## **HOUSE BILL 1077**

Unofficial Copy L6 HB 843/01 - CGM 2002 Regular Session 2lr2511

By: Delegate Valderrama

Introduced and read first time: February 8, 2002 Assigned to: Commerce and Government Matters

## A BILL ENTITLED

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2 Cable Television - Low Power Television - Universal Ac
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- 3 FOR the purpose of requiring carriage of certain video programming of certain low
- 4 power stations on certain cable systems franchised in the State, with certain
- 5 exceptions; authorizing a franchising authority to identify certain low power
- 6 stations for inclusion in certain cable system programming carriage and to
- 7 require carriage on certain terms and conditions; providing certain remedies for
- 8 certain violations of this Act, including civil action and injunction; providing
- 9 that certain powers of counties and municipal corporations to grant certain
- franchises are subject to the requirements of this Act; providing for the
- application of this Act; providing that existing obligations or contract rights may
- 12 not be impaired in any way by this Act; and generally relating to cable television
- 13 systems and low power stations.
- 14 BY adding to
- 15 Article Commercial Law
- Section 11-1501 through 11-1504, inclusive, to be under the new subtitle
- 17 "Subtitle 15. Cable Systems Universal Access by Low Power Stations"
- 18 Annotated Code of Maryland
- 19 (2000 Replacement Volume and 2001 Supplement)
- 20 BY repealing and reenacting, with amendments,
- 21 Article 23A Corporations Municipal
- 22 Section 2(b)(13)
- 23 Annotated Code of Maryland
- 24 (2001 Replacement Volume)
- 25 BY repealing and reenacting, with amendments,
- 26 Article 25 County Commissioners
- 27 Section 3C(b)
- 28 Annotated Code of Maryland
- 29 (2001 Replacement Volume)

- 1 BY repealing and reenacting, with amendments,
- 2 Article 25A Chartered Counties of Maryland
- 3 Section 5(B)
- 4 Annotated Code of Maryland
- 5 (2001 Replacement Volume)
- 6 BY repealing and reenacting, without amendments,
- 7 Article 25B Home Rule for Code Counties
- 8 Section 13
- 9 Annotated Code of Maryland
- 10 (2001 Replacement Volume)
- 11 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
- 12 MARYLAND, That the Laws of Maryland read as follows:
- 13 Article Commercial Law
- 14 SUBTITLE 15. CABLE SYSTEMS UNIVERSAL ACCESS BY LOW POWER STATIONS.
- 15 11-1501.
- 16 (A) IN THIS SUBTITLE THE FOLLOWING WORDS HAVE THE MEANINGS
- 17 INDICATED.
- 18 (B) "AFFILIATE" MEANS A PERSON WHO DIRECTLY OR INDIRECTLY
- 19 CONTROLS, IS CONTROLLED BY, OR IS UNDER COMMON CONTROL WITH ANOTHER
- 20 PERSON.
- 21 (C) "CABLE OPERATOR" MEANS A PERSON WHO:
- 22 (1) PROVIDES SERVICE OVER A CABLE SYSTEM AND DIRECTLY OR
- 23 THROUGH AN AFFILIATE OWNS A SIGNIFICANT INTEREST IN THE CABLE SYSTEM; OR
- 24 (2) OTHERWISE CONTROLS OR IS RESPONSIBLE FOR THE MANAGEMENT
- 25 AND OPERATION OF THE CABLE SYSTEM.
- 26 (D) "CABLE SERVICE" MEANS:
- 27 (1) THE ONE-WAY TRANSMISSION OF VIDEO PROGRAMMING OR OTHER
- 28 PROGRAMMING SERVICE TO SUBSCRIBERS; AND
- 29 (2) ANY SUBSCRIBER INTERACTION REQUIRED FOR THE USE OF THE
- 30 VIDEO PROGRAMMING OR OTHER PROGRAMMING SERVICE.
- 31 (E) (1) "CABLE SYSTEM" MEANS A FACILITY THAT CONSISTS OF A SET OF
- 32 CLOSED TRANSMISSION PATHS AND ASSOCIATED SIGNAL GENERATION, RECEPTION,
- 33 AND CONTROL EQUIPMENT DESIGNED TO PROVIDE CABLE SERVICE WHICH

