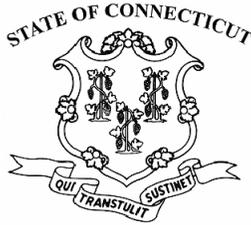


REPRINT



Substitute House Bill No. 7182

Public Act No. 07-253

AN ACT CONCERNING CERTIFIED COMPETITIVE VIDEO SERVICE.

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

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 Section 16-1 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2007*):

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

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

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

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

(4) "Public service company" includes electric, electric distribution, gas, telephone, telegraph, pipeline, sewage, water and community antenna television companies and holders of a certificate of cable franchise authority, owning, leasing, maintaining, operating,

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managing or controlling plants or parts of plants or equipment, and all express companies having special privileges on railroads within this state, but shall not include telegraph company functions concerning intrastate money order service, towns, cities, boroughs, any municipal corporation or department thereof, whether separately incorporated or not, a private power producer, as defined in section 16-243b, or an exempt wholesale generator, as defined in 15 USC 79z-5a;

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

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

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

(8) "Electric company" includes, until an electric company has been unbundled in accordance with the provisions of section 16-244e, every person owning, leasing, maintaining, operating, managing or controlling poles, wires, conduits or other fixtures, along public highways or streets, for the transmission or distribution of electric current for sale for light, heat or power within this state, or, engaged in generating electricity to be so transmitted or distributed for such purpose, but shall not include (A) a private power producer, as defined in section 16-243b, (B) an exempt wholesale generator, as defined in 15 USC 79z-5a, (C) a municipal electric utility established under chapter 101, (D) a municipal electric energy cooperative established under chapter 101a, (E) an electric cooperative established

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under chapter 597, or (F) any other electric utility owned, leased, maintained, operated, managed or controlled by any unit of local government under any general statute or any public or special act;

(9) "Gas company" includes every person owning, leasing, maintaining, operating, managing or controlling mains, pipes or other fixtures, in public highways or streets, for the transmission or distribution of gas for sale for heat or power within this state, or engaged in the manufacture of gas to be so transmitted or distributed for such purpose, but shall not include a person manufacturing gas through the use of a biomass gasification plant provided such person does not own, lease, maintain, operate, manage or control mains, pipes or other fixtures in public highways or streets, a municipal gas utility established under chapter 101 or any other gas utility owned, leased, maintained, operated, managed or controlled by any unit of local government under any general statute or any public or special act;

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

(11) "Consumer" means any private dwelling, boardinghouse,

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apartment, store, office building, institution, mechanical or manufacturing establishment or other place of business or industry to which water is supplied by a water company;

(12) "Sewage company" includes every person owning, leasing, maintaining, operating, managing or controlling, for general use in any town, city or borough, or portion thereof, in this state, sewage disposal facilities which discharge treated effluent into any waterway of this state;

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

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

(15) "Community antenna television service" means (A) the one-way transmission to subscribers of video programming or information that a community antenna television company makes available to all

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subscribers generally, and subscriber interaction, if any, which is required for the selection of such video programming or information, and (B) noncable communications service. "Community antenna television service" does not include video service provided by a certified competitive video service provider;

(16) "Community antenna television system" means a facility, consisting of a set of closed transmission paths and associated signal generation, reception and control equipment that is designed to provide community antenna television service which includes video programming and which is provided in, under or over any public street or highway, for hire, to multiple subscribers within a franchise, but such term does not include (A) a facility that serves only to retransmit the television signals of one or more television broadcast stations; (B) a facility that serves only subscribers in one or more multiple unit dwellings under common ownership, control or management, unless such facility is located in, under or over a public street or highway; (C) a facility of a common carrier which is subject, in whole or in part, to the provisions of Subchapter II of Chapter 5 of the Communications Act of 1934, 47 USC 201 et seq., as amended, except that such facility shall be considered a community antenna television system and the carrier shall be considered a public service company to the extent such facility is used in the transmission of video programming directly to subscribers; or (D) a facility of an electric company which is used solely for operating its electric company systems. "Community antenna television system" does not include a facility used by a certified competitive video service provider to provide video service;

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

(18) "Noncable communications service" means any

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telecommunications service, as defined in section 16-247a, and which is not included in the definition of "cable service" in the Communications Act of 1934, 47 USC 522, as amended. Nothing in this definition shall be construed to affect service which is both authorized and preempted pursuant to federal law;

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

(20) "Motor bus" includes any public service motor vehicle operated in whole or in part upon any street or highway, by indiscriminately receiving or discharging passengers, or operated on a regular route or over any portion thereof, or operated between fixed termini, and any public service motor vehicle operated over highways within this state between points outside this state or between points within this state and points outside this state;

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

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

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

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

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(25) "Telecommunications company" means a person that provides telecommunications service, as defined in section 16-247a, within the state, but shall not mean a person that provides only (A) private telecommunications service, as defined in section 16-247a, (B) the one-way transmission of video programming or other programming services to subscribers, (C) subscriber interaction, if any, which is required for the selection of such video programming or other programming services, (D) the two-way transmission of educational or instructional programming to a public or private elementary or secondary school, or a public or independent institution of higher education, as required by the department pursuant to a community antenna television company franchise agreement, or provided pursuant to a contract with such a school or institution which contract has been filed with the department, or (E) a combination of the services set forth in subparagraphs (B) to (D), inclusive, of this subdivision;

