Florida Senate - 2007

By the Committees on Community Affairs; Communications and Public Utilities; and Senator Bennett

578-2547-07

1	A bill to be entitled
2	An act relating to communications; providing a
3	short title; amending s. 202.11, F.S.;
4	providing a definition; amending s. 202.24,
5	F.S.; prohibiting counties and municipalities
6	from negotiating terms and conditions relating
7	to cable and video services; deleting
8	authorization to negotiate; revising
9	application to existing ordinances or franchise
10	agreements; amending s. 337.401, F.S.; deleting
11	authorization for counties and municipalities
12	to award cable service franchises and a
13	restriction that cable service companies not
14	operate without such a franchise; amending s.
15	337.4061, F.S.; revising definitions;
16	prohibiting the use of certain rights-of-way
17	without a franchise authority; creating ss.
18	610.102, 610.103, 610.104, 610.105, 610.107,
19	610.108, 610.109, 610.113, 610.114, 610.115,
20	610.116, 610.117, 610.118, and 610.119, F.S.;
21	designating the Department of State as the
22	authorizing authority; providing definitions;
23	requiring state authorization to provide cable
24	and video services; providing requirements and
25	procedures; providing for fees; providing
26	duties and responsibilities of the Department
27	of State; providing application procedures and
28	requirements; providing for issuing
29	certificates of franchise authority; providing
30	eligibility requirements and criteria for a
31	certificate; providing for amending a
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1	certificate; providing for transferability of
2	certificates; providing for termination of
3	certificates under certain circumstances;
4	providing for challenging a department
5	rejection of an application; providing that the
6	department shall function in a ministerial
7	capacity for certain purposes; providing for an
8	application form; providing for an application
9	fee; requiring certain information updates;
10	providing for a processing fee; providing for
11	cancellation upon notice that information
12	updates and processing fees are not received;
13	providing for an opportunity to cure; providing
14	for transfer of such fees to the Department of
15	Agriculture and Consumer Services; requiring
16	the department to maintain a separate account
17	for cable franchise revenues; providing for
18	fees to the Department of State for certain
19	activities; continuation of existing local
20	franchise agreements; preempting local
21	franchise agreements with respect to buildout
22	and customer service standards; providing an
23	exception; limiting franchise fees for a
24	state-issued certificate; prohibiting the
25	department from imposing additional taxes,
26	fees, or charges on a cable or video service
27	provider to issue a certificate; imposing
28	certain customer service requirements on cable
29	service providers; requiring the Department of
30	Agriculture and Consumer Services to receive
31	customer service complaints; providing for
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1	continuation of public, educational, and
2	governmental access channels or capacity
3	equivalent; providing criteria, requirements,
4	and procedures for activation of public,
5	educational, and governmental access channels
б	or capacity equivalent for certain counties and
7	municipalities after a date certain; providing
8	for support of public, educational, and
9	governmental access channels after a date
10	certain; providing for payment by nonincumbent
11	certificateholders of certain amounts to
12	municipalities and counties under certain
13	circumstances; providing procedures for payment
14	of such amounts; providing limitations on local
15	authority requirements; providing for
16	enforcement; providing requirements for a
17	request for enforcement; providing for a period
18	of time to cure certain noncompliance;
19	providing for the use of alternative
20	technology; authorizing waivers or extensions
21	of time to meet such requirements; providing a
22	definition; providing for enforcement and the
23	adoption of rules; clarifying local government
24	and department authority over communications
25	services; requiring cable and video service
26	providers to provide internet or cable or video
27	service to certain education and government
28	facilities; requiring the Office of Program
29	Policy Analysis and Government Accountability
30	to report to the Legislature on the status of
31	competition in the cable and video service

1	industry; providing report requirements;
2	requiring the Department of Agriculture and
3	Consumer Services to make recommendations to
4	the Legislature; providing duties of the
5	Department of State; providing severability;
б	amending ss. 350.81 and 364.0361, F.S.;
7	conforming cross-references; amending s.
8	364.051, F.S.; deleting provisions under which
9	certain telecommunications companies may elect
10	alternative regulation; amending s. 364.10,
11	F.S.; requiring each state agency that
12	determines that a person is eligible for
13	Lifeline service to act immediately to ensure
14	that the person is enrolled in the Lifeline
15	service program; requiring a state agency to
16	include an option for not subscribing to the
17	program; requiring that the Public Service
18	Commission and the Department of Children and
19	Family Services adopt rules by a specified
20	date; requiring the Public Service Commission,
21	the Department of Children and Family Services,
22	and the Office of Public Counsel to enter into
23	a memorandum of understanding regarding their
24	respective duties under the Lifeline service
25	program; amending s. 364.163, F.S.; providing
26	for a cap on certain switched network access
27	service rates; deleting a time period in which
28	intrastate access rates are capped; prohibiting
29	interexchange telecommunications companies from
30	instituting any intrastate connection fee;
31	deleting provisions for regulatory oversight of
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1 intrastate access rates; amending s. 364.385, 2 F.S.; providing for continuing effect of certain rates and charges approved by the 3 4 Public Service Commission; providing for an 5 exception; repealing s. 166.046, F.S., relating б to definitions and minimum standards for cable 7 television franchises imposed upon counties and 8 municipalities; repealing s. 364.164, F.S, 9 relating to competitive market enhancement; 10 providing an effective date. 11 12 Be It Enacted by the Legislature of the State of Florida: 13 Section 1. This act may be cited as the "Consumer 14 Choice Act of 2007." 15 Section 2. Subsection (24) is added to section 202.11, 16 17 Florida Statutes, to read: 18 202.11 Definitions.--As used in this chapter: (24) "Video service" has the same meaning as that 19 provided in s. 610.103. 20 21 Section 3. Paragraphs (a) and (c) of subsection (2) of 22 section 202.24, Florida Statutes, are amended to read: 23 202.24 Limitations on local taxes and fees imposed on dealers of communications services .--2.4 (2)(a) Except as provided in paragraph (c), each 25 public body is prohibited from: 26 27 1. Levying on or collecting from dealers or purchasers 2.8 of communications services any tax, charge, fee, or other 29 imposition on or with respect to the provision or purchase of 30 communications services. 31