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- 1 INCLUDES VIDEO PROGRAMMING AND WHICH IS PROVIDED TO MULTIPLE
- 2 SUBSCRIBERS IN A COMMUNITY.
- 3 (2) "CABLE SYSTEM" INCLUDES A FACILITY OF A COMMON CARRIER
- 4 THAT IS SUBJECT TO 47 U.S.C. CHAPTER 5, SUBCHAPTER II TO THE EXTENT THAT THE
- 5 FACILITY IS USED IN THE TRANSMISSION OF VIDEO PROGRAMMING DIRECTLY TO
- 6 SUBSCRIBERS EXCEPT FOR USE SOLELY FOR INTERACTIVE ON-DEMAND SERVICES.
- 7 (3) "CABLE SYSTEM" DOES NOT INCLUDE:
- 8 (I) A FACILITY THAT ONLY RETRANSMITS THE TELEVISION
- 9 SIGNALS OF ONE OR MORE TELEVISION BROADCAST STATIONS;
- 10 (II) A FACILITY THAT SERVES SUBSCRIBERS WITHOUT USING A
- 11 PUBLIC RIGHT-OF-WAY;
- 12 (III) EXCEPT AS PROVIDED IN PARAGRAPH (2) OF THIS SUBSECTION,
- 13 A FACILITY OF A COMMON CARRIER THAT IS SUBJECT TO 47 U.S.C. CHAPTER 5,
- 14 SUBCHAPTER II;
- 15 (IV) AN OPEN VIDEO SYSTEM THAT COMPLIES WITH 47 U.S.C. § 573;
- 16 OR
- 17 (V) A FACILITY OF AN ELECTRIC UTILITY THAT IS USED SOLELY
- 18 FOR OPERATING ITS ELECTRIC UTILITY SYSTEM.
- 19 (F) (1) "FRANCHISE" MEANS AN AUTHORIZATION OR RENEWAL OF
- 20 AUTHORIZATION TO CONSTRUCT OR OPERATE A CABLE SYSTEM THAT IS ISSUED BY A
- 21 FRANCHISING AUTHORITY.
- 22 (2) "FRANCHISE" INCLUDES A PERMIT, LICENSE, RESOLUTION,
- 23 CONTRACT, CERTIFICATE, AGREEMENT, OR OTHER DESIGNATION.
- 24 (G) "FRANCHISING AUTHORITY" MEANS A GOVERNMENTAL UNIT THAT
- 25 FEDERAL, STATE, OR LOCAL LAW AUTHORIZES TO GRANT A FRANCHISE.
- 26 (H) "QUALIFIED LOW POWER STATION" HAS THE MEANING STATED IN 47 U.S.C.
- 27 § 534.
- 28 (I) "VIDEO PROGRAMMING" MEANS PROGRAMMING PROVIDED BY, OR
- 29 GENERALLY CONSIDERED COMPARABLE TO PROGRAMMING PROVIDED BY, A
- 30 TELEVISION BROADCAST STATION.
- 31 11-1502.
- 32 (A) A FRANCHISING AUTHORITY THAT GRANTS A FRANCHISE FOR A CABLE
- 33 SYSTEM SHALL REQUIRE THE CABLE OPERATOR TO CARRY IN ITS ENTIRETY, AS A
- 34 CONDITION OF EXERCISING THE FRANCHISE, VIDEO PROGRAMMING BY:
- 35 (1) QUALIFIED LOW POWER STATIONS THAT BROADCAST TO THE AREA
- 36 COVERED BY THE FRANCHISING AUTHORITY; AND