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

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

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

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

(30) "Electric supplier" means any person, including an electric aggregator or participating municipal electric utility that is licensed by the Department of Public Utility Control in accordance with section 16-245, that provides electric generation services to end use customers in the state using the transmission or distribution facilities of an

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electric distribution company, regardless of whether or not such person takes title to such generation services, but does not include: (A) A municipal electric utility established under chapter 101, other than a participating municipal electric utility; (B) a municipal electric energy cooperative established under chapter 101a; (C) an electric cooperative established under chapter 597; (D) any other electric utility owned, leased, maintained, operated, managed or controlled by any unit of local government under any general statute or special act; or (E) an electric distribution company in its provision of electric generation services in accordance with subsection (a) or, prior to January 1, 2004, subsection (c) of section 16-244c;

(31) "Electric aggregator" means (A) a person, municipality or regional water authority that gathers together electric customers for the purpose of negotiating the purchase of electric generation services from an electric supplier, or (B) the Connecticut Resources Recovery Authority, if it gathers together electric customers for the purpose of negotiating the purchase of electric generation services from an electric supplier, provided such person, municipality or authority is not engaged in the purchase or resale of electric generation services, and provided further such customers contract for electric generation services directly with an electric supplier, and may include an electric cooperative established pursuant to chapter 597;

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

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

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

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services;

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

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

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

(38) "Certified telecommunications provider" means a person certified by the department to provide intrastate telecommunications services, as defined in section 16-247a, pursuant to sections 16-247f to 16-247h, inclusive;

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

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

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

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

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

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

(45) "Sustainable biomass" means biomass that is cultivated and harvested in a sustainable manner. "Sustainable biomass" does not mean construction and demolition waste, as defined in section 22a-

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208x, finished biomass products from sawmills, paper mills or stud mills, organic refuse fuel derived separately from municipal solid waste, or biomass from old growth timber stands, except where (A) such biomass is used in a biomass gasification plant that received funding prior to May 1, 2006, from the Renewable Energy Investment Fund established pursuant to section 16-245n, or (B) the energy derived from such biomass is subject to a long-term power purchase contract pursuant to subdivision (2) of subsection (j) of section 16-244c entered into prior to May 1, 2006, or (C) prior to July 1, 2007, such biomass is used in a renewable energy facility that was approved by the department prior to October 1, 2005;

(46) "Video service" means video programming services provided through wireline facilities, a portion of which are located in the public right-of-way, without regard to delivery technology, including Internet protocol technology. "Video service" does not include any video programming provided by a commercial mobile service provider, as defined in 47 USC 332(d), any video programming provided as part of community antenna television service in a franchise area as of October 1, 2007, any video programming provided as part of and via a service that enables users to access content, information, electronic mail or other services over the public Internet;

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

(48) "Certificate of video franchise authority" means an

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authorization issued by the Department of Public Utility Control conferring the right to an entity or person to own, lease, maintain, operate, manage or control facilities in, under or over any public highway to offer video service to any subscribers in the state; and

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

(b) Notwithstanding any provision of the general statutes, [to the contrary, as used in the general statutes,] the terms "utility", "public utility" and "public service company" shall be deemed to include a community antenna television company and a holder of a certificate of cable franchise authority, except (1) as otherwise provided in sections 16-8, 16-27, 16-28 and 16-43, (2) that no provision of the general statutes, including but not limited to, the provisions of sections 16-6b and 16-19, shall subject a community antenna television company to regulation as a common carrier or utility by reason of providing community antenna television service, other than noncable communications service, as provided in Subchapter V-A of Chapter 5 of the Communications Act of 1934, 47 USC 521 et seq., as amended, and (3) that no provision of the general statutes, including but not limited to, sections 16-6b and 16-19, shall apply to community antenna

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television companies to the extent any such provision is preempted pursuant to any other provision of the Communications Act of 1934, 47 USC 151 et seq., as amended, any other federal act or any regulation adopted thereunder.

Sec. 2. (NEW) (*Effective October 1, 2007*) (a) An entity or person, other than a community antenna television company certified to provide community antenna television service pursuant to section 16-331 of the general statutes on or before October 1, 2007, or an affiliate, successor or assign of such community antenna television company, seeking to provide video service in the state on and after October 1, 2007, shall file with the Department of Public Utility Control an application for a certificate of video franchise authority, containing such information as required by this section. A community antenna television company may apply for a certificate of video franchise authority pursuant to this section for any service area in which it was not certified to provide community antenna television service pursuant to section 16-331 of the general statutes on or before October 1, 2007. The application shall be accompanied by a fee of one thousand dollars.

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

(c) The application shall include a completed affidavit submitted by the applicant and signed by an officer or general partner of the applicant, affirming: (1) The location of the applicant's principal place

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

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

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limited solely to the issue of whether the application complies with the requirements set forth in subsection (c) of this section.

