



General Assembly

Substitute Bill No. 7182

January Session, 2007

* _____ HB07182ET_FIN031307 _____ *

AN ACT CONCERNING CERTIFIED COMPETITIVE VIDEO SERVICE.

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. Section 16-1 of the general statutes is repealed and the
2 following is substituted in lieu thereof (*Effective October 1, 2007*):

3 (a) Terms used in this title and in chapters 244, 244a, 244b, 245, 245a
4 and 245b* and in sections 2 to 24, inclusive, of this act, shall be
5 construed as follows, unless another meaning is expressed or is clearly
6 apparent from the language or context:

7 (1) "Authority" means the Public Utilities Control Authority and
8 "department" means the Department of Public Utility Control;

9 (2) "Commissioner" means a member of said authority;

10 (3) "Commissioner of Transportation" means the Commissioner of
11 Transportation appointed under section 13b-3;

12 (4) "Public service company" includes electric, electric distribution,
13 gas, telephone, telegraph, pipeline, sewage, water and community
14 antenna television companies and holders of a certificate of cable
15 franchise authority, owning, leasing, maintaining, operating,
16 managing or controlling plants or parts of plants or equipment, and all
17 express companies having special privileges on railroads within this
18 state, but shall not include telegraph company functions concerning

19 intrastate money order service, towns, cities, boroughs, any municipal
20 corporation or department thereof, whether separately incorporated or
21 not, a private power producer, as defined in section 16-243b, or an
22 exempt wholesale generator, as defined in 15 USC 79z-5a;

23 (5) "Plant" includes all real estate, buildings, tracks, pipes, mains,
24 poles, wires and other fixed or stationary construction and equipment,
25 wherever located, used in the conduct of the business of the company;

26 (6) "Railroad company" includes every person owning, leasing,
27 maintaining, operating, managing or controlling any railroad, or any
28 cars or other equipment employed thereon or in connection therewith,
29 for public or general use within this state;

30 (7) "Street railway company" includes every person owning, leasing,
31 maintaining, operating, managing or controlling any street railway, or
32 any cars or other equipment employed thereon or in connection
33 therewith, for public or general use within this state;

34 (8) "Electric company" includes, until an electric company has been
35 unbundled in accordance with the provisions of section 16-244e, every
36 person owning, leasing, maintaining, operating, managing or
37 controlling poles, wires, conduits or other fixtures, along public
38 highways or streets, for the transmission or distribution of electric
39 current for sale for light, heat or power within this state, or, engaged in
40 generating electricity to be so transmitted or distributed for such
41 purpose, but shall not include (A) a private power producer, as
42 defined in section 16-243b, (B) an exempt wholesale generator, as
43 defined in 15 USC 79z-5a, (C) a municipal electric utility established
44 under chapter 101, (D) a municipal electric energy cooperative
45 established under chapter 101a, (E) an electric cooperative established
46 under chapter 597, or (F) any other electric utility owned, leased,
47 maintained, operated, managed or controlled by any unit of local
48 government under any general statute or any public or special act;

49 (9) "Gas company" includes every person owning, leasing,

50 maintaining, operating, managing or controlling mains, pipes or other
51 fixtures, in public highways or streets, for the transmission or
52 distribution of gas for sale for heat or power within this state, or
53 engaged in the manufacture of gas to be so transmitted or distributed
54 for such purpose, but shall not include a person manufacturing gas
55 through the use of a biomass gasification plant provided such person
56 does not own, lease, maintain, operate, manage or control mains, pipes
57 or other fixtures in public highways or streets, a municipal gas utility
58 established under chapter 101 or any other gas utility owned, leased,
59 maintained, operated, managed or controlled by any unit of local
60 government under any general statute or any public or special act;

61 (10) "Water company" includes every person owning, leasing,
62 maintaining, operating, managing or controlling any pond, lake,
63 reservoir, stream, well or distributing plant or system employed for
64 the purpose of supplying water to fifty or more consumers. A water
65 company does not include homeowners, condominium associations
66 providing water only to their members, homeowners associations
67 providing water to customers at least eighty per cent of whom are
68 members of such associations, a municipal waterworks system
69 established under chapter 102, a district, metropolitan district,
70 municipal district or special services district established under chapter
71 105, chapter 105a or any other general statute or any public or special
72 act which is authorized to supply water, or any other waterworks
73 system owned, leased, maintained, operated, managed or controlled
74 by any unit of local government under any general statute or any
75 public or special act;

76 (11) "Consumer" means any private dwelling, boardinghouse,
77 apartment, store, office building, institution, mechanical or
78 manufacturing establishment or other place of business or industry to
79 which water is supplied by a water company;

80 (12) "Sewage company" includes every person owning, leasing,
81 maintaining, operating, managing or controlling, for general use in any
82 town, city or borough, or portion thereof, in this state, sewage disposal

83 facilities which discharge treated effluent into any waterway of this
84 state;

85 (13) "Pipeline company" includes every person owning, leasing,
86 maintaining, operating, managing or controlling mains, pipes or other
87 fixtures through, over, across or under any public land, water,
88 parkways, highways, parks or public grounds for the transportation,
89 transmission or distribution of petroleum products for hire within this
90 state;

91 (14) "Community antenna television company" includes every
92 person owning, leasing, maintaining, operating, managing or
93 controlling a community antenna television system, in, under or over
94 any public street or highway, for the purpose of providing community
95 antenna television service for hire and shall include any municipality
96 which owns or operates one or more plants for the manufacture or
97 distribution of electricity pursuant to section 7-213 or any special act
98 and seeks to obtain or obtains a certificate of public convenience and
99 necessity to construct or operate a community antenna television
100 system pursuant to section 16-331 or a certificate of cable franchise
101 authority pursuant to section 14 of this act. "Community antenna
102 television company" does not include a certified competitive video
103 service provider;

104 (15) "Community antenna television service" means (A) the one-way
105 transmission to subscribers of video programming or information that
106 a community antenna television company makes available to all
107 subscribers generally, and subscriber interaction, if any, which is
108 required for the selection of such video programming or information,
109 and (B) noncable communications service. "Community antenna
110 television service" does not include video service provided by a
111 certified competitive video service provider;

112 (16) "Community antenna television system" means a facility,
113 consisting of a set of closed transmission paths and associated signal
114 generation, reception and control equipment that is designed to

115 provide community antenna television service which includes video
116 programming and which is provided in, under or over any public
117 street or highway, for hire, to multiple subscribers within a franchise,
118 but such term does not include (A) a facility that serves only to
119 retransmit the television signals of one or more television broadcast
120 stations; (B) a facility that serves only subscribers in one or more
121 multiple unit dwellings under common ownership, control or
122 management, unless such facility is located in, under or over a public
123 street or highway; (C) a facility of a common carrier which is subject, in
124 whole or in part, to the provisions of Subchapter II of Chapter 5 of the
125 Communications Act of 1934, 47 USC 201 et seq., as amended, except
126 that such facility shall be considered a community antenna television
127 system and the carrier shall be considered a public service company to
128 the extent such facility is used in the transmission of video
129 programming directly to subscribers; or (D) a facility of an electric
130 company which is used solely for operating its electric company
131 systems. "Community antenna television system" does not include a
132 facility used by a certified competitive video service provider to
133 provide video service;

134 (17) "Video programming" means programming provided by, or
135 generally considered comparable to programming provided by, a
136 television broadcast station;

137 (18) "Noncable communications service" means any
138 telecommunications service, as defined in section 16-247a, and which is
139 not included in the definition of "cable service" in the Communications
140 Act of 1934, 47 USC 522, as amended. Nothing in this definition shall
141 be construed to affect service which is both authorized and preempted
142 pursuant to federal law;

143 (19) "Public service motor vehicle" includes all motor vehicles used
144 for the transportation of passengers for hire;

145 (20) "Motor bus" includes any public service motor vehicle operated
146 in whole or in part upon any street or highway, by indiscriminately

147 receiving or discharging passengers, or operated on a regular route or
148 over any portion thereof, or operated between fixed termini, and any
149 public service motor vehicle operated over highways within this state
150 between points outside this state or between points within this state
151 and points outside this state;

152 (21) "Cogeneration technology" means the use for the generation of
153 electricity of exhaust steam, waste steam, heat or resultant energy from
154 an industrial, commercial or manufacturing plant or process, or the use
155 of exhaust steam, waste steam or heat from a thermal power plant for
156 an industrial, commercial or manufacturing plant or process, but shall
157 not include steam or heat developed solely for electrical power
158 generation;

159 (22) "Renewable fuel resources" means energy sources described in
160 subdivisions (26) and (27) of this subsection;

161 (23) "Telephone company" means a telecommunications company
162 that provides one or more noncompetitive or emerging competitive
163 services, as defined in section 16-247a;

164 (24) "Domestic telephone company" includes any telephone
165 company which has been chartered by or organized or constituted
166 within or under the laws of this state;