1 2. Requiring any dealer of communications services to 2 enter into or extend the term of a franchise or other agreement that requires the payment of a tax, charge, fee, or 3 4 other imposition. 5 3. Adopting or enforcing any provision of any 6 ordinance or agreement to the extent that such provision 7 obligates a dealer of communications services to charge, 8 collect, or pay to the public body a tax, charge, fee, or 9 other imposition. 10 Municipalities and counties may not Each municipality and 11 12 county retains authority to negotiate all terms and conditions 13 of a cable service franchise allowed by federal and state law except those terms and conditions related to franchise fees or 14 and the definition of gross revenues or other definitions or 15 methodologies related to the payment or assessment of 16 17 franchise fees on providers of cable or video services. (c) This subsection does not apply to: 18 1. Local communications services taxes levied under 19 20 this chapter. 21 2. Ad valorem taxes levied pursuant to chapter 200. 22 3. Occupational license taxes levied under chapter 23 205. 4. "911" service charges levied under chapter 365. 2.4 5. Amounts charged for the rental or other use of 25 property owned by a public body which is not in the public 26 27 rights-of-way to a dealer of communications services for any 2.8 purpose, including, but not limited to, the placement or attachment of equipment used in the provision of 29 communications services. 30 31

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1 6. Permit fees of general applicability which are not 2 related to placing or maintaining facilities in or on public roads or rights-of-way. 3 7. Permit fees related to placing or maintaining 4 facilities in or on public roads or rights-of-way pursuant to 5 б s. 337.401. 7 8. Any in-kind requirements, institutional networks, 8 or contributions for, or in support of, the use or construction of public, educational, or governmental access 9 facilities allowed under federal law and imposed on providers 10 of cable or video service pursuant to any existing ordinance 11 12 or an existing franchise agreement granted by each 13 municipality or county, under which ordinance or franchise agreement service is provided prior to July 1, 2007, or as 14 permitted under chapter 610. Nothing in this subparagraph 15 shall prohibit the ability of providers of cable or video 16 17 service to recover such expenses as allowed under federal law. 18 9. Special assessments and impact fees. 10. Pole attachment fees that are charged by a local 19 government for attachments to utility poles owned by the local 20 21 government. 22 11. Utility service fees or other similar user fees 23 for utility services. 12. Any other generally applicable tax, fee, charge, 2.4 or imposition authorized by general law on July 1, 2000, which 25 is not specifically prohibited by this subsection or included 26 27 as a replaced revenue source in s. 202.20. 2.8 Section 4. Paragraphs (a), (b), (e), and (f) of subsection (3) of section 337.401, Florida Statutes, are 29 30 amended to read: 31

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1 337.401 Use of right-of-way for utilities subject to 2 regulation; permit; fees.--3 (3)(a)1. Because of the unique circumstances 4 applicable to providers of communications services, including, 5 but not limited to, the circumstances described in paragraph 6 (e) and the fact that federal and state law require the 7 nondiscriminatory treatment of providers of telecommunications 8 services, and because of the desire to promote competition 9 among providers of communications services, it is the intent of the Legislature that municipalities and counties treat 10 providers of communications services in a nondiscriminatory 11 12 and competitively neutral manner when imposing rules or 13 regulations governing the placement or maintenance of communications facilities in the public roads or 14 rights-of-way. Rules or regulations imposed by a municipality 15 or county relating to providers of communications services 16 17 placing or maintaining communications facilities in its roads 18 or rights-of-way must be generally applicable to all providers of communications services and, notwithstanding any other law, 19 may not require a provider of communications services, except 20 21 as otherwise provided in subparagraph 2., to apply for or 22 enter into an individual license, franchise, or other 23 agreement with the municipality or county as a condition of placing or maintaining communications facilities in its roads 2.4 or rights-of-way. In addition to other reasonable rules or 25 26 regulations that a municipality or county may adopt relating 27 to the placement or maintenance of communications facilities 2.8 in its roads or rights-of-way under this subsection, a 29 municipality or county may require a provider of communications services that places or seeks to place 30 facilities in its roads or rights-of-way to register with the 31

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municipality or county and to provide the name of the 1 2 registrant; the name, address, and telephone number of a contact person for the registrant; the number of the 3 registrant's current certificate of authorization issued by 4 the Florida Public Service Commission, or the Federal 5 6 Communications Commission, or the Department of State; and 7 proof of insurance or self-insuring status adequate to defend 8 and cover claims. 9 2. Notwithstanding the provisions of subparagraph 1., 10 a municipality or county may, as provided by 47 U.S.C. s. 541, award one or more franchises within its jurisdiction for the 11 12 provision of cable service, and a provider of cable service 13 shall not provide cable service without such franchise. Each 14 municipality and county retains authority to negotiate all terms and conditions of a cable service franchise allowed by 15 federal law and s. 166.046, except those terms and conditions 16 17 related to franchise fees and the definition of gross revenues 18 other definitions or methodologies related to the payment assessment of franchise fees and permit fees as provided in 19 paragraph (c) on providers of cable services. A municipality 20 21 or county may exercise its right to require from providers of 2.2 cable service in kind requirements, including, but not limited 23 to, institutional networks, and contributions for, or in 2.4 support of, the use or construction of public, educational, or 25 governmental access facilities to the extent permitted by 26 federal law. A provider of cable service may exercise its 27 right to recover any such expenses associated with such 2.8 in kind requirements, to the extent permitted by federal law. 29 (b) Registration described in paragraph subparagraph 30 (a)1. does not establish a right to place or maintain, or priority for the placement or maintenance of, a communications 31

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1 facility in roads or rights-of-way of a municipality or 2 county. Each municipality and county retains the authority to regulate and manage municipal and county roads or 3 rights-of-way in exercising its police power. Any rules or 4 regulations adopted by a municipality or county which govern 5 6 the occupation of its roads or rights-of-way by providers of 7 communications services must be related to the placement or 8 maintenance of facilities in such roads or rights-of-way, must 9 be reasonable and nondiscriminatory, and may include only those matters necessary to manage the roads or rights-of-way 10 of the municipality or county. 11 12 (e) The authority of municipalities and counties to