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

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

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

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

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Sec. 3. (NEW) (*Effective October 1, 2007*) (a) The Department of Public Utility Control shall not require a certified competitive video service provider to comply with any facility build-out requirements or provide video service to any customer using any specific technology. The Department of Public Utility Control shall initiate a contested case proceeding, in accordance with the provisions of chapter 54 of the general statutes, three years after the issuance of the certificate of video franchise authority to such provider to investigate the availability of the certified competitive video service provider's video services and report its findings to the joint standing committee of the General Assembly having cognizance of matters relating to energy and technology.

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

(c) The rights and responsibilities under section 16-333a of the general statutes regarding service and wiring to multiunit residential buildings shall apply to a certified competitive video service provider.

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

Sec. 5. (NEW) (*Effective October 1, 2007*) (a) Not later than one hundred twenty days after the certified competitive video service provider begins offering service in a designated area pursuant to its

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certificate of video franchise authority, such provider shall provide capacity over its video service to allow community access programming, in its basic service package, in accordance with the following: (1) The certified competitive video service provider shall provide capacity equal to the number of community access channels currently offered by the incumbent community antenna television company in the given area; (2) the certified competitive video service provider shall provide funds for community access operations, as provided in subsection (k) of section 16-331a of the general statutes; (3) the certified competitive video service provider shall provide the transmission of community access programming with connectivity up to the first two hundred feet from the competitive video service provider's activated wireline video programming distribution facility located in the provider's designated service area and shall not provide additional requirements for the creation of any content; and (4) the community access programming shall be submitted to the certified competitive video service provider in a manner or form that is compatible with the technology or protocol utilized by said competitive video service provider to deliver video services over its particular network, and is capable of being accepted and transmitted by the provider, without requirement for additional alteration or change in the content by the provider.

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

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

Sec. 6. (NEW) (*Effective October 1, 2007*) (a) There shall be a state-wide video advisory council, whose membership is made up of one representative from each of the existing advisory councils established pursuant to section 16-331 of the general statutes. A certified competitive video service provider shall biannually convene a meeting of said council. No member of the state-wide video advisory council shall be an employee of a community antenna television company or a certified competitive video service provider. For the purpose of this subsection, an employee includes any person working full time or part time or performing any subcontracting or consulting services for a community antenna television company or a certified competitive video service provider.

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

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

(d) The Department of Public Utility Control shall designate the state-wide video advisory council as an intervenor in any contested case proceeding before the department involving the certified competitive video service provider it advises. Such certified

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competitive video service provider shall provide to the chairperson of the state-wide video advisory council a copy of any report, notice or other such document it files with the department in any applicable proceeding.

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

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

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

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(c) A certified competitive video service provider shall implement an informal process for handling Department of Public Utility Control and customer inquiries, billing issues, service issues and other complaints. In the event an issue is not resolved through such informal process, a customer may request of the department a confidential, nonbinding mediation with the competitive video service provider, and a designated member of the department staff shall serve as the mediator. If the mediation is unsuccessful, the customer may file a formal complaint with the department. The department's sole jurisdiction over the complaint is to determine if the certified competitive video service provider is in compliance with sections 3 to 11, inclusive, of this act. If the provider is found to be in noncompliance, the department shall order the certified competitive video service provider to cure such noncompliance within a reasonable period of time. Failure to comply may subject the certified competitive video service provider to civil penalties and revocation of the certificate, as provided in section 12 of this act.

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

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

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

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

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

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

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

Sec. 12. (NEW) (*Effective October 1, 2007*) A certified competitive video service provider, and its officers, agents and employees, shall comply with sections 2 to 12, inclusive, of this act and each applicable order made by the Department of Public Utility Control pursuant to sections 2 to 12, inclusive, of this act. Any certified competitive video service provider which the department finds has failed to comply with sections 2 to 12, inclusive, of this act, or any applicable order made by the department, may be fined, by order of the department, not more than ten thousand dollars for each offense. Each distinct violation of any such order shall be a separate offense and, in the case of a continued violation, each day thereof shall be deemed a separate offense. The department shall impose any such civil penalty in accordance with the procedure established in section 16-41 of the general statutes and if such penalty is imposed, it shall be the sole remedy for such violation. The department shall also have the authority to revoke the certificate of video franchise authority if the certified competitive video service provider is found, after a department hearing with notice to all interested parties, to be in substantial noncompliance with the requirements of law or

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department orders.

Sec. 13. (NEW) (*Effective October 1, 2007*) (a) Thirty days after a certified competitive video service provider offers video service in a community antenna television company's existing franchise area pursuant to a certificate of video franchise authority, or thirty days after a municipal electric utility, its affiliate or subsidiary begins offering video service in a community antenna television company's existing franchise area pursuant to a certificate of video franchise authority, the community antenna television company may seek a certificate of cable franchise authority from the Department of Public Utility Control.