167 (25) "Telecommunications company" means a person that provides
168 telecommunications service, as defined in section 16-247a, within the
169 state, but shall not mean a person that provides only (A) private
170 telecommunications service, as defined in section 16-247a, (B) the
171 one-way transmission of video programming or other programming
172 services to subscribers, (C) subscriber interaction, if any, which is
173 required for the selection of such video programming or other
174 programming services, (D) the two-way transmission of educational or
175 instructional programming to a public or private elementary or
176 secondary school, or a public or independent institution of higher
177 education, as required by the department pursuant to a community

178 antenna television company franchise agreement, or provided
179 pursuant to a contract with such a school or institution which contract
180 has been filed with the department, or (E) a combination of the services
181 set forth in subparagraphs (B) to (D), inclusive, of this subdivision;

182 (26) "Class I renewable energy source" means (A) energy derived
183 from solar power, wind power, a fuel cell, methane gas from landfills,
184 ocean thermal power, wave or tidal power, low emission advanced
185 renewable energy conversion technologies, a run-of-the-river
186 hydropower facility provided such facility has a generating capacity of
187 not more than five megawatts, does not cause an appreciable change in
188 the river flow, and began operation after July 1, 2003, or a sustainable
189 biomass facility with an average emission rate of equal to or less than
190 .075 pounds of nitrogen oxides per million BTU of heat input for the
191 previous calendar quarter, except that energy derived from a
192 sustainable biomass facility with a capacity of less than five hundred
193 kilowatts that began construction before July 1, 2003, may be
194 considered a Class I renewable energy source, or (B) any electrical
195 generation, including distributed generation, generated from a Class I
196 renewable energy source;

197 (27) "Class II renewable energy source" means energy derived from
198 a trash-to-energy facility, a biomass facility that began operation before
199 July 1, 1998, provided the average emission rate for such facility is
200 equal to or less than .2 pounds of nitrogen oxides per million BTU of
201 heat input for the previous calendar quarter, or a run-of-the-river
202 hydropower facility provided such facility has a generating capacity of
203 not more than five megawatts, does not cause an appreciable change in
204 the riverflow, and began operation prior to July 1, 2003;

205 (28) "Electric distribution services" means the owning, leasing,
206 maintaining, operating, managing or controlling of poles, wires,
207 conduits or other fixtures along public highways or streets for the
208 distribution of electricity, or electric distribution-related services;

209 (29) "Electric distribution company" or "distribution company"

210 means any person providing electric transmission or distribution
211 services within the state, including an electric company, subject to
212 subparagraph (F) of this subdivision, but does not include: (A) A
213 private power producer, as defined in section 16-243b; (B) a municipal
214 electric utility established under chapter 101, other than a participating
215 municipal electric utility; (C) a municipal electric energy cooperative
216 established under chapter 101a; (D) an electric cooperative established
217 under chapter 597; (E) any other electric utility owned, leased,
218 maintained, operated, managed or controlled by any unit of local
219 government under any general statute or special act; (F) after an
220 electric company has been unbundled in accordance with the
221 provisions of section 16-244e, a generation entity or affiliate of the
222 former electric company; or (G) an electric supplier;

223 (30) "Electric supplier" means any person, including an electric
224 aggregator or participating municipal electric utility that is licensed by
225 the Department of Public Utility Control in accordance with section
226 16-245, that provides electric generation services to end use customers
227 in the state using the transmission or distribution facilities of an
228 electric distribution company, regardless of whether or not such
229 person takes title to such generation services, but does not include: (A)
230 A municipal electric utility established under chapter 101, other than a
231 participating municipal electric utility; (B) a municipal electric energy
232 cooperative established under chapter 101a; (C) an electric cooperative
233 established under chapter 597; (D) any other electric utility owned,
234 leased, maintained, operated, managed or controlled by any unit of
235 local government under any general statute or special act; or (E) an
236 electric distribution company in its provision of electric generation
237 services in accordance with subsection (a) or, prior to January 1, 2004,
238 subsection (c) of section 16-244c;

239 (31) "Electric aggregator" means (A) a person, municipality or
240 regional water authority that gathers together electric customers for
241 the purpose of negotiating the purchase of electric generation services
242 from an electric supplier, or (B) the Connecticut Resources Recovery

243 Authority, if it gathers together electric customers for the purpose of
244 negotiating the purchase of electric generation services from an electric
245 supplier, provided such person, municipality or authority is not
246 engaged in the purchase or resale of electric generation services, and
247 provided further such customers contract for electric generation
248 services directly with an electric supplier, and may include an electric
249 cooperative established pursuant to chapter 597;

250 (32) "Electric generation services" means electric energy, electric
251 capacity or generation-related services;

252 (33) "Electric transmission services" means electric transmission or
253 transmission-related services;

254 (34) "Generation entity or affiliate" means a corporate affiliate or, as
255 provided in subdivision (3) of subsection (a) of section 16-244e, a
256 separate division of an electric company after unbundling has occurred
257 pursuant to section 16-244e, that provides electric generation services;

258 (35) "Participating municipal electric utility" means a municipal
259 electric utility established under chapter 101 or any other electric
260 utility owned, leased, maintained, operated, managed or controlled by
261 any unit of local government under any general statute or any public
262 or special act, that is authorized by the department in accordance with
263 section 16-245c to provide electric generation services to end use
264 customers outside its service area, as defined in section 16-245c;

265 (36) "Person" means an individual, business, firm, corporation,
266 association, joint stock association, trust, partnership or limited
267 liability company;

268 (37) "Regional independent system operator" means the "ISO - New
269 England, Inc.", or its successor organization as approved by the
270 Federal Energy Regulatory Commission;

271 (38) "Certified telecommunications provider" means a person
272 certified by the department to provide intrastate telecommunications

273 services, as defined in section 16-247a, pursuant to sections 16-247f to
274 16-247h, inclusive;

275 (39) "Gas registrant" means a person registered to sell natural gas
276 pursuant to section 16-258a;

277 (40) "Customer-side distributed resources" means (A) the generation
278 of electricity from a unit with a rating of not more than sixty-five
279 megawatts on the premises of a retail end user within the transmission
280 and distribution system including, but not limited to, fuel cells,
281 photovoltaic systems or small wind turbines, or (B) a reduction in the
282 demand for electricity on the premises of a retail end user in the
283 distribution system through methods of conservation and load
284 management, including, but not limited to, peak reduction systems
285 and demand response systems;

286 (41) "Federally mandated congestion charges" means any cost
287 approved by the Federal Energy Regulatory Commission as part of
288 New England Standard Market Design including, but not limited to,
289 locational marginal pricing, locational installed capacity payments, any
290 cost approved by the Department of Public Utility Control to reduce
291 federally mandated congestion charges in accordance with section 7-
292 233y, this section, sections 16-19ss, 16-32f, 16-50i, 16-50k, 16-50x, 16-
293 243i to 16-243q, inclusive, 16-244c, 16-244e, 16-245m, 16-245n [,] and 16-
294 245z, and section 21 of public act 05-1 of the June special session** and
295 reliability must run contracts;

296 (42) "Combined heat and power system" means a system that
297 produces, from a single source, both electric power and thermal energy
298 used in any process that results in an aggregate reduction in electricity
299 use;

300 (43) "Grid-side distributed resources" means the generation of
301 electricity from a unit with a rating of not more than sixty-five
302 megawatts that is connected to the transmission or distribution system,
303 which units may include, but are not limited to, units used primarily to

304 generate electricity to meet peak demand;

305 (44) "Class III renewable energy source" means the electricity output
306 from combined heat and power systems with an operating efficiency
307 level of no less than fifty per cent that are part of customer-side
308 distributed resources developed at commercial and industrial facilities
309 in this state on or after January 1, 2006, or the electricity savings
310 created at commercial and industrial facilities in this state from
311 conservation and load management programs begun on or after
312 January 1, 2006; [and]

313 (45) "Sustainable biomass" means biomass that is cultivated and
314 harvested in a sustainable manner. "Sustainable biomass" does not
315 mean construction and demolition waste, as defined in section 22a-
316 208x, finished biomass products from sawmills, paper mills or stud
317 mills, organic refuse fuel derived separately from municipal solid
318 waste, or biomass from old growth timber stands, except where (A)
319 such biomass is used in a biomass gasification plant that received
320 funding prior to May 1, 2006, from the Renewable Energy Investment
321 Fund established pursuant to section 16-245n, or (B) the energy
322 derived from such biomass is subject to a long-term power purchase
323 contract pursuant to subdivision (2) of subsection (j) of section 16-244c
324 entered into prior to May 1, 2006, or (C) prior to July 1, 2007, such
325 biomass is used in a renewable energy facility that was approved by
326 the department prior to October 1, 2005;