13 require franchise fees from providers of communications services, with respect to the provision of communications 14 services, is specifically preempted by the state, except as 15 16 otherwise provided in subparagraph (a)2., because of unique 17 circumstances applicable to providers of communications 18 services when compared to other utilities occupying municipal or county roads or rights-of-way. Providers of communications 19 services may provide similar services in a manner that 20 21 requires the placement of facilities in municipal or county 22 roads or rights-of-way or in a manner that does not require 23 the placement of facilities in such roads or rights-of-way. Although similar communications services may be provided by 2.4 different means, the state desires to treat providers of 25 26 communications services in a nondiscriminatory manner and to 27 have the taxes, franchise fees, and other fees paid by 2.8 providers of communications services be competitively neutral. 29 Municipalities and counties retain all existing authority, if any, to collect franchise fees from users or occupants of 30 municipal or county roads or rights-of-way other than 31

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providers of communications services, and the provisions of 1 2 this subsection shall have no effect upon this authority. The provisions of this subsection do not restrict the authority, 3 if any, of municipalities or counties or other governmental 4 entities to receive reasonable rental fees based on fair 5 6 market value for the use of public lands and buildings on 7 property outside the public roads or rights-of-way for the 8 placement of communications antennas and towers. 9 (f) Except as expressly allowed or authorized by 10 general law and except for the rights-of-way permit fees subject to paragraph (c), a municipality or county may not 11 12 levy on a provider of communications services a tax, fee, or 13 other charge or imposition for operating as a provider of communications services within the jurisdiction of the 14 municipality or county which is in any way related to using 15 its roads or rights-of-way. A municipality or county may not 16 17 require or solicit in-kind compensation, except as otherwise 18 provided in <u>s. 202.24(2)(c)8. or s. 610.109</u> subparagraph (a)2. Nothing in this paragraph shall impair any ordinance or 19 agreement in effect on May 22, 1998, or any voluntary 20 21 agreement entered into subsequent to that date, which provides 22 for or allows in-kind compensation by a telecommunications 23 company. Section 5. Section 337.4061, Florida Statutes, is 2.4 amended to read: 25 337.4061 Definitions; unlawful use of state-maintained 26 27 road right-of-way by nonfranchised cable and video television 28 services.--(1) As used in this section, the term: 29 30 (a) "Cable service" means: 31

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1 1. The one-way transmission to subscribers of video 2 programming or any other programming service; and 3 2. Subscriber interaction, if any, which is required 4 for the selection or use of such video programming or other programming service. 5 б (b) "Cable system" means a facility, consisting of a 7 set of closed transmission paths and associated signal 8 generation, reception, and control equipment that is designed to provide cable service which includes video programming and 9 which is provided to multiple subscribers within a community, 10 but such term does not include: 11 12 1. A facility that serves only to retransmit the 13 television signals of one or more television broadcast stations; 14 2. A facility that serves only subscribers in one or 15 more multiple-unit dwellings under common ownership, control, 16 17 or management, unless such facility or facilities use any 18 public right-of-way; 3. A facility that serves subscribers without using 19 any public right-of-way. 20 21 4.3. A facility of a common carrier that is subject, 22 in whole or in part, to the provisions of Title II of the 23 federal Communications Act of 1934, except that such facility shall be considered a cable system other than for purposes of 2.4 <u>47 U.S.C. Section 541(c)</u> to the extent such facility is used 25 in the transmission of video programming directly to 26 27 subscribers, unless the extent of such use is solely to 2.8 provide interactive on-demand services; or 29 5.4. Any facilities of any electric utility used 30 solely for operating its electric utility systems; or-31

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1 6. An open video system that complies with 47 U.S.C. 2 Section 573. 3 (c) "Franchise" means an initial authorization or renewal thereof issued by a franchising authority, whether 4 such authorization is designated as a franchise, permit, 5 6 license, resolution, contract, certificate, agreement, or 7 otherwise, which authorizes the construction or operation of a 8 cable system or video service provider network facilities. "Franchising authority" means any governmental 9 (d) entity empowered by federal, state, or local law to grant a 10 franchise. 11 12 (e) "Person" means an individual, partnership, 13 association, joint stock company, trust, corporation, or 14 governmental entity. (f) "Video programming" means programming provided by 15 or generally considered comparable to programming provided by 16 17 a television broadcast station or cable system. (q) "Video service" has the same meaning as that 18 provided in s. 610.103. 19 (2) It is unlawful to use the right-of-way of any 20 21 state-maintained road, including appendages thereto, and also 22 including, but not limited to, rest areas, wayside parks, 23 boat-launching ramps, weigh stations, and scenic easements, to provide for cable or video service over facilities purposes 2.4 within a geographic area subject to a valid existing franchise 25 26 for cable or video service, unless the cable or video service 27 provider system using such right-of-way holds a franchise from 2.8 a franchise authority the municipality or county for the area in which the right-of-way is located. 29 (3) A violation of this section shall be deemed a 30 violation of s. 337.406. 31

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1 Section 6. Sections 610.102, 610.103, 610.104, 2 610.105, 610.106, 610.107, 610.108, 610.109, 610.112, 610.113, 610.114, 610.115, 610.116, 610.117, and 620.118, Florida 3 4 Statutes, are created to read: 5 610.102 Department of State authority to issue б statewide cable and video franchise. -- The department shall be 7 designated as the franchising authority for a state-issued franchise for the provision of cable or video service. A 8 municipality or county may not grant a new franchise for the 9 provision of cable or video service within its jurisdiction. 10 610.103 Definitions.--As used in ss. 610.102-610.117: 11 12 (1) "Cable service" means: (a) The one-way transmission to subscribers of video 13 programming or any other programming service. 14 (b) Subscriber interaction, if any, that is required 15 for the selection or use of such video programming or other 16 17 programming service. 18 (2) "Cable service provider" means a person that provides cable service over a cable system. 19 20 (3) "Cable system" means a facility consisting of a 21 set of closed transmission paths and associated signal 2.2 generation, reception, and control equipment that is designed 23 to provide cable service that includes video programming and that is provided to multiple subscribers within a community, 2.4 but such term does not include: 25 (a) A facility that serves only to retransmit the 26 27 television signals of one or more television broadcast 2.8 stations; (b) A facility that serves only subscribers in one or 29 30 more multiple-unit dwellings under common ownership, control, 31