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

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

(d) Said application shall include a completed affidavit submitted by the applicant and signed by an officer or general partner of the applicant, affirming: (1) The location of the applicant's principal place of business and the names of the applicant's principal executive officers; (2) that the applicant has filed or will timely file with the Federal Communications Commission all forms required by said commission in advance of offering community antenna television service or video service in such franchise area; (3) that the applicant agrees to comply with all applicable federal and state statutes and regulations and with all department orders applicable to community antenna television companies, except as exempted by sections 14 to 24, inclusive, of this act; and (4) that the applicant agrees to comply with

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the requirements of sections 14 to 24, inclusive, of this act. The affidavit shall also include a description of the community antenna television company's current franchise area and a general description of the type or types of technologies the community antenna television company is using and intends to use in providing community antenna television programming or video service in the franchise area, which may include wireline, satellite or any other alternative technology.

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

(f) The department shall issue a certificate of cable franchise authority not later than thirty calendar days from finding the application complies with the requirements of subsection (d) of this section. The certificate issued by the department shall provide: (1) A grant of authority to provide community antenna television service or video service as requested in the application; (2) a grant of authority to own, lease, maintain, operate, manage or control facilities in, under or over any public highway in the delivery of such service, subject to the laws of the state; and (3) a statement that the grant of authority is subject to lawful operation of the community antenna television service or video service by the applicant or its interest.

(g) If the department finds that the applicant's application is

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incomplete, it shall specify with particularity the items in the application that are incomplete and permit the applicant to amend the application to cure any deficiency. The department shall issue a certificate of cable franchise authority not later than thirty calendar days from its receipt of the amended and completed application.

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

Sec. 14. (NEW) (*Effective October 1, 2007*) (a) The Department of Public Utility Control shall not require a company issued a certificate of cable franchise authority to comply with any facility build-out requirements or provide community antenna television service or video service to any customer using any specific technology.

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

Sec. 15. (NEW) (*Effective October 1, 2007*) A company holding a cable franchise authority certificate shall not deny access to service to any group of potential residential subscribers based solely upon the income of the residents in the local area in which such group resides. An affected person may seek enforcement of this requirement by filing a complaint with the Department of Public Utility Control. A municipality within which the potential residential community antenna television service or video service subscriber resides may be considered an affected person for purposes of this section.

Sec. 16. (NEW) (*Effective October 1, 2007*) (a) A company issued a certificate of cable franchise authority shall be subject to the

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community access programming and operations provisions set forth in subsections (b) to (i), inclusive, and subsections (k), (l) and (n) of section 16-331a of the general statutes and any regulations pursuant thereto, and subsection (c) of section 16-333 of the general statutes and any regulations pursuant thereto.

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

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

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

(c) Members of the advisory council shall serve without compensation. For the purposes of this section, compensation shall include the receipt of any free or discounted community antenna television service or video service.

(d) The Department of Public Utility Control shall designate the advisory council as an intervenor in any contested case proceeding

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before the department involving the company it advises. Such company shall provide to the chairperson of the advisory council a copy of any report, notice or other document it files with the department in any applicable proceeding.

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

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

(b) In accordance with 47 USC 551, at the time of entering into an agreement to provide community antenna television or video service to a subscriber, a company issued a certificate of cable franchise authority shall inform the subscriber of its practices regarding the collection and use of personally identifiable customer information, including (1) the type of information collected, (2) the purposes for which it is used, (3) the extent and manner in which it is shared with unaffiliated third parties for purposes of enabling delivery of the community antenna television or video service, and (4) its procedures to ensure the subscriber's right to privacy. A holder of a certificate of cable franchise authority shall not disclose personally identifiable customer information other than anonymous or aggregate data to unaffiliated third parties for their own marketing purposes without

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the consent of such subscriber.

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

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

Sec. 19. (NEW) (*Effective October 1, 2007*) (a) Except when otherwise required by federal law, a company issued a certificate of cable franchise authority shall inform the Department of Public Utility Control of any planned programming or rate changes not less than thirty days before implementing such changes unless (1) such changes are required by law to be made in less than thirty days, or (2) in

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appropriate circumstances where a shorter notice period is in the best interest of the company's subscribers.

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

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

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

(b) A company issued a certificate of cable franchise authority shall offer the concurrent rebroadcast of local television broadcast channels,

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or utilize another economically and technically feasible process for providing an appropriate message through the company's community antenna television service or video service in the event of a public safety emergency issued over the emergency broadcast system.

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

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

(b) A company issued a certificate of cable franchise authority shall not be subject to subdivisions (1), (2), (3), (5) and (6) of subsection (d) of section 16-331 of the general statutes, subsections (f) and (h) of section 16-331 of the general statutes, and subsections (e) and (f) of section 16-333 of the general statutes or to any regulations or

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department orders implemented or arising from said sections.