327 (46) "Video service" means video programming services provided
328 through wireline facilities, a portion of which are located in the public
329 right-of-way, without regard to delivery technology, including Internet
330 protocol technology. "Video service" does not include any video
331 programming provided by a commercial mobile service provider, as
332 defined in 47 USC 332(d), any video programming provided as part of
333 community antenna television service, any video programming
334 provided as part of and via a service that enables users to access
335 content, information, electronic mail or other services over the public
336 Internet;

337 (47) "Certified competitive video service provider" means an entity
338 providing video service pursuant to a certificate of video franchise
339 authority issued by the department in accordance with section 2 of this
340 act. "Certified competitive video service provider" does not mean an
341 entity issued a certificate of public convenience and necessity in
342 accordance with section 16-331 or the affiliates, successors and assigns
343 of such entity or an entity issued a certificate of cable franchise
344 authority in accordance with section 13 of this act or the affiliates,
345 successors and assignees of such entity;

346 (48) "Certificate of video franchise authority" means an
347 authorization issued by the Department of Public Utility Control
348 conferring the right to an entity or person to own, lease, maintain,
349 operate, manage or control facilities in, under or over any public
350 highway to offer video service to any subscribers in the state; and

351 (49) "Certificate of cable franchise authority" means an authorization
352 issued by the Department of Public Utility Control pursuant to section
353 14 of this act conferring the right to a community antenna television
354 company to own, lease, maintain, operate, manage or control a
355 community antenna television system in, under or over any public
356 highway to (A) offer community antenna television service in a
357 community antenna television company's designated franchise area, or
358 (B) use the public rights-of-way to offer video service in a designated
359 franchise area. The certificate of cable franchise authority shall be
360 issued as an alternative to a certificate of public convenience and
361 necessity pursuant to section 16-331 and shall only be available to a
362 community antenna television company under the terms specified in
363 sections 14 to 24, inclusive, of this act.

364 (b) Notwithstanding any provision of the general statutes, [to the
365 contrary, as used in the general statutes,] the terms "utility", "public
366 utility" and "public service company" shall be deemed to include a
367 community antenna television company and a holder of a certificate of
368 cable franchise authority, except (1) as otherwise provided in sections
369 16-8, 16-27, 16-28 and 16-43, (2) that no provision of the general

370 statutes, including but not limited to, the provisions of sections 16-6b
371 and 16-19, shall subject a community antenna television company to
372 regulation as a common carrier or utility by reason of providing
373 community antenna television service, other than noncable
374 communications service, as provided in Subchapter V-A of Chapter 5
375 of the Communications Act of 1934, 47 USC 521 et seq., as amended,
376 and (3) that no provision of the general statutes, including but not
377 limited to, sections 16-6b and 16-19, shall apply to community antenna
378 television companies to the extent any such provision is preempted
379 pursuant to any other provision of the Communications Act of 1934, 47
380 USC 151 et seq., as amended, any other federal act or any regulation
381 adopted thereunder.

382 Sec. 2. (NEW) (*Effective October 1, 2007*) (a) An entity or person, other
383 than a community antenna television company certified to provide
384 community antenna television service pursuant to section 16-331 of the
385 general statutes on or before October 1, 2007, or an affiliate, successor
386 or assign of such community antenna television company, seeking to
387 provide video service in the state on and after October 1, 2007, shall file
388 with the Department of Public Utility Control an application for a
389 certificate of video franchise authority, containing such information as
390 required by this section. The application shall be accompanied by a fee
391 of one thousand dollars.

392 (b) Notwithstanding subsection (a) of this section, any entity, other
393 than a community antenna television company certified to provide
394 community antenna television service pursuant to section 16-331 of the
395 general statutes on or before October 1, 2007, that was offering video
396 service in the state on or before October 1, 2007, shall be required to file
397 its application for a certificate of video franchise authority on or before
398 October 31, 2007, and shall be allowed to continue to offer such video
399 service while its application for a certificate of video franchise
400 authority is pending.

401 (c) The application shall include a completed affidavit submitted by
402 the applicant and signed by an officer or general partner of the

403 applicant, affirming: (1) The location of the applicant's principal place
404 of business and the names of the applicant's principal executive
405 officers; (2) that the applicant has filed or will timely file with the
406 Federal Communications Commission all forms required by said
407 commission in advance of offering video service in the state; (3) that
408 the applicant agrees to comply with all applicable federal and state
409 statutes and regulations and with all applicable orders of the
410 department, including, but not limited to, those statutes, regulations
411 and orders regarding the provision of video service by certified
412 competitive video service providers and the use and occupation of
413 public rights-of-way in the delivery of the video service by such
414 providers; (4) that the applicant shall comply with the requirements of
415 sections 4 to 12, inclusive, of this act. The affidavit shall also include a
416 description of the service area footprint to be served within the state,
417 and such description shall be updated by the applicant before the
418 expansion of video service to a previously undesignated service area,
419 and a general description of the type or types of technologies the
420 applicant will use to provide video service in its service area footprint,
421 which may include wire line, satellite or any other alternative
422 technology.

423 (d) The department shall notify the applicant whether the
424 application is complete or incomplete on or before the fifteenth
425 calendar day after the applicant submits the application. The
426 department shall limit its review of the application to whether it
427 provides the information required pursuant to subsection (c) of this
428 section. In reviewing such application, the department shall not
429 conduct a hearing or contested case proceeding in accordance with
430 chapter 54 of the general statutes. The department may submit written
431 questions to the applicant and require written answers regarding the
432 information provided, and may accept written comments and reply
433 comments from the applicant, the Office of Consumer Counsel, the
434 Attorney General and other interested companies, organizations and
435 individuals. These written comments and reply comments shall be
436 limited solely to the issue of whether the application complies with the

437 requirements set forth in subsection (c) of this section.

438 (e) The department shall issue a certificate of video franchise
439 authority not later than thirty calendar days after notifying the
440 applicant that the application was complete. The certificate issued by
441 the department shall provide: (1) A grant of authority to provide video
442 service as requested in the application; (2) a grant of authority to own,
443 lease, maintain, operate, manage or control facilities in, under or over
444 any public highway in the delivery of such service, subject to the laws
445 of the state; and (3) a statement that the grant of authority is subject to
446 lawful operation of the video service by the applicant or its successor
447 in interest.

448 (f) If the department finds that the applicant's application is
449 incomplete, it shall specify with particularity the items in the
450 application that are incomplete and permit the applicant to amend the
451 application to cure any deficiency. The department shall issue a
452 certificate of video franchise authority on or before thirty calendar
453 days from its receipt of the amended and completed application.

454 (g) The failure of the department to notify the applicant of the
455 completeness or incompleteness of the application pursuant to
456 subsection (d) of this section shall be deemed to constitute issuance of
457 the certificate of video franchise authority.

458 (h) The certificate of video franchise authority issued by the
459 department is fully transferable to any successor in interest to the
460 applicant to which it was initially granted. A notice of transfer shall be
461 filed with the department not later than fourteen business days after
462 the completion of such transfer. The certificate of video franchise
463 authority issued by the department may be terminated by the certified
464 competitive video service provider by submitting notice to the
465 department.

466 Sec. 3. (NEW) (*Effective October 1, 2007*) (a) Each certified
467 competitive video service provider shall not be required to comply

468 with any facility build-out requirements or be required to provide
469 video service to any customer using any specific technology. The
470 Department of Public Utility Control shall initiate a contested case
471 proceeding, in accordance with the provisions of chapter 54 of the
472 general statutes, three years after the issuance of the certificate of video
473 franchise authority to such provider to investigate the availability of
474 the certified competitive video service provider's video services and
475 report its findings to the joint standing committee of the General
476 Assembly having cognizance of matters relating to energy and
477 technology.

478 (b) The department shall not impose any provision regulating rates
479 charged by certified competitive video service providers, or impose
480 any other requirements or conditions, except as set forth in sections 2
481 to 12, inclusive, of this act.

482 Sec. 4. (NEW) (*Effective October 1, 2007*) A certified competitive video
483 service provider shall not deny access to service to any group of
484 potential residential subscribers based solely upon the income of the
485 residents in the local area in which such group resides. An affected
486 person may seek enforcement of this requirement by filing a complaint
487 with the Department of Public Utility Control. A municipality within
488 which the potential residential video service subscriber resides may be
489 considered an affected person for purposes of this section.