1 or management, unless such facility or facilities use any 2 public right-of-way; (c) A facility that serves subscribers without using 3 4 any public right-of-way; 5 (d) A facility of a common carrier that is subject, in 6 whole or in part, to the provisions of Title II of the federal 7 Communications Act of 1934 except that such facility shall be 8 considered a cable system other than for purposes of 47 U.S.C. Section 541(c) to the extent such facility is used in the 9 10 transmission of video programming directly to subscribers, unless the extent of such use is solely to provide interactive 11 12 on-demand services; 13 (e) Any facilities of any electric utility used solely for operating its electric utility systems; or 14 (f) An open video system that complies with 47 U.S.C. 15 16 Section 573. 17 (4) "Certificateholder" means a cable or video service 18 provider that has been issued and holds a certificate of franchise authority from the department. 19 20 (5) "Department" means the Department of State. 21 (6) "Franchise" means an initial authorization or renewal of an authorization, regardless of whether the 2.2 23 authorization is designated as a franchise, permit, license, resolution, contract, certificate, agreement, or otherwise, to 2.4 construct and operate a cable system or video service provider 25 network facilities in the public right-of-way. 26 27 (7) "Franchise authority" means any governmental 2.8 entity empowered by federal, state, or local law to grant a 29 franchise. 30 (8) "Incumbent cable service provider" means the cable service provider serving the largest number of cable 31

1 subscribers in a particular municipal or county franchise area 2 on July 1, 2007. (9) "Video programming" means programming provided by, 3 4 or generally considered comparable to programming provided by, 5 a television broadcast station as set forth in 47 U.S.C. s. б 522(20). 7 (10) "Video service" means video programming services, including cable services, provided through wireline facilities 8 9 located at least in part in the public rights-of-way without 10 regard to delivery technology, including Internet protocol technology. This definition does not include any video 11 12 programming provided by a commercial mobile service provider 13 as defined in 47 U.S.C. s. 332(d), video programming provided as part of, and via a cable service that enables end users to 14 access content, information, electronic mail, or other 15 services offered over the public Internet. 16 17 (11) "Video service provider" means an entity 18 providing video service. 19 610.104 State authorization to provide cable or video 20 service.--21 (1) An entity or person seeking to provide cable or video service in this state after July 1, 2007, shall file an 2.2 23 application for a state-issued certificate of franchise authority with the department as required by this section. An 2.4 entity or person providing cable or video service under an 25 unexpired franchise agreement with a municipality or county as 26 27 of July 1, 2007, is not subject to this subsection with 2.8 respect to providing service in such municipality or county until the franchise agreement expires. An entity or person 29 providing cable or video service may seek authorization from 30 the department to provide service in areas where the entity or 31

1 person currently does not have an existing franchise agreement 2 as of July 1, 2007. 3 (2) An applicant for a state-issued certificate of 4 franchise authority to provide cable or video service shall 5 submit to the Department of State an application that б contains: 7 (a) The official name of the cable or video service 8 provider. 9 (b) The street address of the principal place of 10 business of the cable or video service provider. (c) The federal employer identification number or the 11 12 Department of State's document number. 13 (d) The name, address, and telephone number of an officer, partner, owner, member, or manager as a contact 14 person for the cable or video service provider to whom 15 16 questions or concerns may be addressed. 17 (e) A duly executed affidavit signed by an officer, 18 partner, owner, or managing member affirming and containing: 1. That the applicant is fully qualified under the 19 provisions of this chapter to file an application and 20 21 affidavit for a certificate of franchise authority. 22 2. That the applicant has filed or will timely file 23 with the Federal Communications Commission all forms required by that agency in advance of offering cable or video service 2.4 in this state. 25 3. That the applicant agrees to comply with all 26 27 applicable federal and state laws and regulations. 28 4. That the applicant agrees to comply with all state laws and rules and municipal and county ordinances and 29 regulations regarding the placement and maintenance of 30 communications facilities in the public rights-of-way. 31

1	5. A description of the service area for which the
2	applicant seeks a certificate of franchise authority, provided
3	<u>on a municipal or countywide basis. The description may be</u>
4	provided in a manner that does not disclose competitively
5	sensitive information. For existing incumbent cable or video
6	service providers that have existing communications
7	facilities, the service area shall be coextensive with the
8	provider's existing network boundaries within the political
9	boundaries of the local jurisdiction where video services are
10	provided. For applicants using telecommunications facilities
11	to provide video services, the service area shall be
12	coextensive with all of the provider's wire centers or
13	exchanges within the political boundaries of the local
14	jurisdiction where video services are provided.
15	6. The location of the applicant's principal place of
16	business, the names of the applicant's principal executive
17	officers, and a physical address sufficient for the purposes
18	of chapter 48.
19	7. That the applicant will file with the department a
20	notice of commencement of service within 5 business days after
21	first providing service in each area described in subparagraph
22	<u>5.</u>
23	8. A statement affirming that the applicant will
24	notify the department of any change of address or contact
25	person.
26	9. That the applicant's system will have the
27	capability of allowing a local government emergency operations
28	official, as determined by applicable law, to remotely
29	override the audio of all channels or a video crawl over all
30	channels on the system without charge for use during emergency
31	<u>or disaster periods.</u>

1	(3) Before the 10th business day after the department
2	receives the application, the department shall notify the
3	applicant whether the application and affidavit described in
4	subsection (2) are complete. If the department rejects the
5	application and affidavit, the department shall specify with
6	particularity the reasons for the rejection and permit the
7	applicant to amend the application or affidavit to cure any
8	deficiency. The department shall act upon the amended
9	application or affidavit within 10 business days after the
10	department's receipt of the amended application or affidavit.
11	(4) The department shall issue a certificate of
12	franchise authority to the applicant before the 15th business
13	day after receipt of an accepted application. The certificate
14	of franchise authority issued by the department shall contain:
15	(a) The name of the certificateholder and its
16	identification number.
17	(b) A grant of authority to provide cable or video
18	service as requested in the application.
19	(c) A grant of authority to construct, maintain, and
20	operate facilities through, upon, over, and under any public
21	right-of-way or waters subject to applicable governmental
22	permitting or authorization from the Board of Trustees of the
23	Internal Improvement Trust Fund.
24	(d) A statement that the grant of authority is subject
25	to lawful operation of the cable or video service by the
26	applicant or its successor in interest.
27	(e) A statement that describes the service area for
28	which this certificate of authority applies.
29	(f) A statement that includes the effective date of
30	the commencement of this authority.
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1	(5) If the department fails to act on the accepted
2	application within 30 business days after receiving the
3	accepted application, the application shall be deemed approved
4	by the department without further action.
5	(6) A certificateholder that seeks to include
6	additional service areas in its current certificate shall file
7	an amendment to the certificate with the department. Such
8	amendment shall specify the name and address of the
9	certificateholder, the new service area or areas to be served,
10	and the effective date of commencement of operations in the
11	new service area or areas. Such amendment shall be filed with
12	the department within 5 business days after first providing
13	service in each such additional area.
14	(7) The certificate of franchise authority issued by
15	the department is fully transferable to any successor in
16	interest to the applicant to which the certificate is
17	initially granted. A notice of transfer shall be filed with
18	the department and the relevant municipality or county within
19	14 business days following the completion of such transfer.
20	(8) The certificate of franchise authority issued by
21	the department may be terminated by the cable or video service
22	provider by submitting notice to the department.
23	(9) An applicant may challenge a rejection of an
24	application by the department in a court of competent
25	jurisdiction through a petition for mandamus.
26	(10) In executing the provisions of this section, the
27	department shall function in a ministerial capacity accepting
28	information contained in the application and affidavit at face
29	value. The applicant shall ensure continued compliance with
30	all applicable business formation, registration, and taxation
31	provisions of law.

