

Department of Legislative Services
Maryland General Assembly
2013 Session

FISCAL AND POLICY NOTE

Senate Bill 220
Finance

(Senator McFadden)

Consumer Protection - Television Service Providers - Missed Appointments

This bill requires a television service provider to install or repair a subscriber's service within a three-hour period if the subscriber's presence is required. The provider must notify the subscriber of his or her right to receive installation or repair within a three-hour period. The bill requires the provider to provide free installation or, if a repair was scheduled, a credit or payment at least equal to one month's basic television service if the provider does not begin installation or repair within the scheduled three-hour period, unless specified circumstances prevent the service.

The bill only applies prospectively and has no effect on contracts before October 1, 2013.

Fiscal Summary

State Effect: The bill does not directly affect governmental operations or finances.

Local Effect: None.

Small Business Effect: Minimal.

Analysis

Bill Summary: The bill prohibits a provider from cancelling an appointment with a subscriber after the close of business on the last business day before the appointment. It also voids a contractual position in which a subscriber agrees to modify or waive any of the rights provided under the bill.

In the event of a missed appointment for repair service, any credit due to a subscriber must be applied by a provider no later than the subscriber's next billing cycle. Any payment must be in the form of a check mailed to the subscriber within 30 days after the scheduled date of repair.

The bill permits a television service provider to miss a scheduled appointment if the provider attempted to (1) make the installation or repair within the specified three-hour appointment but the subscriber was not present or (2) notify the subscriber of the provider's inability to make the installation or repair service due to an unforeseen or unavoidable occurrence and the subscriber could not be reached at the contact telephone number provided by the subscriber.

Current Law/Background: State law authorizes municipal corporations, boards of county commissioners, and charter counties to grant exclusive or nonexclusive franchises to a cable television service provider that uses a public route of transportation. The local governments may then impose franchise fees on and establish rates, rules, and regulations for the cable television service provider. New York City, which also has the power to grant franchises, recently negotiated a franchise agreement that requires cable television service providers to credit one month's bill payment if the provider misses a four-hour appointment window.

Under the U.S. Television Consumer Protection and Competition Act of 1992, a state or franchising authority may enact or enforce any consumer protection law that is not specifically preempted by the Act. There is no State statute relating to missed appointments by a television service provider. California has a law similar to the proposed bill but provides a different remedy. In California, the subscriber may bring an action in small claims court against the provider for lost wages and actual expenses for up to \$600. Illinois requires cable television service providers to schedule service within a four-hour window and to provide a \$25 credit if the provider misses the window.

Additional Information

Prior Introductions: None.

Cross File: HB 117 (Delegate Branch, *et al.*) - Economic Matters.

Information Source(s): Office of the Attorney General (Consumer Protection Division), Office of People's Counsel, Public Service Commission, *New York Times*, U.S. Code, California Civil Code, Illinois Code, Department of Legislative Services

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