490 Sec. 5. (NEW) (*Effective October 1, 2007*) (a) Not later than one
491 hundred twenty days after the certified competitive video service
492 provider begins offering service in a designated area pursuant to its
493 certificate of video franchise authority, such provider shall provide
494 capacity over its video service to allow community access
495 programming, in its basic service package, in accordance with the
496 following: (1) The certified competitive video service provider shall
497 provide capacity equal to the number of community access channels
498 currently offered by the incumbent community antenna television
499 company in the given area; (2) the certified competitive video service
500 provider shall provide funds for community access operations, as

501 provided in subsection (k) of section 16-331a of the general statutes
502 and section 32 of this act; (3) the certified competitive video service
503 provider shall provide the transmission of community access
504 programming with connectivity up to the first two hundred feet from
505 the competitive video service provider's activated wireline video
506 programming distribution facility located in the provider's designated
507 service area and shall not provide additional requirements for the
508 creation of any content; and (4) the community access programming
509 shall be submitted to the certified competitive video service provider
510 in a manner or form that is compatible with the technology or protocol
511 utilized by said competitive video service provider to deliver video
512 services over its particular network, and is capable of being accepted
513 and transmitted by the provider, without requirement for additional
514 alteration or change in the content by the provider.

515 (b) A certified competitive video service provider and a community
516 antenna television company or nonprofit organization providing
517 community access operations shall engage in good faith negotiation
518 regarding interconnection of community access operations where such
519 interconnection is technically feasible or necessary. Interconnection
520 may be accomplished by direct cable, microwave link, satellite or other
521 reasonable method of connection. At the request of a competitive video
522 service provider, community antenna television company or provider
523 of community access operations, the Department of Public Utility
524 Control may facilitate the negotiation for such interconnection.

525 (c) Not later than one hundred twenty days after the certified
526 competitive video service provider begins offering service in a
527 designated area pursuant to its certificate of video franchise authority,
528 such provider shall provide transmission of the Connecticut Television
529 Network to all its subscribers, including real-time transmission as
530 technically feasible, under the same conditions as set forth in
531 subdivisions (3) and (4) of subsection (a) of this section.

532 Sec. 6. (NEW) (*Effective October 1, 2007*) (a) There shall be a state-
533 wide video advisory council, whose membership is made up of one

534 representative from each of the existing advisory councils established
535 pursuant to section 16-331 of the general statutes. A certified
536 competitive video service provider shall biannually convene a meeting
537 of said council. No member of the state-wide video advisory council
538 shall be an employee of a community antenna television company or a
539 certified competitive video service provider. For the purpose of this
540 subsection, an employee includes any person working full time or part
541 time or performing any subcontracting or consulting services for a
542 community antenna television company or a certified competitive
543 video service provider.

544 (b) The certified competitive video service provider shall provide
545 funding to such state-wide video advisory council in the amount of
546 two thousand dollars per year.

547 (c) Members of the state-wide video advisory council shall serve
548 without compensation. For the purpose of this subsection,
549 compensation shall include the receipt of any free or discounted video
550 service.

551 (d) The Department of Public Utility Control shall designate the
552 state-wide video advisory council as an intervenor in any contested
553 case proceeding before the department involving the certified
554 competitive video service provider it advises. Such certified
555 competitive video service provider shall provide to the chairperson of
556 the state-wide video advisory council a copy of any report, notice or
557 other such document it files with the department in any applicable
558 proceeding.

559 (e) A certified competitive video service provider shall, every six
560 months, provide on bills, bill inserts or letters to subscribers, a notice
561 indicating the name and an address of the chairperson of the state-
562 wide video advisory council and describing the responsibilities of such
563 advisory council. The state-wide video advisory council shall have an
564 opportunity to review such notice prior to its distribution.

565 Sec. 7. (NEW) (*Effective October 1, 2007*) (a) At the time of initial
566 subscription, and annually thereafter, or upon request, each certified
567 competitive video service provider shall provide subscribers with a
568 description of (1) the video service offerings and current rates, (2) the
569 provider's credit policies, including any finance charges or late
570 payment charges, and (3) the provider's billing practices and complaint
571 procedures.

572 (b) Consistent with the provisions of 47 USC 551, at the time of
573 entering into an agreement to provide video service to a subscriber, a
574 certified competitive video service provider shall inform the subscriber
575 of the provider's practices regarding the collection and use of
576 personally identifiable customer information, including (1) the type of
577 information collected, (2) the purposes for which it is used, (3) the
578 extent and manner in which it is shared with unaffiliated third parties
579 for purposes of enabling delivery of video service, and (4) the
580 procedures in place to ensure the subscriber's right to privacy. A
581 certified competitive video service provider shall not disclose
582 personally identifiable customer information other than anonymous or
583 aggregate data to unaffiliated third parties for their own marketing
584 purposes without the consent of the subscriber.

585 (c) A certified competitive video service provider shall implement
586 an informal process for handling Department of Public Utility Control
587 and customer inquiries, billing issues, service issues and other
588 complaints. In the event an issue is not resolved through such informal
589 process, a customer may request of the department a confidential,
590 nonbinding mediation with the competitive video service provider,
591 and a designated member of the department staff shall serve as the
592 mediator. If the mediation is unsuccessful, the customer may file a
593 formal complaint with the department. The department's sole
594 jurisdiction over the complaint is to determine if the certified
595 competitive video service provider is in compliance with sections 3 to
596 11, inclusive, of this act. If the provider is found to be in
597 noncompliance, the department shall order the certified competitive

598 video service provider to cure such noncompliance within a reasonable
599 period of time. Failure to comply may subject the certified competitive
600 video service provider to civil penalties and revocation of the
601 certificate, as provided in section 12 of this act.

602 (d) A certified competitive video service provider shall comply with
603 the customer service requirements of 47 CFR 76.309(c) for its video
604 services. A company issued a certificate of video franchise authority
605 shall not be subject to any other state law or regulation or department
606 order to the extent it imposes customer service requirements in excess
607 of or more stringent than 47 CFR 76.309(c).

608 Sec. 8. (NEW) (*Effective October 1, 2007*) (a) Except when otherwise
609 required by federal law, a certified competitive video service provider
610 shall inform the Department of Public Utility Control of any planned
611 programming or rate changes not less than thirty days before
612 implementing such changes unless (1) such changes are required by
613 law to be made in less than thirty days, or (2) in appropriate
614 circumstances where such a shorter notice period is in the best interest
615 of the company's subscribers.

616 (b) Except when otherwise required by federal law, a certified
617 competitive video service provider shall inform each subscriber, the
618 chairpersons of the joint standing committee of the General Assembly
619 having cognizance of matters relating to technology and the
620 chairperson of the state-wide video advisory council of any planned
621 elimination or reduction in any programming or any planned rate
622 increases not less than thirty days before implementing such changes
623 unless (1) such changes are required by law to be made in less than
624 thirty days, or (2) the department prescribes a longer or shorter notice
625 period in appropriate circumstances where such longer or shorter
626 notice period is in the best interest of the company's subscribers. The
627 state-wide video advisory council may hold an advisory public
628 hearing concerning the planned changes and may then make a
629 recommendation to the company before the planned date of
630 implementing the change.

631 Sec. 9. (NEW) (*Effective October 1, 2007*) If video service provided by
632 a certified competitive video service provider to a subscriber is
633 interrupted for more than twenty-four continuous hours, such
634 subscriber shall receive a credit or refund from the certified
635 competitive video service provider in an amount that represents the
636 proportionate share of such service not received in a billing period,
637 provided such interruption is not caused by the subscriber.

638 Sec. 10. (NEW) (*Effective October 1, 2007*) (a) A certified competitive
639 video service provider shall make closed captioning available when
640 simultaneously broadcast with video signals carried by the provider.

641 (b) A certified competitive video service provider shall offer the
642 concurrent rebroadcast of local television broadcast channels, or utilize
643 another economically or technically feasible process for providing an
644 appropriate message through the provider's video service in the event
645 of a public safety emergency issued over the emergency broadcast
646 system.

647 Sec. 11. (NEW) (*Effective October 1, 2007*) A certified competitive
648 video service provider shall provide any library serving the public and
649 any school system, college or university, located in a part of the
650 certified competitive video service provider's franchise area where
651 service is available, with one drop for basic video service at no charge
652 if such library, school system, college or university participates in
653 educational or public access programming offered throughout the
654 company's franchise area. The Department of Public Utility Control
655 may exempt any provider from providing such service at no charge if
656 it would have an adverse impact on the provider. No certified
657 competitive video service provider shall be required to provide this
658 free service if the library or school is receiving community antenna
659 television service or video service from another provider.

660 Sec. 12. (NEW) (*Effective October 1, 2007*) A certified competitive
661 video service provider, and its officers, agents and employees, shall
662 comply with sections 2 to 12, inclusive, of this act and each applicable

663 order made by the Department of Public Utility Control pursuant to
664 sections 2 to 12, inclusive, of this act. Any certified competitive video
665 service provider which the department finds has failed to comply with
666 sections 2 to 12, inclusive, of this act, or any applicable order made by
667 the department, may be fined, by order of the department, not more
668 than ten thousand dollars for each offense. Each distinct violation of
669 any such order shall be a separate offense and, in the case of a
670 continued violation, each day thereof shall be deemed a separate
671 offense. The department shall impose any such civil penalty in
672 accordance with the procedure established in section 16-41 of the
673 general statutes and if such penalty is imposed, it shall be the sole
674 remedy for such violation. The department shall also have the
675 authority to revoke the certificate of video franchise authority if the
676 certified competitive video service provider is found, after a
677 department hearing with notice to all interested parties, to be in
678 substantial noncompliance with the requirements of law or
679 department orders.

