill establishes State level customer service standards for complaint procedure notification, account delinquency disconnects and mandates an "optionally priced" service tier on VHF channels 2-13. This Bill is too weak to be a Bill of Rights and should be amended to minimally:

- a) Not preempt local consumer standards which are more stringent than those in the Bill, as well as any enforcement provisions for fines or liquidated damages; and
- b) Provide for Lifeline services of a specified amount, rather than optionally priced, including Public, Educational, and Government access channels.

On an April 16, 1990 conference call (originated by Commission staff), the following regulators concurred in this position:

City of Bell	City of Berkeley
City of Foster City	City of Fremont
City of Garden Grove	County of Los Angeles
Contra Costa County	City of Oakland
County of El Dorado	Santa Barbara County
City of Thousand Oaks	City of West Hollywood

FISCAL IMPACT:

none

RECOMMENDATION:

SUPPORT OPPOSE NEUTRAL

(Passed out of Utilities and Commerce April 16, 1990)

RICH ESPOSTO, Executive Director
Sacramento Metropolitan Cable
Television Commission

ASSEMBLY BILL**No. 2929****Introduced by Assembly Member Moore**

February 14, 1990

An act to add Division 8 (commencing with Section 19000) to the Public Utilities Code, relating to cable television.

LEGISLATIVE COUNSEL'S DIGEST

AB 2929, as introduced, Moore. Cable television.

(1) Existing law empowers any city or county or city and county in the state to authorize by franchise or license the construction of a community antenna television system. Existing law, which is operative until January 1, 1991, permits the legislative body or bodies having jurisdiction over the franchise area to establish procedures, by ordinance, providing for resolution of individual consumer complaints against community antenna television systems.

This bill would enact the Cable Consumers' Bill of Rights. It would require every cable television operator furnishing cable television service to allow every residential customer at least 19 days from the date of mailing its bill for services to pay the charges demanded. It would also require notice of delinquency and impending termination to be given at least 10 days prior to the termination of service. The bill would require cable television operators to inform their customers of their complaint and grievance procedures upon contracting with the customer, and would prohibit terminating service to a customer who has initiated a complaint or requested an investigation of a disputed bill. The bill would permit a customer whose complaint or request for an investigation has resulted in an adverse determination to appeal to the legislative body or bodies having jurisdiction over the franchise. The bill would also require the restoration

of service wrongfully terminated or terminated during the pendency of a complaint without charge.

The bill would also require any cable television operator that serves a community that requires a community antenna television system to receive the 12 standard VHF channels to provide an optionally priced service package to its customers that will permit them to receive only the standard VHF channels.

(2) Under existing law, until January 1, 1991, the Department of Consumer Affairs is required to determine the statewide average rates for cable television systems in California having a capacity of 20 or more video channels.

This bill would continue that provision in effect and would require every cable television operator in this state to annually file with the department a schedule of its applicable rates, charges, and rate structure. The bill would also require the Department of Consumer Affairs to establish an advisory committee of specified representative members to advise it on statewide standards for cable television service quality. After the standards are issued, any customer of a cable television operator would not be responsible for paying for services that fail to comply with those standards.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Division 8 (commencing with Section
2 19000) is added to the Public Utilities Code, to read:

3

4 DIVISION 8. CABLE CONSUMERS' BILL OF
5 RIGHTS

6

7 19000. This division shall be known and may be cited
8 as the Cable Consumers' Bill of Rights.

9 19001. (a) Every cable television operator shall
10 inform its customers of its complaint and grievance
11 procedures upon contracting with the customer to
12 provide service. No cable television operator may
13 terminate service to a customer who has initiated a

1 complaint or requested an investigation of a disputed bill.

2 (b) Every cable television operator furnishing cable
3 television service shall allow every residential customer
4 at least 19 days from the date of mailing its bill for services
5 to pay the charges demanded. No cable television
6 operator subject to this section may terminate residential
7 service for nonpayment of a delinquent account unless
8 the cable television operator first gives notice of the
9 delinquency and impending termination, at least 10 days
10 prior to the proposed termination, by means of a notice
11 mailed, postage prepaid, to the customer to whom the
12 service is billed, not earlier than 19 days after the date of
13 mailing the bill for services, and the 10-day period shall
14 not commence until five days after the mailing of the
15 notice.

16 (c) Every notice of termination of service pursuant to
17 subdivision (b) shall include all of the following
18 information:

19 (1) The name and address of the customer whose
20 account is delinquent.

21 (2) The amount of the delinquency.

22 (3) The date by which payment or an arrangement for
23 payment is required in order to avoid termination of
24 service.

25 (4) The procedure by which a customer may initiate
26 a complaint or request an investigation concerning the
27 service or charges.

28 (5) The telephone number of a representative of the
29 cable television company who can provide additional
30 information.

31 (6) The telephone number to which inquiries by the
32 customer may be directed.

33 (d) Any customer whose complaint or request for an
34 investigation has resulted in an adverse determination by
35 the cable television company may appeal to the
36 legislative body or bodies having jurisdiction over the
37 franchise area. Nothing in this section applies to the
38 appeal of the dispute or complaint to the franchising
39 authority.

40 (e) No termination of service may be effected without

1 compliance with this section. Any service wrongfully
2 terminated or terminated during the pendency of a
3 complaint shall be restored without charge for the
4 restoration of the service, and a notation thereof shall be
5 mailed to the customer at his or her billing address.

6 19002. The Department of Consumer Affairs shall
7 establish an advisory committee to advise the
8 department on statewide standards for cable television
9 service quality. The committee shall include
10 representatives of an association representing the
11 interests of community antenna television systems, an
12 association representing the interests of cities in this
13 state, and an association representing the interests of
14 counties in this state. The committee shall file its
15 recommended standards for cable television service
16 quality with the department by March 1, 1991. The
17 department shall issue final standards by June 1, 1991.
18 After the standards are issued, any customer of a cable
19 television operator shall not be responsible for paying for
20 services that fail to comply with those standards.

21 19003. By March 1 of each year, every cable television
22 operator in this state shall file with the Department of
23 Consumer Affairs a schedule of its applicable rates,
24 charges, and rate structure for the area to which it
25 provides service. The department shall develop a
26 standardized form for reporting this information.

27 19004. (a) The statewide average rates for cable
28 television systems in California having a capacity of 20 or
29 more video channels shall be determined by the
30 Department of Consumer Affairs on the basis of
31 information submitted to the department pursuant to
32 Section 19003. The average rates shall be determined by
33 multiplying each applicable cable television system's
34 rates by the number of its subscribers, adding together
35 that figure for all applicable cable television systems, and
36 dividing that total by the total number of applicable
37 subscribers. The department shall determine the
38 statewide average rates by July 1 of each year.

39 (b) This section shall not become operative if any bill
40 chaptered during the 1990 portion of the 1989-90 Regular

1 Session amends Section 53066.1 of the Government Code
2 to make that section operative on and after January 1,
3 1991.

4 19005. Any cable television operator that serves a
5 community that requires a community antenna
6 television system to receive the 12 standard VHF
7 channels (channels 2 to 13, inclusive) shall provide an
8 optionally priced service package to its customers that
9 will permit them to receive only the standard VHF
10 channels.