1	(11) The application shall be accompanied by a
2	<u>one-time fee of \$10,000. A parent company may file a single</u>
3	application covering itself and all of its subsidiaries and
4	affiliates intending to provide cable or video service in the
5	service areas throughout the state as described in paragraph
6	(3)(d), but the entity actually providing such service in a
7	given area shall otherwise be considered the certificateholder
8	under this act.
9	(12) Beginning 5 years after approval of the
10	certificateholder's initial certificate of franchise issued by
11	the department, and every 5 years thereafter, the
12	certificateholder shall update the information contained in
13	the original application for a certificate of franchise. At
14	the time of filing the information update, the
15	certificateholder shall pay a processing fee of \$1,000. Any
16	certificateholder that fails to file the updated information
17	and pay the processing fee on the 5-year anniversary dates
18	shall be subject to cancellation of its state-issued
19	certificate of franchise authority if, upon notice given to
20	the certificateholder at its last address on file with the
21	department, the certificateholder fails to file the updated
22	information and pay the processing fee within 30 days after
23	the date notice was mailed. The application and processing
24	fees imposed in this section shall be paid to the Department
25	of State for deposit into the Operating Trust Fund for
26	immediate transfer by the Chief Financial Officer to the
27	General Inspection Trust Fund of the Department of Agriculture
28	and Consumer Services. The Department of Agriculture and
29	Consumer Services shall maintain a separate account within the
30	General Inspection Trust Fund to distinguish cable franchise
31	revenues from all other funds. The application, any amendments

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1	to the certificate, or information updates must be accompanied
2	by a fee to the Department of State equal to that for filing
3	articles of incorporation pursuant to s. 607.0122(1).
4	610.105 Eligibility for state-issued franchise
5	(1) A cable or video service provider that has an
б	existing, unexpired franchise to provide cable service with
7	respect to a municipality or county as of July 1, 2007, is not
8	eligible to apply for a state-issued certificate of franchise
9	authority under this chapter as to that municipality or county
10	until the expiration date of the existing franchise agreement.
11	(2) For purposes of this section, a cable or video
12	service provider will be deemed to have or have had a
13	franchise to provide cable or video service in a specific
14	municipality or county if any affiliate or successor entity of
15	the cable or video service provider has or had an unexpired
16	franchise agreement granted by that specific municipality or
17	county as of July 1, 2007.
18	(3) The term "affiliate or successor entity" in this
19	section refers to an entity receiving, obtaining, or operating
20	under a franchise that directly or indirectly owns or
21	controls, is owned or controlled by, or is under common
22	ownership or control with the cable or video service provider.
23	(4) Any cable or video service provider that has an
24	existing, unexpired franchise to provide cable or video
25	service with respect to a municipality or county as of July 1,
26	2007, is not required to comply with the provisions of that
27	franchise which relate to buildout or customer service
28	standards, which are expressly preempted by ss. 610.107 and
29	610.108, except that in any municipality or county in which
30	there exist franchises with an incumbent cable or video
31	service provider, and one or more nonincumbent cable or
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1 service providers, and two or more of those franchises contain 2 buildout requirements, such requirements shall remain effective for the term of the franchises. 3 4 610.106 Franchise fees prohibited.--Except as otherwise provided in this chapter, the department may not 5 6 impose any taxes, fees, charges, or other impositions on a 7 cable or video service provider as a condition for the 8 issuance of a state-issed certificate of franchise authority. 9 610.107 Buildout.--No franchising authority, state 10 agency, or political subdivision may impose any buildout, system construction, or service deployment requirements on a 11 12 certificateholder. 13 610.108 Customer service standards.--(1) All cable or video service providers shall comply 14 with customer service requirements in 47 C.F.R. s. 76.309(c). 15 (2) Any municipality or county that as of January 1, 16 17 2007, has an office or department dedicated to responding to 18 cable or video service customer complaints may continue to respond to such complaints until July 1, 2009. Beginning on 19 July 1, 2009, the Department of Agriculture and Consumer 2.0 21 Services shall have the sole authority to respond to all cable 2.2 or video service customer complaints. This provision shall not 23 be construed to permit the municipality, county, or department 2.4 to impose customer service standards inconsistent with the requirements in 47 C.F.R. s. 76.309(c). 25 (3) The Department of Agriculture and Consumer 26 27 Services shall receive service quality complaints from 2.8 customers of a cable or video service provider and shall address such complaints in an expeditious manner by assisting 29 in the resolution of such complaint between the complainant 30 and the cable or video service provider. The Department of 31