680 Sec. 13. (NEW) (*Effective October 1, 2007*) (a) Thirty days after a
681 certified competitive video service provider offers video service in a
682 community antenna television company's existing franchise area
683 pursuant to a certificate of video franchise authority, the community
684 antenna television company may seek a certificate of cable franchise
685 authority from the Department of Public Utility Control.

686 (b) A certificate of cable franchise authority issued by the
687 department pursuant to subsection (a) of this section shall become
688 effective immediately upon issuance by the department.

689 (c) A community antenna television company seeking a certificate of
690 cable franchise authority shall file an application with the department.
691 Such application shall include the information required in this section
692 and shall be accompanied by a fee of one thousand dollars.

693 (d) Said application shall include a completed affidavit submitted
694 by the applicant and signed by an officer or general partner of the

695 applicant, affirming: (1) The location of the applicant's principal place
696 of business and the names of the applicant's principal executive
697 officers; (2) that the applicant has filed or will timely file with the
698 Federal Communications Commission all forms required by said
699 commission in advance of offering community antenna television
700 service or video service in such franchise area; (3) that the applicant
701 agrees to comply with all applicable federal and state statutes and
702 regulations and with all department orders applicable to community
703 antenna television companies, except as exempted by sections 14 to 24,
704 inclusive, of this act; and (4) that the applicant agrees to comply with
705 the requirements of sections 14 to 24, inclusive, of this act. The affidavit
706 shall also include a description of the community antenna television
707 company's current franchise area and a general description of the type
708 or types of technologies the community antenna television company is
709 using and intends to use in providing community antenna television
710 programming or video service in the franchise area, which may
711 include wireline, satellite or any other alternative technology.

712 (e) The department shall notify the applicant whether the
713 applicant's application is complete or incomplete on or before the
714 fifteenth calendar day after the applicant submits the application. The
715 department's review of the completeness of the application is limited
716 to whether the application complies with the requirements set forth in
717 subsection (d) of this section. In reviewing the application, the
718 department shall not conduct a hearing or a contested case proceeding
719 pursuant to chapter 54 of the general statutes. The department may
720 submit written questions to the applicant and require written answers
721 regarding the information provided and may accept written comments
722 and reply comments from the applicant, the Office of Consumer
723 Counsel, the Attorney General and other interested persons.

724 (f) The department shall issue a certificate of cable franchise
725 authority not later than thirty calendar days from finding the
726 application complies with the requirements of subsection (d) of this
727 section. The certificate issued by the department shall provide: (1) A

728 grant of authority to provide community antenna television service or
729 video service as requested in the application; (2) a grant of authority to
730 own, lease, maintain, operate, manage or control facilities in, under or
731 over any public highway in the delivery of such service, subject to the
732 laws of the state; and (3) a statement that the grant of authority is
733 subject to lawful operation of the community antenna television
734 service or video service by the applicant or its interest.

735 (g) If the department finds that the applicant's application is
736 incomplete, it shall specify with particularity the items in the
737 application that are incomplete and permit the applicant to amend the
738 application to cure any deficiency. The department shall issue a
739 certificate of cable franchise authority not later than thirty calendar
740 days from its receipt of the amended and completed application.

741 (h) The failure of the department to notify the applicant of the
742 completeness or incompleteness of the application within the
743 timeframes set forth above shall be deemed to constitute issuance of
744 the certificate of cable franchise authority.

745 Sec. 14. (NEW) (*Effective October 1, 2007*) (a) A company issued a
746 certificate of cable franchise authority shall not be required to comply
747 with any facility build-out requirements or be required to provide
748 community antenna television service or video service to any customer
749 using any specific technology.

750 (b) The Department of Public Utility Control shall not impose any
751 provision regulating rates charged by a community antenna television
752 company holding a certificate of cable franchise authority, except as set
753 forth in federal law.

754 Sec. 15. (NEW) (*Effective October 1, 2007*) A company holding a cable
755 franchise authority certificate shall not deny access to service to any
756 group of potential residential subscribers based solely upon the
757 income of the residents in the local area in which such group resides.
758 An affected person may seek enforcement of this requirement by filing

759 a complaint with the Department of Public Utility Control. A
760 municipality within which the potential residential community
761 antenna television service or video service subscriber resides may be
762 considered an affected person for purposes of this section.

763 Sec. 16. (NEW) (*Effective October 1, 2007*) (a) A company issued a
764 certificate of cable franchise authority shall be subject to the
765 community access programming and operations provisions set forth in
766 subsections (b) to (i), inclusive, subsections (k) to (l), inclusive, and
767 subsection (n) of section 16-331a of the general statutes and any
768 regulations pursuant thereto, and subsection (c) of section 16-333 of the
769 general statutes and any regulations pursuant thereto.

770 (b) A company issued a cable franchise authority certificate shall
771 provide transmission of the Connecticut Television Network to all its
772 subscribers, including real-time transmission as technically feasible.

773 Sec. 17. (NEW) (*Effective October 1, 2007*) (a) A company issued a
774 certificate of cable franchise authority shall, twice a year, convene a
775 meeting with the advisory council established pursuant to its previous
776 certificate of public convenience and necessity issued pursuant to
777 section 16-331 of the general statutes. Members shall be appointed in
778 accordance with section 16-331d of the general statutes. No member of
779 the advisory council shall be an employee of a company providing
780 community antenna television service or video service. For the
781 purposes of this subsection, an employee includes any person working
782 full or part time or performing any subcontracting or consulting
783 services for a company providing community antenna television
784 service or video service.

785 (b) A company issued a cable franchise authority certificate shall
786 provide funding to the advisory council in the amount of two
787 thousand dollars per year.

788 (c) Members of the advisory council shall serve without
789 compensation. For the purposes of this section, compensation shall

790 include the receipt of any free or discounted community antenna
791 television service or video service.

792 (d) The Department of Public Utility Control shall designate the
793 advisory council as an intervenor in any contested case proceeding
794 before the department involving the company it advises. Such
795 company shall provide to the chairperson of the advisory council a
796 copy of any report, notice or other document it files with the
797 department in any applicable proceeding.

798 (e) Any company issued a certificate of cable franchise authority
799 shall, every six months, provide on bills, bill inserts or letters to
800 subscribers, a notice indicating the name and address of the
801 chairperson of the advisory council and describing the responsibilities
802 of such advisory council. The advisory council shall have an
803 opportunity to review such notice prior to its distribution.

804 Sec. 18. (NEW) (*Effective October 1, 2007*) (a) At the time of initial
805 subscription, and annually thereafter, a company issued a certificate of
806 cable franchise authority shall provide subscribers with a description
807 of the community antenna television service or video service offerings
808 and current rates, a description of the company's credit policies,
809 including any finance charges or late payment charges and a
810 description of the company's billing practices and complaint
811 procedures upon request.

812 (b) In accordance with 47 USC 551, at the time of entering into an
813 agreement to provide community antenna television or video service
814 to a subscriber, a company issued a certificate of cable franchise
815 authority shall inform the subscriber of its practices regarding the
816 collection and use of personally identifiable customer information,
817 including (1) the type of information collected, (2) the purposes for
818 which it is used, (3) the extent and manner in which it is shared with
819 unaffiliated third parties for purposes of enabling delivery of the
820 community antenna television or video service, and (4) its procedures
821 to ensure the subscriber's right to privacy. A holder of a certificate of

822 cable franchise authority shall not disclose personally identifiable
823 customer information other than anonymous or aggregate data to
824 unaffiliated third parties for their own marketing purposes without the
825 consent of such subscriber.

826 (c) A company issued a certificate of cable franchise authority shall
827 implement an informal process for handling Department of Public
828 Utility Control and customer inquiries, billing issues, service issues
829 and other complaints. In the event an issue is not resolved through this
830 informal process, a customer may request from the department a
831 confidential, nonbinding mediation with the company, and a
832 designated member of the department staff shall serve as the mediator.
833 If the mediation is unsuccessful, the customer may file a formal
834 complaint with the department. The department's sole jurisdiction
835 over the complaint is to determine if the company is in compliance
836 with sections 14 to 24, inclusive, of this act, or any other laws,
837 regulations or orders applicable to companies holding a certificate of
838 cable franchise authority. If the company is found to be in
839 noncompliance, the department shall order the company to remedy
840 such noncompliance within a reasonable period of time. Failure to
841 comply may subject the company to civil penalties and revocation of
842 the certificate, as provided in section 24 of this act.