Sec. 24. (NEW) (*Effective October 1, 2007*) A holder of a certificate of cable franchise authority, and the officers, agents and employees of such cable franchise authority, shall obey, observe and comply with sections 14 to 24, inclusive, of this act and each applicable order made by the Department of Public Utility Control pursuant to sections 14 to 24, inclusive, of this act. A holder of a cable franchise authority certificate that the department finds has failed to obey or comply with sections 14 to 24, inclusive, of this act or any applicable order made by the department pursuant thereto may be fined, by order of the department, not more than ten thousand dollars for each offense. Each distinct violation of any such order shall be a separate offense and, in the case of a continued violation, each day thereof shall be deemed a separate offense. The department shall impose any such civil penalty in accordance with the procedure established in section 16-41 of the general statutes. If such penalty is imposed, it shall be the sole remedy for such violation. The department shall also have the authority to revoke the certificate of cable franchise authority if the holder of the certificate is found, after a department hearing with notice to all interested parties, to be in substantial noncompliance with the requirements of law or department orders.

Sec. 25. (NEW) (*Effective October 1, 2007*) (a) There is established an account to be known as the "municipal video competition trust account", which shall be a separate, nonlapsing account within the General Fund. The account shall contain any moneys required by this section to be deposited in the account and shall be distributed as property tax relief to the towns, cities and boroughs of this state pursuant to subsection (c) of this section.

(b) The Comptroller shall deposit into the municipal video competition trust account, established pursuant to this section, a sum not to exceed five million dollars per fiscal year from the gross

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earnings tax imposed on certified competitive video service providers pursuant to section 12-256 of the general statutes, as amended by this act.

(c) (1) The amount to be distributed to each town from said account shall be a proportional part of the total amount of such distribution determined with respect to each town by the following ratio: The total number of subscribers to certified competitive video service located in such town at the end of such fiscal year shall be the numerator of the fraction, and the total number of subscribers to certified competitive video service located in all towns in this state at the end of such fiscal year shall be added together, and the sum shall be the denominator of the fraction.

(2) Any city or borough not consolidated with the town in which it is located and any town containing such a city or borough shall receive a portion of the amount allocated to such town under subdivision (1) of this subsection on the basis of the following ratio: The total property taxes levied in such fiscal year by such town, city or borough shall be the numerator of the fraction, and the total property taxes levied in such fiscal year by the town and all cities or boroughs located within such town shall be added together, and the sum shall be the denominator of the fraction. Any such city or borough may, by vote of its legislative body, direct the Secretary of the Office of Policy and Management to reallocate all or a portion of the share of such city or borough to the town in which it is located.

(d) Not later than September 15, 2008, and annually thereafter, the Secretary of the Office of Policy and Management shall certify to the Comptroller the percentage of the amount in said account to be paid to each municipality from said account in accordance with this section and the Comptroller shall draw the Comptroller's order on the Treasurer not later than the twenty-fifth day of September in the same year. The Treasurer shall pay the respective amount to each

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municipality in accordance with this section on or before the thirtieth day of September in the same year.

(e) Not later than July 30, 2008, and annually thereafter, each certified competitive video service provider shall file with the Office of Policy and Management the total number of subscribers to certified competitive video service in each town and the total subscribers to certified competitive video service in all towns in this state as of the last day of the immediately preceding fiscal year.

Sec. 26. Section 12-256 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2007*):

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

(b) Each person operating a community antenna television system under chapter 289 or a certified competitive video service pursuant to sections 2 to 12, inclusive, of this act and each person operating a business that provides one-way transmission to subscribers of video programming by satellite shall pay a quarterly tax upon the gross earnings from (1) the lines, facilities, apparatus and auxiliary equipment in this state used for operating a community antenna television system, or (2) the transmission to subscribers in this state of video programming by satellite or by a certified competitive video service provider, as the case may be. No deduction shall be allowed from such gross earnings for operations related to commissions, rebates or other payments, except such refunds as arise from errors or overcharges. On or before the last day of the month next succeeding each quarterly period, each such person shall render to the commissioner a return on forms prescribed or furnished by the commissioner, signed by the person performing the duties of treasurer

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or an authorized agent or officer of the system or service operated by such person, which return shall include information regarding the name and location within this state of such system or service and the total amount of gross earnings derived from such operations and such other facts as the commissioner may require for the purpose of making any computation required by this chapter.

(c) For purposes of this chapter, a holder of a certificate of cable franchise authority under section 13 of this act shall be treated as a person operating a community antenna television system under chapter 289.

Sec. 27. Section 12-258 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective July 1, 2007*):

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

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

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represented by the total number of miles of lines operated by such person within this state on the first day and on the last day of such quarterly period to the total number of miles of lines operated by such person both within and without the state on said dates; [and] (2) in the case of a person operating a business that provides one-way transmission to subscribers of video programming by satellite, such portion of the total gross earnings from the transmission to subscribers in this state as is represented by the total number of subscribers served by such person within this state on the first day and on the last day of such quarterly period to the total number of subscribers served by such person both within and without the state on said dates; and (3) in the case of a person providing certified competitive video service, such portion of the total gross earnings from the transmission to subscribers in this state as is represented by the total number of subscribers served by such person within this state on the first and the last days of such quarterly period to the average of the total number of subscribers served by such person both within and without the state on said dates.

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

Sec. 28. Section 12-80b of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2007*):

(a) (1) Each taxpayer described in subsection (a) of section 12-80a that owns tangible personal property used both to render telecommunications service subject to tax under chapter 219 and to render community antenna television service or a certified competitive

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video service subject to tax under said chapter 219, shall have part of such property taxed as provided in said section 12-80a and part of such property exempt from property tax in accordance with section 12-268j.