1 Agriculture and Consumer Services may adopt any procedural 2 rules pursuant to ss. 120.536(1) and 120.54 necessary to administer this section, but shall not have any authority to 3 4 impose any customer service requirements inconsistent with those contained in 47 C.F.R. s. 76.309(c). 5 б 610.109 Public, educational, and governmental access 7 channels.--(1) A certificateholder, not later than 90 days 8 following a request by a municipality or county within whose 9 10 jurisdiction the certificateholder is providing cable or video service, shall designate a sufficient amount of capacity on 11 12 its network to allow the provision of public, educational, and 13 governmental access channels for noncommercial programming as set forth in this section. 14 (2) A certificateholder shall designate a sufficient 15 amount of capacity on its network to allow the provision of a 16 17 comparable number of public, educational, and governmental 18 access channels or capacity equivalent that a municipality or county has activated under the incumbent cable service 19 provider's franchise agreement as of July 1, 2007. For the 2.0 21 purposes of this section, a public, educational, or 2.2 governmental channel is deemed activated if the channel is 23 being used for public, educational, or governmental programming within the municipality or county. The 2.4 municipality or county may request additional channels or 25 capacity permitted under the incumbent cable service 26 27 provider's franchise agreement as of July 1, 2007. A cable or 2.8 video service provider shall locate any public, educational, or governmental access channel on any tier of service offered 29 30 which is viewed by 100 percent of the provider's subscribers. 31

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1	(3) If a municipality or county did not have public,
2	educational, or governmental access channels activated under
3	the incumbent cable service provider's franchise agreement as
4	of July 1, 2007, not later than 6 months following a request
5	by the municipality or county within whose jurisdiction a
6	certificateholder is providing cable or video service, the
7	<u>cable or video service provider shall furnish up to two</u>
8	public, educational, or governmental channels or capacity
9	equivalent. The usage of the channels or capacity equivalent
10	shall be determined by a majority of all the provider's
11	subscribers in the jurisdiction, in order of preference of all
12	cable subscribers. Cable subscribers must be provided with
13	clear, plain language informing them that public access is
14	unfiltered programming and contains adult content.
15	(4) If a municipality or county has not used the
16	number of access channels or capacity equivalent permitted by
17	subsection (3), access to the additional channels or capacity
18	equivalent allowed in subsection (3) shall be provided upon 6
19	months' written notice.
20	(5) The operation of any public, educational, or
21	governmental access channel or capacity equivalent provided
22	under this section shall be the responsibility of the
23	municipality or county receiving the benefit of such channel
24	or capacity equivalent, and a certificateholder bears only the
25	responsibility for the transmission of such channel content. A
26	certificateholder shall be responsible for providing the
27	connectivity to each public, educational, or governmental
28	access channel distribution point.
29	(6) Where technically feasible, a certificateholder
30	and an incumbent cable service provider shall use reasonable
31	efforts to interconnect their networks for the purpose of
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providing public, educational, and governmental programming.
Interconnection may be accomplished by direct cable, microwave
link, satellite, or other reasonable method of connection.
Certificateholders and incumbent cable service providers shall
negotiate in good faith and incumbent cable service providers
may not withhold interconnection of public, educational, and
governmental channels.
(7) A certificateholder is not required to
interconnect for, or otherwise to transmit, public,
educational, and governmental content that is branded with the
logo, name, or other identifying marks of another cable or
video service provider, and a municipality or county may
require a cable or video service provider to remove its logo,
name, or other identifying marks from public, educational, and
governmental content that is to be made available to another
provider.
(8) A municipality or county that has activated at
least one public, educational, or governmental access channel
pursuant to this section may require cable or video service
providers to remit PEG and I-Net support contributions in an
amount equal to a lump-sum or recurring per-subscriber funding
obligation to support public, educational, and governmental
access channels, institutional networks, or other related
costs as provided for in the incumbent's franchise that exists
prior to July 1, 2007. If a municipality or county has not
required cable or video service providers to remit PEG and
<u>I-Net support contributions prior to July 1, 2007, a</u>
municipality or county may require cable or video service
providers to remit PEG and I-Net support contributions not to
exceed that of an adjacent local government. If no adjacent
local government has required PEG and I-Net support

1 contributions, the municipality or county may require cable or 2 video service providers to remit PEG and I-Net support contributions consistent with a municipality or county having 3 4 a comparable population. 5 (9) A court of competent jurisdiction shall have 6 exclusive jurisdiction to enforce any requirement under this 7 section. 610.113 Limitation on local authority.--A municipality 8 or county may not impose on activities of a certificateholder 9 10 a requirement: (1) That particular business offices be located in the 11 12 municipality or county; 13 (2) Regarding the filing of reports and documents with the municipality or county that are not required by state law; 14 (3) For the inspection of a certificateholder's 15 16 business records; or 17 (4) For the approval of transfers of ownership or 18 control of a certificateholder's business, except that a 19 municipality or county may require a certificateholder to provide notice of a transfer within a reasonable time. 2.0 21 610.114 Discrimination prohibited.--2.2 (1) The purpose of this section is to prevent 23 discrimination among potential residential subscribers. (2) A video service provider may not deny access to 2.4 25 service to any group of potential residential subscribers because of the race, income, or ethnicity of the residents in 26 27 the local area in which the group resides. 2.8 (3) For purposes of determining whether a certificateholder has violated subsection (2), the 29 certificateholder shall have a reasonable time to deploy 30 service to customers within the service area designated under 31

1 this act. Within 3 years after the date a certificateholder 2 begins providing video service in a service area, the certificateholder shall provide access to video services to at 3 4 least 25 percent of the low-income households in that service 5 area. Within 5 years after the date a certificateholder begins 6 providing video service in a service area, the 7 certificateholder shall provide access to its video services 8 to at least 50 percent of the low-income households in that 9 service area. 10 (4) Except for satellite service, a video service provider may satisfy the requirements of this section through 11 12 the use of alternative technology that offers service, functionality, and content, that is demonstrably similar to 13 that provided through the provider's video service system. and 14 that may include a technology that does not require the use of 15 any public right-of-way. The technology used to comply with 16 17 this section shall include carrying public, education, and 18 government channels and other provisions required under this 19 <u>act.</u> (5) A video service provider may apply to the 20 21 department for a waiver or extension of time to comply with 2.2 this section if any of the following apply: 23 (a) Access to public and private rights-of-way cannot be obtained under reasonable terms and conditions. 2.4 25 (b) Developments or buildings are not subject to competition because of existing exclusive service agreements. 26 27 (c) Developments or buildings are inaccessible using 2.8 reasonable technical solutions under commercially reasonable 29 terms and conditions. 30 31