- 1 (2) OTHER LOW POWER STATIONS, BROADCASTING IN OTHER AREAS, 2 THAT THE FRANCHISING AUTHORITY IDENTIFIES IN ACCORDANCE WITH THIS 3 SECTION.
- 4 (B) A FRANCHISING AUTHORITY MAY IDENTIFY A LOW POWER STATION FOR
- 5 INCLUSION IN THE VIDEO PROGRAMMING AVAILABLE ON A CABLE SYSTEM ON ITS
- 6 OWN INITIATIVE, OR IN RESPONSE TO PETITION OF POTENTIAL USERS OF THE CABLE
- 7 SYSTEM IN THE FRANCHISED AREA, IN ACCORDANCE WITH PROCEDURES ADOPTED
- 8 BY THE FRANCHISING AUTHORITY.
- 9 (C) CRITERIA FOR IDENTIFYING A LOW POWER STATION UNDER THIS 10 SECTION MAY INCLUDE:
- 11 (1) THE PRESENCE OF A SIGNIFICANT ETHNIC OR MINORITY
- 12 COMMUNITY IN THE FRANCHISE AREA THAT MAY BE SERVED BY THE VIDEO
- 13 PROGRAMMING OF THE LOW POWER STATION;
- 14 (2) RELEVANCE OF THE VIDEO PROGRAMMING OF THE LOW POWER
- 15 STATION TO ISSUES AND COMMUNITIES IN THE FRANCHISE AREA;
- 16 (3) ABSENCE OF SIMILAR CONTENT IN THE VIDEO PROGRAMMING
- 17 OTHERWISE CARRIED BY THE CABLE OPERATOR;
- 18 (4) PROMOTION OF DIVERSITY IN VIDEO PROGRAMMING AVAILABLE ON
- 19 THE CABLE SYSTEM, INCLUDING MULTICULTURAL PROGRAMMING ELEMENTS; AND
- 20 (5) ANY OTHER CRITERIA THAT THE FRANCHISING AUTHORITY
- 21 CONSIDERS PERTINENT.
- 22 (D) THE FRANCHISING AUTHORITY MAY REQUIRE THE CABLE OPERATOR TO
- 23 CARRY VIDEO PROGRAMMING UNDER THIS SECTION ON THE SAME OR SIMILAR
- 24 TERMS AND CONDITIONS AS THOSE ON WHICH THE CABLE OPERATOR CARRIES
- 25 OTHER SPECIFIC VIDEO PROGRAMMING.
- 26 (E) NOTWITHSTANDING SUBSECTION (A) OF THIS SECTION:
- 27 (1) A QUALIFIED LOW POWER STATION OR OTHER LOW POWER STATION
- 28 IDENTIFIED UNDER THIS SECTION MAY NOT BE REQUIRED TO PROVIDE VIDEO
- 29 PROGRAMMING FOR CARRIAGE ON A CABLE SYSTEM WITHOUT CONSENT OF THE
- 30 LOW POWER STATION; AND
- 31 (2) A CABLE OPERATOR MAY NOT BE REQUIRED TO CARRY VIDEO
- 32 PROGRAMMING OF A LOW POWER STATION THAT DOES NOT CONSENT TO CARRIAGE
- 33 OF ITS VIDEO PROGRAMMING ON THE CABLE SYSTEM.
- 34 11-1503.
- 35 (A) A QUALIFIED LOW POWER STATION OR OTHER LOW POWER STATION
- 36 IDENTIFIED UNDER § 11-1502 OF THIS SUBTITLE THAT HAS BEEN DENIED ACCESS TO
- 37 CARRIAGE OF ITS VIDEO PROGRAMMING ON A CABLE SYSTEM IN VIOLATION OF THIS