(2) The portion of such property to be taxed as provided in section 12-80a and the portion exempt under section 12-268j shall be computed, as provided in regulations adopted by the Commissioner of Revenue Services in accordance with the provisions of chapter 54 on the basis of the taxpayer's gross receipts from rendering telecommunications service or a certified competitive video service, as defined in chapter 219, and from rendering community antenna television service, as defined in said chapter 219, or on some other basis permitted under such regulations.

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

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

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

(d) For purposes of this section, "community antenna television service" shall include service provided by a holder of a certificate of cable franchise authority pursuant to section 13 of this act.

Sec. 29. Section 12-268j of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2007*):

(a) The taxation provided for in chapter 211 upon gross earnings in any year shall be in lieu of all taxes with respect to such year on (1) tangible personal property used solely and exclusively in a business so specified by a company included in section 12-256, as amended by this act, and (2) for assessment years commencing on October 1, 2007, October 1, 2008, and October 1, 2009, all tangible personal property acquired on or after October 1, 2007, and on or before September 30, 2010, to upgrade an existing telecommunications network, even if the tangible personal property is used solely or in part in the provision of competitive video programming service, in a business so specified by a company included in section 12-256, as amended by this act.

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

Sec. 30. Subsection (a) of section 12-407 of the general statutes is amended by adding subdivisions (38) to (40), inclusive, as follows

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(Effective October 1, 2007):

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

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

(NEW) (40) "Vertical service" means an ancillary service that is offered in connection with one or more telecommunications services, offering advanced calling features that allow customers to identify callers and to manage multiple calls and call connections, including conference bridging services.

Sec. 31. Subparagraph (L) of subdivision (2) of subsection (a) of section 12-407 of the general statutes is repealed and the following is substituted in lieu thereof *(Effective October 1, 2007)*:

(L) (i) The rendering of community antenna television service, as defined in subdivision (27) of this subsection, for a consideration on or after January 1, 1990, exclusive of any such service rendered by an employee for the employer of such employee. For purposes of this chapter, "community antenna television service" shall include service provided by a holder of a certificate of cable franchise authority pursuant to section 13 of this act.

(ii) The rendering of certified competitive video service, as defined

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in subdivision (38) of this subsection, as amended by this act, for consideration on or after October 1, 2007, exclusive of any such service rendered by an employee for the employer of such employee.

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

(26) (A) "Telecommunications service" means the electronic transmission, conveyance or routing of [any interactive electromagnetic communications including but not limited to] voice, image, data [and] audio, video or any other information [, by means of but not limited to wire, cable, including fiber optical cable, microwave, radio wave or any combinations of such media, and the leasing of any such service. "Telecommunications service" includes, but is not limited to, basic telephone service, including any facility or service provided in connection with such basic telephone service, toll telephone service and teletypewriter or computer exchange service, including but not limited to residential and business service, directory assistance, two-way cable television service, cellular mobile telephone or telecommunication service, specialized mobile radio and pagers and paging service, including any form of mobile two-way communication] or signals to a point or between or among points. "Telecommunications service" includes such transmission, conveyance or routing in which computer processing applications are used to act on the form, code or protocol of the content for purposes of transmission, conveyance or routing without regard to whether such service is referred to as a voice over Internet protocol service or is classified by the Federal Communications Commission as enhanced or value added. "Telecommunications service" does not include (i) value-added nonvoice data services, [in which computer processing applications are used to act on the information to be transmitted, (ii) any one-way radio or television broadcasting transmission] (ii) radio

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and television audio and video programming services, regardless of the medium, including the furnishing of transmission, conveyance or routing of such services by the programming service provider. Radio and television audio and video programming services shall include, but not be limited to, cable service as defined in 47 USC 522(6), audio and video programming services delivered by commercial mobile radio service providers, as defined in 47 CFR 20, and video programming service by certified competitive video service providers, (iii) any telecommunications service (I) rendered by a company in control of such service when rendered for private use within its organization, or (II) used, allocated or distributed by a company within its organization, including in such organization affiliates, as defined in section 33-840, for the purpose of conducting business transactions of the organization if such service is purchased or leased from a company rendering telecommunications service and such purchase or lease is subject to tax under this chapter, [and] (iv) access or interconnection service purchased by a provider of telecommunications service from another provider of such service for purposes of rendering such service, provided the purchaser submits to the seller a certificate attesting to the applicability of this exclusion, upon receipt of which the seller is relieved of any tax liability for such sale so long as the certificate is taken in good faith by the seller, (v) data processing and information services that allow data to be generated, acquired, stored, processed or retrieved and delivered by an electronic transmission to a purchaser where such purchaser's primary purpose for the underlying transaction is the processed data or information, (vi) installation or maintenance of wiring equipment on a customer's premises, (vii) tangible personal property, (viii) advertising, including, but not limited to, directory advertising, (ix) billing and collection services provided to third parties, (x) Internet access service, (xi) ancillary services, and (xii) digital products delivered electronically, including, but not limited to, software, music, video, reading materials or ring tones.