1	(d) Customers reside in an area having a density of
2	fewer than 25 homes per mile from the nearest activated
3	distribution plant of the provider.
4	<u>(e) Natural disasters.</u>
5	(f) Other factors beyond the control of the provider.
6	(6) The department may grant a waiver or extension
7	only if the provider has made substantial and continuous
8	effort to meet the requirements of this section. If an
9	extension is granted, the department shall establish a new
10	compliance deadline. If a waiver is granted, the department
11	shall specify the requirements waived.
12	(7) As used in this section, the term "low-income
13	household" means a household having an average annual
14	household income of less than \$35,000 as determined by the
15	<u>most recent decennial census.</u>
16	(8) Notwithstanding any other provision of this act, a
17	video service provider is not required to comply with, and the
18	department may not impose or enforce, any mandatory build-out
19	or deployment provisions or schedules, except those required
20	to comply with this section.
21	(9) The department or a court of competent
22	jurisdiction may take any action necessary to enforce this
23	section. An affected resident or applicable local government
24	on behalf of its residents may seek any available legal remedy
25	to address an alleged violation of this section.
26	(10) The Department of Agriculture and Consumer
27	Services shall adopt rules pursuant to ss. 120.536(1) and
28	120.54 to administer this section.
29	<u>610.115 ComplianceIf a certificateholder is found</u>
30	by a court of competent jurisdiction not to be in compliance
31	with the requirements of this chapter, the certificateholder
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1 shall have a reasonable period of time, as specified by the 2 court, to cure such noncompliance. 610.116 Limitation. -- Nothing in this chapter shall be 3 4 construed to give any local government or the department any 5 authority over any communications service other than cable or 6 video services whether offered on a common carrier or private 7 contract basis. 610.117 Cable or video services for public 8 facilities.--Upon request by a municipality or county, a 9 10 certificateholder shall provide, within 90 days after receipt of the request, at no charge Internet access or cable or video 11 12 service to public facilities, including, but not limited to, 13 K-12 schools, community colleges, public libraries, public hospitals, public health clinics, or government buildings, to 14 the extent such buildings are located within 500 feet of the 15 certificateholder's activated video distribution plant. At the 16 17 request of the municipality or county, the certificateholder 18 shall extend its distribution plant to serve such buildings located more than 500 feet from the certificateholder's 19 distribution plant. In such circumstances, the government 2.0 21 entity owning or occupying the building is responsible for the 2.2 time and material costs incurred in extending the distribution 23 plant to within 500 feet adjacent to the building. The cable or video service provided pursuant to this section shall 2.4 include, at a minimum, the basic service tier and programming 25 service tier as well as any equipment required to provide 26 27 those service tiers. 2.8 610.118 Reports to the Legislature.--(1) The Office of Program Policy Analysis and 29 Government Accountability shall submit to the President of the 30 Senate, the Speaker of the House of Representatives, and the 31

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1	majority and minority leaders of the Senate and House of
2	Representatives, by December 1, 2009, and December 1, 2014, a
3	report on the status of competition in the cable and video
4	service industry, including, by each municipality and county,
5	the number of cable and video service providers, the number of
6	cable and video subscribers served, the number of areas served
7	by fewer than two cable or video service providers, the trend
8	in cable and video service prices, and the identification of
9	any patterns of service as they impact demographic and income
10	groups.
11	(2) By January 15, 2008, the Department of Agriculture
12	and Consumer Services shall make recommendations to the
13	President of the Senate, the Speaker of the House of
14	Representatives, and the majority and minority leaders of the
15	Senate and House of Representatives regarding the workload and
16	staffing requirements associated with consumer complaints
17	related to video and cable certificateholders. The Department
18	of State shall provide to the Department of Agriculture and
19	Consumer Services, for inclusion in the report, the workload
20	requirements for processing the certificates of franchise
21	authority. In addition, the Department of State shall provide
22	the number of applications filed for cable and video
23	certificates of franchise authority and the number of
24	amendments received to original applications for franchise
25	certificate authority.
26	610.119 SeverabilityIf any provision of ss.
27	610.102-610.117 or the application thereof to any person or
28	circumstance is held invalid, such invalidity shall not affect
29	other provisions or application of ss. 610.102-610.117 that
30	can be given effect without the invalid provision or
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1 application, and to this end the provisions of ss. 2 610.102-610.117 are severable. Section 7. Paragraph (a) of subsection (3) of section 3 350.81, Florida Statutes, is amended to read: 4 5 350.81 Communications services offered by governmental б entities.--7 (3)(a) A governmental entity that provides a cable or 8 video service shall comply with the Cable Communications Policy Act of 1984, 47 U.S.C. ss. 521 et seq., the regulations 9 issued by the Federal Communications Commission under the 10 Cable Communications Policy Act of 1984, 47 U.S.C. ss. 521 et 11 12 seq., and all applicable state and federal rules and 13 regulations, including, but not limited to, s. 166.046 and those provisions of chapters 202, 212, and 337, and 610 that 14 which apply to a provider of the services. 15 Section 8. Section 364.0361, Florida Statutes, is 16 17 amended to read: 18 364.0361 Local government authority; nondiscriminatory exercise. -- A local government shall treat each 19 telecommunications company in a nondiscriminatory manner when 20 21 exercising its authority to grant franchises to a 22 telecommunications company or to otherwise establish 23 conditions or compensation for the use of rights-of-way or other public property by a telecommunications company. A local 2.4 government may not directly or indirectly regulate the terms 25 and conditions, including, but not limited to, the operating 26 systems, qualifications, services, service quality, service 27 2.8 territory, and prices, applicable to or in connection with the 29 provision of any voice-over-Internet protocol, regardless of 30 the platform, provider, or protocol, broadband or information 31

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1 service. This section does not relieve a provider from any 2 obligations under s. 166.046 or s. 337.401. Section 9. Subsections (6), (7), and (8) of section 3 4 364.051, Florida Statutes, are amended to read: 5 364.051 Price regulation.-б (6) After a local exchange telecommunications company 7 that has more than 1 million access lines in service has 8 reduced its intrastate switched network access rates to parity, as defined in s. 364.164(5), the local exchange 9 10 telecommunications company's retail service quality requirements that are not already equal to the service quality 11 12 requirements imposed upon the competitive local exchange 13 telecommunications companies shall at the company's request to the commission be no greater than those imposed upon 14 competitive local exchange telecommunications companies unless 15 the commission, within 120 days after the company's request, 16 17 determines otherwise. In such event, the commission may grant 18 some reductions in service quality requirements in some or all of the company's local calling areas. The commission may not 19 impose retail service quality requirements on competitive 2.0 21 local exchange telecommunications companies greater than those 2.2 existing on January 1, 2003. 23 (7) After a local exchange telecommunications company that has more than 1 million access lines in service has 2.4 25 reduced its intrastate switched network access rates to parity, as defined in s. 364.164(5), the local exchange 26 27 telecommunications company may petition the commission for 2.8 regulatory treatment of its retail services at a level no greater than that imposed by the commission upon competitive 29 30 local exchange telecommunications companies. The local exchange telecommunications company shall: 31