843 (d) A company issued a certificate of cable franchise authority shall
844 comply with the customer service requirements of 47 CFR 76.309(c) for
845 its community antenna television or video services. A company issued
846 a certificate of cable franchise authority shall not be subject to any
847 other state law or regulation or department order to the extent it
848 imposes customer service requirements in excess of or more stringent
849 than 47 CFR 76.309(c).

850 Sec. 19. (NEW) (*Effective October 1, 2007*) (a) Except when otherwise
851 required by federal law, a company issued a certificate of cable
852 franchise authority shall inform the Department of Public Utility
853 Control of any planned programming or rate changes not less than
854 thirty days before implementing such changes unless (1) such changes

855 are required by law to be made in less than thirty days, or (2) in
856 appropriate circumstances where a shorter notice period is in the best
857 interest of the company's subscribers.

858 (b) Except when otherwise required by federal law, a company
859 issued a certificate of cable franchise authority shall inform each of its
860 subscribers, the chairpersons of the joint standing committee of the
861 General Assembly having cognizance of matters relating to technology
862 and the chairperson of the applicable advisory council of any planned
863 elimination or reduction in programming or planned rate increases not
864 less than thirty days before implementing such changes unless (1) such
865 changes are required by law to be made in less than thirty days, or (2)
866 the department prescribes a longer or shorter notice period in
867 appropriate circumstances where such longer or shorter notice period
868 is in the best interest of the company's subscribers. The advisory
869 council may hold an advisory public hearing concerning the planned
870 changes and may then make a recommendation to the company before
871 the planned implementation date.

872 Sec. 20. (NEW) (*Effective October 1, 2007*) If community antenna
873 television service or video service provided to a subscriber by a
874 company holding a certificate of cable franchise authority experiences
875 a service outage for more than twenty-four continuous hours, such
876 subscriber shall receive a credit or refund from such company in an
877 amount that represents the proportionate share of such service not
878 received in a billing period, provided such interruption is not caused
879 by the subscriber.

880 Sec. 21. (NEW) (*Effective October 1, 2007*) (a) A company issued a
881 certificate of cable franchise authority shall make closed captioning
882 available when simultaneously broadcast with video signals carried by
883 the company.

884 (b) A company issued a certificate of cable franchise authority shall
885 offer the concurrent rebroadcast of local television broadcast channels,
886 or utilize another economically and technically feasible process for

887 providing an appropriate message through the company's community
888 antenna television service or video service in the event of a public
889 safety emergency issued over the emergency broadcast system.

890 Sec. 22. (NEW) (*Effective October 1, 2007*) A company issued a
891 certificate of cable franchise authority shall provide any library serving
892 the public and any school system, college or university, located in a
893 part of the company's franchise area where service is available, with
894 one drop for basic community antenna television service or video
895 service at no charge if such library, school system, college or university
896 participates in educational or public access programming offered
897 throughout the company's franchise area. The Department of Public
898 Utility Control may exempt any company with a certificate of cable
899 franchise authority from providing such service at no charge if it
900 would have an adverse impact on such company. No company issued
901 a certificate of cable franchise authority shall be required to provide
902 this free service if the library or school is receiving community antenna
903 television service or video service from another provider.

904 Sec. 23. (NEW) (*Effective October 1, 2007*) (a) Nothing in sections 14 to
905 24, inclusive, of this act shall be construed to relieve a company issued
906 a certificate of cable franchise authority from such company's
907 obligations under any federal or state laws or regulations or
908 Department of Public Utility Control orders applicable to community
909 antenna television companies or public service companies, or from any
910 other federal or state laws or regulations or department orders unless
911 specified in sections 14 to 24, inclusive, of this act.

912 (b) A company issued a certificate of cable franchise authority shall
913 not be subject to subdivisions (1), (2), (3), (5) and (6) of subsection (d)
914 of section 16-331 of the general statutes, subsections (f) and (h) of
915 section 16-331 of the general statutes, and subsections (e) and (f) of
916 section 16-333 of the general statutes or to any regulations or
917 department orders implemented or arising from said sections.

918 Sec. 24. (NEW) (*Effective October 1, 2007*) A holder of a certificate of

919 cable franchise authority, and the officers, agents and employees of
920 such cable franchise authority, shall obey, observe and comply with
921 sections 14 to 24, inclusive, of this act and each applicable order made
922 by the Department of Public Utility Control pursuant to sections 14 to
923 24, inclusive, of this act. A holder of a cable franchise authority
924 certificate that the department finds has failed to obey or comply with
925 sections 14 to 24, inclusive, of this act or any applicable order made by
926 the department pursuant thereto may be fined, by order of the
927 department, not more than ten thousand dollars for each offense. Each
928 distinct violation of any such order shall be a separate offense and, in
929 the case of a continued violation, each day thereof shall be deemed a
930 separate offense. The department shall impose any such civil penalty
931 in accordance with the procedure established in section 16-41 of the
932 general statutes. If such penalty is imposed, it shall be the sole remedy
933 for such violation. The department shall also have the authority to
934 revoke the certificate of cable franchise authority if the holder of the
935 certificate is found, after a department hearing with notice to all
936 interested parties, to be in substantial noncompliance with the
937 requirements of law or department orders.

938 Sec. 25. Section 12-256 of the general statutes is repealed and the
939 following is substituted in lieu thereof (*Effective October 1, 2007*):

940 (a) For purposes of this section, "quarterly period" means a period of
941 three calendar months commencing on the first day of January, April,
942 July or October and ending on the last day of March, June, September
943 or December, respectively.

944 (b) Each person operating a community antenna television system
945 under chapter 289 or a certified competitive video service pursuant to
946 sections 2 to 13, inclusive, of this act and each person operating a
947 business that provides one-way transmission to subscribers of video
948 programming by satellite shall pay a quarterly tax upon the gross
949 earnings from (1) the lines, facilities, apparatus and auxiliary
950 equipment in this state used for operating a community antenna
951 television system or a certified competitive video service, or (2) the

952 transmission to subscribers in this state of video programming by
953 satellite, as the case may be. No deduction shall be allowed from such
954 gross earnings for operations related to commissions, rebates or other
955 payments, except such refunds as arise from errors or overcharges. On
956 or before the last day of the month next succeeding each quarterly
957 period, each such person shall render to the commissioner a return on
958 forms prescribed or furnished by the commissioner, signed by the
959 person performing the duties of treasurer or an authorized agent or
960 officer of the system or service operated by such person, which return
961 shall include information regarding the name and location within this
962 state of such system or service and the total amount of gross earnings
963 derived from such operations and such other facts as the commissioner
964 may require for the purpose of making any computation required by
965 this chapter.

966 Sec. 26. Section 12-258 of the general statutes is repealed and the
967 following is substituted in lieu thereof (*Effective October 1, 2007*):

968 (a) Each person included in section 12-256, as amended by this act,
969 shall be taxed upon the amount of the gross earnings in each quarterly
970 period from the lines, facilities, apparatus and auxiliary equipment
971 operated by it in this state, or from the transmission of video
972 programming by satellite to this state, as the case may be, at the rates
973 provided in this section.

974 (b) Gross earnings for any quarterly period, for the purposes of
975 assessment and taxation, shall be as follows: In the case of a person
976 carrying on the business wholly within the limits of this state, the
977 entire amount of the gross earnings subject to the tax imposed under
978 section 12-256, as amended by this act; in the case of a person also
979 carrying on the business outside of this state, a portion of the entire
980 amount of the gross earnings subject to the tax imposed under section
981 12-256, as amended by this act, apportioned to this state as follows: (1)
982 In the case of a person operating a community antenna television
983 system, such portion of the total gross earnings from the lines,
984 facilities, apparatus and auxiliary equipment operated by it as is

985 represented by the total number of miles of lines operated by such
986 person within this state on the first day and on the last day of such
987 quarterly period to the total number of miles of lines operated by such
988 person both within and without the state on said dates; and (2) in the
989 case of a person operating a business that provides one-way
990 transmission to subscribers of video programming by satellite, such
991 portion of the total gross earnings from the transmission to subscribers
992 in this state as is represented by the total number of subscribers served
993 by such person within this state on the first day and on the last day of
994 such quarterly period to the total number of subscribers served by
995 such person both within and without the state on said dates.

996 (c) The rates of tax on the gross earnings as determined in this
997 section shall be as follows: (1) Persons operating a community antenna
998 television system or a certified competitive video service, five per cent
999 of such gross earnings, reduced by any assessments made pursuant to
1000 section 16-49 which are attributable to the year in which such tax is
1001 assessed; and (2) persons operating a business that provides one-way
1002 transmission to subscribers of video programming by satellite, five per
1003 cent of such gross earnings.