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(B) For purposes of the tax imposed under this chapter (i) gross receipts from the rendering of telecommunications service shall include any subscriber line charge or charges as required by the Federal Communications Commission and any charges for access service collected by any person rendering such service unless otherwise excluded from such gross receipts under this chapter, and such gross receipts from the rendering of telecommunications service shall also include any charges for vertical service, for the installation or maintenance of wiring equipment on a customer's premises, and for directory assistance service; (ii) gross receipts from the rendering of telecommunications service shall not include any local charge for calls from public or semipublic telephones; and (iii) gross receipts from the rendering of telecommunications service shall not include any charge for calls purchased using a prepaid telephone calling service, as defined in subdivision (34) of this subsection.

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

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

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(c) The account shall be supported solely through a tax equal to one-half of one per cent of the gross earnings from rendering community antenna television service, video programming service by satellite and certified competitive video service in this state beginning October 1, 2007, and before October 1, 2009, and a tax equal to one-quarter of one per cent of the gross earnings from rendering community antenna television service, video programming service by satellite and certified competitive video service in this state on or after October 1, 2009, by each person operating a community antenna television system under chapter 289 of the general statutes or a certified competitive video service pursuant to sections 2 to 13, inclusive, of this act and each person operating a business that provides one-way transmission to subscribers of video programming by satellite. Such tax for the fiscal year shall be remitted to the Department of Revenue Services on a form prescribed by the Commissioner of Revenue Service by August thirtieth following the close of the fiscal year. For purposes of this section, gross receipts in this state shall be determined in a manner consistent with chapter 211 of the general statutes.

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

(e) For purposes of this section, a holder of a certificate of cable franchise authority pursuant to section 13 of this act shall be treated as a person operating a community antenna television system pursuant to chapter 289 of the general statutes and community antenna television service shall include service provided by a holder of a

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certificate of cable franchise authority pursuant to section 13 of this act.

Sec. 34. (NEW) (*Effective October 1, 2007*) (a) Notwithstanding any provision of the general statutes, any regulation or any decision of the Department of Public Utility Control, any municipal electric utility, including its affiliate or subsidiary, which on July 1, 2007, is the holder of a second franchise to provide community antenna television service in a defined franchise area in the state shall be eligible to be a certified competitive video service provider for all purposes, regardless of the technology or technologies used to provide video programming, and may file an application to the department for a certificate of video franchise authority pursuant to section 2 of this act. Such certificate, if granted, shall (1) replace the certificate of public convenience and necessity to provide community antenna television service previously issued to such municipal electric utility, its affiliate or subsidiary, which shall thereafter be subject to the provisions of sections 2 to 12, inclusive, of this act, (2) not limit the services in addition to video programming that said certified video service provider may offer subscribers within its service area footprint, and (3) be expressly limited to the service area footprint in which the franchise holder is authorized to provide community antenna television service as of July 1, 2007. The requirements of sections 16-331 to 16-333p, inclusive, of the general statutes and of any regulations adopted pursuant to said sections shall not apply unless specifically made applicable to certified competitive video service providers.

(b) Notwithstanding any provision of the general statutes, any regulation or any decision of the Department of Public Utility Control, any municipal electric utility, including its affiliate or subsidiary, may apply to the department to become a certified competitive video service provider for all purposes, outside of its existing community antenna television company franchise area as of July 1, 2007, if applicable, pursuant to section 2 of this act, regardless of the

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technology or technologies used to provide video programming. Such certificate, if granted, shall not limit the services in addition to video programming that said certified competitive video service provider may offer subscribers within its service area footprint. The requirements of sections 16-331 to 16-333p, inclusive, of the general statutes and of any regulations adopted pursuant to said sections shall not apply unless specifically made applicable to certified competitive video service providers.

Sec. 35. (NEW) (*Effective October 1, 2007*) There is established a state-wide community antenna television advisory council to assist local community antenna television advisory councils in the performance of their functions and disseminate information to local advisory councils that is relevant to the interests of customers of community antenna television companies. The state-wide advisory council shall consist of the following members: (1) Three appointed by the Governor; (2) two appointed by the speaker of the House of Representatives; (3) two appointed by the president pro tempore of the Senate; (4) one appointed by the majority leader of the House of Representatives; (5) one appointed by the majority leader of the Senate; (6) two appointed by the minority leader of the House of Representatives; and (7) two appointed by the minority leader of the Senate. The term of each member of the state-wide advisory council shall be coterminous with the term of the appointing authority for said member. Not later than January 1, 2008, and annually thereafter, the members shall elect a chairperson of said council from among the members of the council.