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1 (a) Show that granting the petition is in the public 2 interest; 3 (b) Demonstrate that the competition faced by the 4 company is sufficient and sustainable to allow such 5 competition to supplant regulation by the commission; and б (c) Reduce its intrastate switched network access 7 rates to its local reciprocal interconnection rate upon the 8 grant of the petition. 9 10 The commission shall act upon such a petition within 9 months after its filing with the commission. The commission may not 11 12 increase the level of regulation for competitive local 13 exchange telecommunications companies to a level greater than that which exists on the date the local exchange 14 telecommunications company files its petition. 15 (8) The provisions described in subsections (6) and 16 17 (7) shall apply to any local exchange telecommunications 18 company with 1 million or fewer lines in service that has reduced its intrastate switched network access rates to a 19 level equal to the company's interstate switched network 2.0 21 access rates in effect on January 1, 2003. 22 Section 10. Paragraph (h) of subsection (3) of section 23 364.10, Florida Statutes, is amended to read: 364.10 Undue advantage to person or locality 2.4 prohibited; Lifeline service.--25 26 (3) 27 (h)1. By December 31, 2007 2003, each state agency 2.8 that provides benefits to persons eligible for Lifeline service shall undertake, in cooperation with the Department of 29 30 Children and Family Services, the Department of Education, the commission, the Office of Public Counsel, and 31

1 telecommunications companies providing Lifeline services, the development of procedures to promote Lifeline participation. 2 2. If any state agency determines that a person is 3 4 eligible for Lifeline services, the agency shall immediately 5 forward the information to the commission to ensure that the 6 person is automatically enrolled in the program with the 7 appropriate eligible telecommunications carrier. The state 8 agency shall include an option for an eligible customer to choose not to subscribe to the Lifeline service. The Public 9 10 Service Commission and the Department of Children and Family Services shall, no later than December 31, 2007, adopt rules 11 12 creating procedures to automatically enroll eligible customers 13 <u>in Lifeline service.</u> The commission, the Department of Children and 14 3. Family Services, and the Office of Public Counsel shall enter 15 into a memorandum of understanding establishing the respective 16 duties of the commission, the department, and the public 17 18 counsel with respect to the automatic enrollment procedures no later than December 31, 2007. 19 20 Section 11. Section 364.163, Florida Statutes, is 21 amended to read: 22 364.163 Network access services. -- For purposes of this 23 section, the term "network access service" is defined as any service provided by a local exchange telecommunications 2.4 25 company to a telecommunications company certificated under 26 this chapter or licensed by the Federal Communications 27 Commission to access the local exchange telecommunications 2.8 network, excluding the local interconnection arrangements in 29 s. 364.16 and the resale arrangements in s. 364.161. Each local exchange telecommunications company subject to s. 30 364.051 shall maintain tariffs with the commission containing 31

1 the terms, conditions, and rates for each of its network 2 access services. The switched network access service rates in effect immediately prior to July 1, 2007, shall be, and shall 3 4 remain, capped at that level until July 1, 2010. An interexchange telecommunications company may not institute any 5 6 intrastate connection fee or any similarly named fee. 7 (1) After a local exchange telecommunications 8 company's intrastate switched network access rates are reduced to or below parity, as defined in s. 364.164(5), the company's 9 10 intrastate switched network access rates shall be, and shall 11 remain, capped for 3 years. 12 (2) Any intrastate interexchange telecommunications 13 company whose intrastate switched network access rate is reduced as a result of the rate adjustments made by a local 14 15 exchange telecommunications company in accordance with s. 16 364.164 shall decrease its intrastate long distance revenues 17 by the amount necessary to return the benefits of such 18 reduction to both its residential and business customers. The intrastate interexchange telecommunications company may 19 determine the specific intrastate rates to be decreased, 2.0 21 provided that residential and business customers benefit from 2.2 the rate decreases. Any in state connection fee or similarly 23 named fee shall be eliminated by July 1, 2006, provided that the timetable determined pursuant to s. 364.164(1) reduces 2.4 25 intrastate switched network access rates in an amount that results in the elimination of such fee in a revenue neutral 26 27 manner. The tariff changes, if any, made by the intrastate 2.8 interexchange telecommunications company to carry out the requirements of this subsection shall be presumed valid and 29 30 shall become effective on 1 day's notice. 31

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1 (3) The commission shall have continuing regulatory 2 oversight of intrastate switched network access and customer 3 long distance rates for purposes of determining the 4 correctness of any rate decrease by a telecommunications 5 company resulting from the application of s. 364.164 and 6 making any necessary adjustments to those rates. 7 Section 12. Subsection (4) is added to section 8 364.385, Florida Statutes, to read: 9 364.385 Saving clauses.--10 (4) The rates and charges for basic local telecommunications service and network access service approved 11 12 by the commission in accordance with the decisions set forth 13 in Orders Nos. PSC 03-1469-FOF-TL and PSC 04-0456-FOF-TL, and which are in effect immediately prior to July 1, 2007, shall 14 remain in effect and such rates and charges may not be changed 15 after the effective date of this act, except in accordance 16 17 with the provisions of ss. 364.051 and 364.163. 18 Section 13. Sections 166.046 and 364.164, Florida 19 Statutes, are repealed. 20 Section 14. This act shall take effect upon becoming a 21 law. 2.2 23 STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN COMMITTEE SUBSTITUTE FOR CS/SB 998 2.4 25 The committee substitute for committee substitute (CS) makes a 26 number of changes to the provisions relating to the use of public right-of-way by providers of communications services; use of and support for public, governmental, and educational 27 2.8 access channels (PEG); provision of cable and internet service, at no charge, to certain education and government facilities; customer service standards; and, continuation of 29 incumbent franchise agreements. The CS also requires an applicant for a state-issued certificate of franchise to have 30 a system capable of an emergency override. 31