1004 Sec. 27. Section 12-80b of the general statutes is repealed and the
1005 following is substituted in lieu thereof (*Effective October 1, 2007*):

1006 (a) (1) Each taxpayer described in subsection (a) of section 12-80a
1007 that owns tangible personal property used both to render
1008 telecommunications service subject to tax under chapter 219 and to
1009 render community antenna television service or a certified competitive
1010 video service subject to tax under said chapter 219, shall have part of
1011 such property taxed as provided in said section 12-80a and part of such
1012 property exempt from property tax in accordance with section 12-268j.

1013 (2) The portion of such property to be taxed as provided in section
1014 12-80a and the portion exempt under section 12-268j shall be
1015 computed, as provided in regulations adopted by the Commissioner of
1016 Revenue Services in accordance with the provisions of chapter 54 on

1017 the basis of the taxpayer's gross receipts from rendering
1018 telecommunications service or a certified competitive video service, as
1019 defined in chapter 219, and from rendering community antenna
1020 television service, as defined in said chapter 219, or on some other
1021 basis permitted under such regulations.

1022 (b) (1) Each taxpayer not described in subsection (a) of section 12-
1023 80a that owns tangible personal property used both to render
1024 telecommunications service subject to tax under chapter 219 and to
1025 render community antenna television service or a certified competitive
1026 video service subject to tax under said chapter 219 shall have part of
1027 such property taxed as provided in this chapter, without regard to said
1028 section 12-80a, and part of such property exempt from property tax in
1029 accordance with section 12-268j.

1030 (2) The portion of such property to be taxed as provided in this
1031 chapter, without regard to section 12-80a and the portion exempt
1032 under section 12-268j shall be computed, as provided in regulations
1033 adopted by the Commissioner of Revenue Services in accordance with
1034 the provisions of chapter 54, on the basis of the taxpayer's gross
1035 receipts from rendering telecommunications service, as defined in
1036 chapter 219, and from rendering community antenna television service
1037 or a certified competitive video service, as defined in said chapter 219,
1038 or on some other basis permitted under such regulations.

1039 (c) For purposes of this section, "assessment year" means the
1040 assessment year under this chapter.

1041 Sec. 28. Section 12-268j of the general statutes is repealed and the
1042 following is substituted in lieu thereof (*Effective October 1, 2007*):

1043 (a) The taxation provided for in chapter 211 upon gross earnings in
1044 any year shall be in lieu of all taxes with respect to such year on (1)
1045 tangible personal property used solely and exclusively in a business so
1046 specified by a company included in section 12-256, as amended by this
1047 act, and (2) all tangible personal property acquired on or after October

1048 1, 2007, and until September 30, 2012, to upgrade an existing
1049 telecommunications network, even if the tangible personal property is
1050 not used solely and exclusively in a business so specified by a
1051 company included in section 12-256, as amended by this act.

1052 (b) The taxation provided for in chapter 211 upon gross earnings in
1053 any year shall be in lieu of all taxes with respect to such year on part of
1054 the tangible personal property that is used both to render
1055 telecommunications service subject to tax under chapter 219 and to
1056 render community antenna television service or a certified competitive
1057 video service subject to tax under chapter 219. The portion of such
1058 property in lieu of which taxation is provided for in chapter 211 and
1059 which is exempt from property tax is determined as provided in
1060 section 12-80b, except as provided in subsection (a) of this section.

1061 Sec. 29. Subsection (a) of section 12-407 of the general statutes is
1062 amended by adding subdivisions (38) to (40), inclusive, as follows
1063 (*Effective October 1, 2007*):

1064 (NEW) (38) "Certified competitive video service" means video
1065 programming services provided through wireline facilities, a portion
1066 of which are located in the public right-of-way, without regard to
1067 delivery technology, including Internet protocol technology. "Certified
1068 competitive video service" does not include any video programming
1069 provided by a commercial mobile service provider, as defined in 47
1070 USC 332(d); any video programming provided as part of community
1071 antenna television service; any video programming provided as part,
1072 and via, a service that enables users to access content, information,
1073 electronic mail or other services over the public Internet.

1074 (NEW) (39) "Directory assistance" means an ancillary service of
1075 providing telephone number information or address information.

1076 (NEW) (40) "Vertical service" means an ancillary service that is
1077 offered in connection with one or more telecommunications services,
1078 offering advanced calling features that allow customers to identify

1079 callers and to manage multiple calls and call connections, including
1080 conference bridging services.

1081 Sec. 30. Subparagraph (L) of subdivision (2) of subsection (a) of
1082 section 12-407 of the general statutes is repealed and the following is
1083 substituted in lieu thereof (*Effective October 1, 2007*):

1084 (L) The rendering of [community antenna television] certified
1085 competitive video service, as defined in subdivision [(27)] (38) of this
1086 subsection, for a consideration on or after [January 1, 1990] October 1,
1087 2007, exclusive of any such service rendered by an employee for the
1088 employer of such employee.

1089 Sec. 31. Section 12-217t of the general statutes is repealed and the
1090 following is substituted in lieu thereof (*Effective October 1, 2007*):

1091 (a) There shall be allowed as a credit against the tax imposed by
1092 chapter 207, this chapter, chapter 208a, 209, 210, 211, or 212 or against
1093 the tax imposed pursuant to section 12-202a in an amount determined
1094 under the provisions of subsection (b) of this section with respect to
1095 the personal property taxes paid during any income year, on electronic
1096 data processing equipment. For the purposes of this section "electronic
1097 data processing equipment" means computers, printers, peripheral
1098 computer equipment, bundled software and any computer-based
1099 equipment acting as a computer as defined under Section 168 of the
1100 Internal Revenue Code of 1986, or any subsequent corresponding
1101 internal revenue code of the United States, as from time to time
1102 amended, and any other such equipment reported as a Code 20 on the
1103 Personal Property Declaration as prescribed by the Secretary of the
1104 Office of Policy and Management pursuant to section 12-27.

1105 (b) The amount allowed as a credit in any income year shall be the
1106 full amount of the tax on such electronic data processing equipment
1107 paid pursuant to section 12-71 or 12-80a, and as defined under Section
1108 168 of the Internal Revenue Code of 1986, or any subsequent
1109 corresponding internal revenue code of the United States, as from time

1110 to time amended, provided no credit shall be allowed for the payment
1111 of any interest or penalty on the tax.

1112 (c) The credit provided for by this section shall be allowed for any
1113 taxes owed on the grand list of October 1, 1994, and each grand list
1114 annually thereafter or included in the list prescribed under section 12-
1115 80a for such grand list. Such credits shall first be used by the taxpayer
1116 against the corporation business tax under this chapter, if any, and
1117 then may be used against any tax paid by the taxpayer, or a member of
1118 its combined return pursuant to section 12-223a, under the provisions
1119 of chapter 207, 208a, 209, 210, 211 or 212 or the tax imposed upon a
1120 health care center under section 12-202a. The amount of credits
1121 allowable under this section in any tax year against the taxes imposed
1122 by chapter 207, 208, 208a, 209, 210, 211 or 212 or against the tax
1123 imposed on health care centers, under the provisions of section 12-
1124 202a, shall be allowable only after all other credits allowable against
1125 such taxes for such tax year have been applied.

1126 (d) In the case of leased electronic data processing equipment, the
1127 lessee, not the lessor, shall be entitled to claim the credit allowed
1128 pursuant to this section if the lease by its terms or operation imposes
1129 on the lessee the cost of the personal property taxes on such
1130 equipment, provided the lessor and lessee may elect, in writing, that
1131 the lessor may claim the credit provided by this section. The lessor
1132 shall provide a copy of such election to the Commissioner of Revenue
1133 Services, upon the request of said commissioner.

1134 (e) In the case of taxpayers filing a combined return pursuant to
1135 section 12-223a, the credit provided by this section shall be allowed on
1136 a combined basis, such that the amount of personal property taxes
1137 paid by such taxpayers with respect to such equipment may be
1138 claimed as a tax credit against the combined tax liability of such
1139 taxpayers as determined under this chapter. Credits available to
1140 taxpayers which are subject to tax under this chapter but not subject to
1141 tax under chapter 207, 208a, 209, 210, 211 or 212 or the tax imposed on
1142 health care centers under the provisions of section 12-202a shall be

1143 used prior to credits of companies included in such combined return
1144 which are also subject to tax under said chapter 207, 208a, 209, 210, 211
1145 or 212 or the tax imposed upon health centers pursuant to the
1146 provisions of section 12-202a.

1147 (f) If the amount of credit allowable under this section exceeds the
1148 sum of (1) the corporation business tax, if any, and (2) any taxes
1149 imposed by chapter 207, 208a, 209, 210, 211 or 212 paid by the
1150 taxpayer, after all other credits allowable against such taxes have first
1151 been applied, then any balance of the credit allowable under this
1152 section remaining may be taken in any of the five succeeding income
1153 years.