Sec. 36. Subsection (d) of section 16-331 of the general statutes is amended by adding subdivision (7) as follows (*Effective October 1, 2007*):

(NEW) (7) Notwithstanding the provisions of this subsection, if at any time after the grant of an initial or renewal term of a franchise, the community antenna television company and the third-party nonprofit

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community access provider reach an agreement that the community antenna television company will provide a capital contribution to such provider in a mutually agreeable amount solely for the purpose of the upgrade or replacement of capital equipment, the Department of Public Utility Control shall grant a two-year extension of such franchise term, provided the community antenna television company commits to not pass through said capital contribution in subscriber rates or community access fees. In a franchise area with more than one community access provider, an agreement shall be deemed to be reached when two-thirds or more of the community access providers within that franchise independently reach agreement with the community antenna television company. Only those community access providers reaching agreement shall receive the funding mutually agreed upon pursuant to this subdivision. Such extension shall not be a contested case proceeding and shall be applicable to no more than one time per franchise term.

Sec. 37. Subsection (f) of section 16-331 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2007*):

(f) Each applicant for a certificate shall finance the reasonable costs of a community needs assessment, conducted by an independent consultant and developed jointly by the department, the Office of Consumer Counsel, the local advisory council and the applicant, which assessment shall analyze a community's future cable-related needs and, if applicable, shall provide the department with assistance in analyzing an operator's past performance, as defined in subsection (d) of [section 16-333/] this section. The department shall supervise the assessment and provide the independent consultant with the date upon which the assessment shall be completed and filed with the department. Such community needs assessment shall be conducted in lieu of the requirement in subdivision (12) of subsection (c) of section

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16-333-39 of the regulations of Connecticut state agencies. In its final decision on the application for a certificate, the department shall state the reasons for not implementing any key recommendations made in any such needs assessment. The provisions of this subsection shall not apply to a franchise area which is subject to effective competition, as defined in 47 USC 543, as from time to time amended, at the time the application is received by the department.

Sec. 38. Subsection (g) of section 16-331 of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2007*):

(g) Each certificate of public convenience and necessity for a franchise issued pursuant to this section shall be nonexclusive, and each such certificate issued for a franchise in any area of the state where an existing franchise is currently operating shall not contain more favorable terms or conditions than those imposed on the existing franchise. This subsection shall not apply to the length of the term of such certification as may be determined pursuant to subsection (d) of this section. A certificate may require a franchise to enter into good faith negotiations to facilitate community access television interconnection with an existing or potential competitor franchise.

Sec. 39. Subsection (d) of section 16-331a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2007*):

(d) Each company or organization shall conduct outreach programs and promote its community access services. Such outreach and promotion may include, but not be limited to (1) broadcasting cross-channel video announcements, (2) distributing information throughout the franchise area and not solely to its subscribers, (3) including community access information in its regular marketing publications, (4) broadcasting character-generated text messages or

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video announcements on barker or access channels, (5) making speaking engagements, [and] (6) holding open receptions at its community access facilities, and (7) in multitown franchise areas, encouraging the formation and development of local community access studios operated by volunteers or nonprofit operating groups.

Sec. 40. Subsection (h) of section 16-331a of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2007*):

(h) Upon the request of the Office of Consumer Counsel or the franchise's advisory council, and for good cause shown the department shall require an organization responsible for community access operations to have an independent audit conducted at the expense of the organization. For purposes of this subsection, "good cause" may include, but not be limited to, the failure or refusal of such organization (1) to account for and reimburse the community access programming budget for its commercial use of community access programming facilities, equipment or staff, or for the allocation of such facilities, equipment or staff to functions not directly related to the community access operations of the franchise, (2) to carry over unexpended community access programming budget accounts at the end of each fiscal year, (3) to properly maintain community access programming facilities or equipment in good repair, or (4) to plan for the replacement of community access programming equipment made obsolete by technological advances. In response to any such request, the department shall state, in writing, the reasons for its determination.

Sec. 41. Section 16-331a of the general statutes is amended by adding subsection (o) as follows (*Effective October 1, 2007*):

(NEW) (o) Each company or organization shall consult with its advisory council in the formation of a community access programming

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policy, the adoption of the community access programming budget and the allocation of capital equipment and community access programming resources.

Sec. 42. Section 16-331c of the general statutes is repealed and the following is substituted in lieu thereof (*Effective October 1, 2007*):

Each community antenna television company, as defined in section 16-1, shall annually contribute to the advisory council in its franchise area an amount not less than two thousand dollars [. An] and to the state-wide community antenna television advisory council an amount not less than two hundred dollars. A local advisory council may at its option receive any or all of its funding through in-kind services of the community antenna television company. [Each] The state-wide community antenna television advisory council and each local advisory council shall annually, on January thirty-first, provide the Department of Public Utility Control with an accounting of any funding or services received.

Sec. 43. (*Effective October 1, 2007*) The Comptroller shall deposit into the public, educational and governmental programming and education technology investment account, established pursuant to section 33 of this act, the total of the tax imposed on community antenna television service, video programming service by satellite and certified competitive video service pursuant to section 33 of this act.

Sec. 44. (*Effective October 1, 2007*) The joint standing committee of the General Assembly having cognizance of matters relating to finance, revenue and bonding shall conduct a review and analysis of the state and local taxes applicable to telecommunications services, community antenna television services, video programming services by satellite and certified competitive video service providers for consideration by the committee during the 2008 regular session of the General Assembly.

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Approved July 11, 2007