



Senate

General Assembly

File No. 432

February Session, 2012

Substitute Senate Bill No. 448

Senate, April 16, 2012

The Committee on Energy and Technology reported through SEN. FONFARA of the 1st Dist., Chairperson of the Committee on the part of the Senate, that the substitute bill ought to pass.

AN ACT CONCERNING CABLE TELEVISION EQUIPMENT AND THE DISCLOSURE OF RATES FOR CERTAIN SERVICES OFFERED BY TELEPHONE AND CABLE COMPANIES.

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

1 Section 1. (NEW) (*Effective October 1, 2012*) (a) Each community
2 antenna television company, holder of a certificate of cable franchise
3 authority and holder of a certificate of video franchise authority, as
4 defined in section 16-1 of the general statutes, shall make available for
5 purchase to any customer of such company or holder any equipment
6 necessary for such customer to utilize the community antenna
7 television service or video service provided by such company or
8 holder to such customer, provided such purchase is permitted under
9 federal law.

10 (b) No such company or holder shall refuse to provide community
11 antenna television service or video service to any customer that uses
12 equipment provided to such customer by any third party to utilize

13 such service, provided such equipment does not violate any
14 requirement or standard established by the Federal Communications
15 Commission or any applicable federal law.

16 Sec. 2. (NEW) (*Effective from passage*) Each telephone company,
17 community antenna television company, holder of a certificate of cable
18 franchise authority and holder of a certificate of video franchise
19 authority, as defined in section 16-1 of the general statutes, shall
20 display on such company's or holder's Internet web site information
21 describing each available tier of service offered by such company or
22 holder. Such information shall be clear, concise and understandable
23 and shall include the monthly cost and programming included for
24 each tier of service.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>October 1, 2012</i>	New section
Sec. 2	<i>from passage</i>	New section

ET *Joint Favorable Subst.*

The following Fiscal Impact Statement and Bill Analysis are prepared for the benefit of the members of the General Assembly, solely for purposes of information, summarization and explanation and do not represent the intent of the General Assembly or either chamber thereof for any purpose. In general, fiscal impacts are based upon a variety of informational sources, including the analyst's professional knowledge. Whenever applicable, agency data is consulted as part of the analysis, however final products do not necessarily reflect an assessment from any specific department.

OFA Fiscal Note

State Impact:

Agency Affected	Fund-Effect	FY 13 \$	FY 14 \$
Department of Revenue Services	GF - Revenue Impact	Potential	Potential

Note: GF=General Fund

Municipal Impact:

Municipalities	Effect	FY 13 \$	FY 14 \$
Various Municipalities	Revenue Impact	Potential	Potential

Explanation

The bill results in potential revenue impact by requiring cable companies to offer equipment for sale. There may be a sales tax revenue gain from the number of consumers opting to purchase equipment. There would also be a sales tax revenue loss over time related to customers owning rather than renting equipment. Additionally, there may also be a corresponding potential revenue impact to the municipal revenue share of the state sales tax.

The bill may result in a maximum potential revenue gain of up to \$19.5 million in FY 13, if all households opt to purchase equipment to outfit all their televisions. Subsequently, there would be a revenue loss of \$10.9 million in FY 14 and each year thereafter in such a case that all households owned equipment for all televisions and did not need to rent. The actual revenue impact will likely be less than the maximum potential impact as it is not anticipated that all customers would choose to purchase equipment.

The Out Years

The potential revenue impact outlined above would continue into the future, dependent upon the number of customers purchasing rather than renting cable equipment.

OLR Bill Analysis**sSB 448*****AN ACT CONCERNING CABLE TELEVISION EQUIPMENT AND THE DISCLOSURE OF RATES FOR CERTAIN SERVICES OFFERED BY TELEPHONE AND CABLE COMPANIES.*****SUMMARY:**

This bill requires cable TV companies to allow their customers to buy the equipment needed to watch their service directly from the cable company, as long as the sale is allowed by federal law. It prohibits the companies from refusing service to a customer who uses equipment from a third party if the equipment does not violate any federal laws, requirements, or standards.

The bill also requires telephone companies and cable TV companies to display their available tiers of service, including monthly costs and included programming, in clear, concise, and understandable language on their web sites.

EFFECTIVE DATE: October 1, 2012, except for the provision regarding telephone and cable TV and service tiers, which is effective upon passage.

COMMITTEE ACTION

Energy and Technology Committee

Joint Favorable Substitute

Yea 21 Nay 0 (03/28/2012)