1154 Sec. 32. Subdivision (26) of subsection (a) of section 12-407 of the
1155 general statutes is repealed and the following is substituted in lieu
1156 thereof (*Effective October 1, 2007*):

1157 (26) (A) "Telecommunications service" means the electronic
1158 transmission, conveyance or routing of [any interactive
1159 electromagnetic communications including but not limited to] voice,
1160 image, data [and] audio, video or any other information [, by means of
1161 but not limited to wire, cable, including fiber optical cable, microwave,
1162 radio wave or any combinations of such media, and the leasing of any
1163 such service. "Telecommunications service" includes, but is not limited
1164 to, basic telephone service, including any facility or service provided in
1165 connection with such basic telephone service, toll telephone service
1166 and teletypewriter or computer exchange service, including but not
1167 limited to residential and business service, directory assistance, two-
1168 way cable television service, cellular mobile telephone or
1169 telecommunication service, specialized mobile radio and pagers and
1170 paging service, including any form of mobile two-way
1171 communication] or signals to a point or between or among points.
1172 "Telecommunications service" includes such transmission, conveyance
1173 or routing in which computer processing applications are used to act
1174 on the form, code or protocol of the content for purposes of
1175 transmission, conveyance or routing without regard to whether such

1176 service is referred to as a voice over Internet protocol service or is
1177 classified by the Federal Communications Commission as enhanced or
1178 value added. "Telecommunications service" does not include (i) value-
1179 added nonvoice data services, [in which computer processing
1180 applications are used to act on the information to be transmitted, (ii)
1181 any one-way radio or television broadcasting transmission] (ii) radio
1182 and television audio and video programming services, regardless of
1183 the medium, including the furnishing of transmission, conveyance or
1184 routing of such services by the programming service provider. Radio
1185 and television audio and video programming services shall include,
1186 but not be limited to, cable service as defined in 47 USC 522(6), audio
1187 and video programming services delivered by commercial mobile
1188 radio service providers, as defined in 47 CFR 20 and video
1189 programming service by certified competitive video service providers,
1190 (iii) any telecommunications service (I) rendered by a company in
1191 control of such service when rendered for private use within its
1192 organization, or (II) used, allocated or distributed by a company within
1193 its organization, including in such organization affiliates, as defined in
1194 section 33-840, for the purpose of conducting business transactions of
1195 the organization if such service is purchased or leased from a company
1196 rendering telecommunications service and such purchase or lease is
1197 subject to tax under this chapter, [and] (iv) access or interconnection
1198 service purchased by a provider of telecommunications service from
1199 another provider of such service for purposes of rendering such
1200 service, provided the purchaser submits to the seller a certificate
1201 attesting to the applicability of this exclusion, upon receipt of which
1202 the seller is relieved of any tax liability for such sale so long as the
1203 certificate is taken in good faith by the seller, (v) data processing and
1204 information services that allow data to be generated, acquired, stored,
1205 processed or retrieved and delivered by an electronic transmission to a
1206 purchaser where such purchaser's primary purpose for the underlying
1207 transaction is the processed data or information, (vi) installation or
1208 maintenance of wiring equipment on a customer's premises, (vii)
1209 tangible personal property, (viii) advertising, including, but not
1210 limited to, directory advertising, (ix) billing and collection services

1211 provided to third parties, (x) Internet access service, (xi) ancillary
1212 services, and (xii) digital products delivered electronically, including,
1213 but not limited to, software, music, video, reading materials or ring
1214 tones.

1215 (B) For purposes of the tax imposed under this chapter (i) gross
1216 receipts from the rendering of telecommunications service shall
1217 include any subscriber line charge or charges as required by the
1218 Federal Communications Commission and any charges for access
1219 service collected by any person rendering such service unless
1220 otherwise excluded from such gross receipts under this chapter and
1221 vertical and directory assistance services; (ii) gross receipts from the
1222 rendering of telecommunications service shall not include any local
1223 charge for calls from public or semipublic telephones; and (iii) gross
1224 receipts from the rendering of telecommunications service shall not
1225 include any charge for calls purchased using a prepaid telephone
1226 calling service, as defined in subdivision (34) of this subsection.

1227 Sec. 33. (NEW) (*Effective October 1, 2007*) (a) There is established an
1228 account to be known as the "public, educational and governmental
1229 programming and education technology investment account", which
1230 shall be a separate, nonlapsing account within the General Fund. The
1231 account shall contain any moneys required by law to be deposited in
1232 the account.

1233 (b) The moneys in said account shall be expended by the
1234 Department of Public Utility Control as follows: (1) Fifty per cent of
1235 the proceeds of the account shall be available to local advisory
1236 councils; state-wide advisory councils; public, educational and
1237 governmental programmers and public, educational and
1238 governmental studio operators to subsidize capital and equipment
1239 costs related to producing and procuring such programming, and (2)
1240 fifty per cent of the proceeds shall be available to boards of education
1241 and other education entities for education technology initiatives.

1242 (c) The account shall be supported solely through a tax equal to one-

1243 half of one per cent of the gross earnings paid to the state by each
1244 person operating a community antenna television system under
1245 chapter 289 of the general statutes or a certified competitive video
1246 service pursuant to sections 2 to 13, inclusive, of this act and each
1247 person operating a business that provides one-way transmission to
1248 subscribers of video programming by satellite.

1249 (d) On or before October 1, 2007, the Department of Public Utility
1250 Control shall initiate a contested proceeding to establish eligibility
1251 requirements and procedures for applying for allocations from the
1252 fund. On or before April 1, 2008, the department shall issue a final
1253 decision in the contested case proceeding. Such decision shall include
1254 any recommendations to the Governor and the General Assembly that
1255 the department deems necessary with regard to the ongoing operation
1256 of the account.

1257 Sec. 34. (NEW) (*Effective October 1, 2007*) Notwithstanding any
1258 provision of the general statutes, any regulation or any decision of the
1259 Department of Public Utility Control, any municipal electric utility,
1260 including its affiliate or subsidiary, which on July 1, 2007, is the holder
1261 of a second franchise to provide community antenna television service
1262 in a defined franchise area in the state shall be eligible to be a certified
1263 competitive video service provider for all purposes, regardless of the
1264 technology or technologies used to provide video programming, and
1265 may file an application to the department for a certificate of video
1266 franchise authority pursuant to sections 2 to 12, inclusive, of this act.
1267 Such certificate, if granted, shall (1) replace the certificate of public
1268 convenience and necessity to provide community antenna television
1269 service previously issued to such municipal electric utility, its affiliate
1270 or subsidiary, which shall thereafter be subject to the provisions of
1271 section 2 of this act, and (2) not limit the services in addition to video
1272 programming that said certified video service provider may offer
1273 subscribers within its service area footprint. The requirements of
1274 sections 16-331 to 16-333p, inclusive, of the general statutes and of any
1275 regulations adopted pursuant to said sections shall not apply unless

1276 specifically made applicable to certified competitive video service
 1277 providers.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2007</i>	16-1
Sec. 2	<i>October 1, 2007</i>	New section
Sec. 3	<i>October 1, 2007</i>	New section
Sec. 4	<i>October 1, 2007</i>	New section
Sec. 5	<i>October 1, 2007</i>	New section
Sec. 6	<i>October 1, 2007</i>	New section
Sec. 7	<i>October 1, 2007</i>	New section
Sec. 8	<i>October 1, 2007</i>	New section
Sec. 9	<i>October 1, 2007</i>	New section
Sec. 10	<i>October 1, 2007</i>	New section
Sec. 11	<i>October 1, 2007</i>	New section
Sec. 12	<i>October 1, 2007</i>	New section
Sec. 13	<i>October 1, 2007</i>	New section
Sec. 14	<i>October 1, 2007</i>	New section
Sec. 15	<i>October 1, 2007</i>	New section
Sec. 16	<i>October 1, 2007</i>	New section
Sec. 17	<i>October 1, 2007</i>	New section
Sec. 18	<i>October 1, 2007</i>	New section
Sec. 19	<i>October 1, 2007</i>	New section
Sec. 20	<i>October 1, 2007</i>	New section
Sec. 21	<i>October 1, 2007</i>	New section
Sec. 22	<i>October 1, 2007</i>	New section
Sec. 23	<i>October 1, 2007</i>	New section
Sec. 24	<i>October 1, 2007</i>	New section
Sec. 25	<i>October 1, 2007</i>	12-256
Sec. 26	<i>October 1, 2007</i>	12-258
Sec. 27	<i>October 1, 2007</i>	12-80b
Sec. 28	<i>October 1, 2007</i>	12-268j
Sec. 29	<i>October 1, 2007</i>	12-407(a)
Sec. 30	<i>October 1, 2007</i>	12-407(a)(2)(L)
Sec. 31	<i>October 1, 2007</i>	12-217t
Sec. 32	<i>October 1, 2007</i>	12-407(a)(26)
Sec. 33	<i>October 1, 2007</i>	New section
Sec. 34	<i>October 1, 2007</i>	New section

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Joint Favorable Subst. C/R

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