- 1 SUBTITLE MAY BRING A CIVIL ACTION TO ENFORCE ITS RIGHTS UNDER THIS
- 2 SUBTITLE AND TO SEEK OTHER APPROPRIATE RELIEF, INCLUDING MONETARY
- 3 DAMAGES AND INJUNCTION.
- 4 (B) IN A CIVIL ACTION UNDER THIS SECTION. THE COURT MAY AWARD COSTS
- 5 AND REASONABLE ATTORNEY'S FEES TO THE PREVAILING PARTY.
- 6 11-1504.
- 7 (A) IN ADDITION TO ANY OTHER AVAILABLE PENALTIES OR ENFORCEMENT, A
- 8 FRANCHISING AUTHORITY MAY BRING AN ACTION TO ENFORCE THE REQUIREMENTS
- 9 OF THIS SUBTITLE AND TO SEEK APPROPRIATE RELIEF, INCLUDING INJUNCTION.
- 10 (B) THE FRANCHISING AUTHORITY MAY REQUIRE THE CABLE OPERATOR AND
- 11 THE LOW POWER STATION TO SUBMIT TO MEDIATION OR BINDING ARBITRATION OF
- 12 A DISPUTE UNDER THIS SUBTITLE.
- 13 Article 23A Corporations Municipal
- 14 2.
- 15 (b) In addition to, but not in substitution of, the powers which have been, or
- 16 may hereafter be, granted to it, such legislative body also shall have the following
- 17 express ordinance-making powers:
- 18 (13) To grant franchises as provided under existing public general or
- 19 public local laws; to grant one or more exclusive or nonexclusive franchises for a
- 20 community antenna system or other cable television system that utilizes any public
- 21 right-of-way, highway, street, road, lane, alley, or bridge, to impose franchise fees,
- 22 and, SUBJECT TO TITLE 11, SUBTITLE 15 OF THE COMMERCIAL LAW ARTICLE, to
- 23 establish rates, rules, and regulations for franchises granted under this section.
- 24 Article 25 County Commissioners
- 25 3C.
- 26 (b) The county commissioners may grant one or more exclusive or
- 27 nonexclusive franchises for a community antenna system or other cable television
- 28 system that utilizes any public right-of-way, highway, street, road, lane, alley, or
- 29 bridge, may impose franchise fees, and, SUBJECT TO TITLE 11, SUBTITLE 15 OF THE
- 30 COMMERCIAL LAW ARTICLE, may establish rates, rules, and regulations for
- 31 franchises granted under this subsection.
- 32 Article 25A Chartered Counties of Maryland
- 33 5.
- 34 The following enumerated express powers are granted to and conferred upon
- 35 any county or counties which hereafter form a charter under the provisions of Article
- 36 XI-A of the Constitution, that is to say:

1 (B)

- To provide for the protection of the county property; to provide for the acquisition by purchase, lease, or otherwise, and condemnation of property required
- 4 for public purposes in the county; to dispose of any real or leasehold property
- 5 belonging to the county, provided the same is no longer needed for public use; to
- 6 provide for the financing of any housing or housing project in whole or in part,
- 7 including the placement of a deed of trust, mortgage, or other instrument upon the
- 8 property to ensure repayment of funds used to purchase, construct, rehabilitate, or
- 9 otherwise develop the housing project; to grant any franchise or right to use the same,
- 10 or any right or franchise in relation to any highway, street, road, lanes, alley or
- 11 bridge; to grant one or more exclusive or nonexclusive franchises for a community
- 12 antenna system or other cable television system that utilizes any public right-of-way,
- 13 highway, street, road, lane, alley, or bridge, to impose franchise fees, and, SUBJECT TO
- 14 TITLE 11, SUBTITLE 15 OF THE COMMERCIAL LAW ARTICLE, to establish rates, rules,
- 15 and regulations for franchises granted; and to provide for the leasing as lessor to the
- 16 State or any political subdivision or other agency thereof, or to any county agency, or
- 17 to any person, any property belonging to the county or any agency thereof, in
- 18 furtherance of the public purposes of such county or agency, upon such terms and
- 19 compensation as said county may deem proper, and after such disposition, grant or
- 20 lease shall have been advertised once a week for three successive weeks in one or
- 21 more newspapers of general circulation published in said county, stating the terms
- 22 thereof and the compensation to be received therefor, and giving opportunity for
- 23 objections thereto. Provided, however, that easements for public utilities may be
- 24 granted without advertisement.

## 25 Article 25B - Home Rule for Code Counties

26 13.

- 27 If a county adopts code home rule status under the provisions of Article XI-F of
- 28 the Constitution of the State and this article, it may exercise those powers
- 29 enumerated in § 3 of Article 25, in subtitle "Draining Lands" of Article 25, and in § 5
- 30 of Article 25A, except for subsections (A), (P) and (S) of § 5 of Article 25A, of the
- 31 Annotated Code of Maryland, 1957 Edition as amended; and no county adopting code
- 32 home rule status shall be excepted. These powers are in addition to any powers any
- 33 county may now have under any public general or local law applicable to the county.
- 34 SECTION 2. AND BE IT FURTHER ENACTED, That this Act shall be
- 35 construed to apply only prospectively and may not be applied or interpreted to have
- 36 any effect on or application to any cable television franchising agreement in effect
- 37 before the effective date of this Act.
- 38 SECTION 3. AND BE IT FURTHER ENACTED, That a presently existing
- 39 obligation or contract right may not be impaired in any way by this Act.
- 40 SECTION 4. AND BE IT FURTHER ENACTED, That this Act shall take effect
- 41 October 1, 2002.