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Cal. No. 780

2015-2016 Regular Sessions

I N S E N A T E

May 21, 2015

Introduced by Sen. GRIFFO -- read twice and ordered printed, and when printed to be committed to the Committee on Energy and Telecommunications -- reported favorably from said committee, ordered to first report, amended on first report, ordered to a second report and ordered reprinted, retaining its place in the order of second report -- recommitted to the Committee on Energy and Telecommunications in accordance with Senate Rule 6, sec. 8 -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee -- reported favorably from said committee, ordered to first and second report, ordered to a third reading, amended and ordered reprinted, retaining its place in the order of third reading

AN ACT to amend the public service law, in relation to allowing for the approval of cable franchises; and to repeal certain provisions of such law relating thereto

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1 Section 1. Section 221 of the public service law, as added by chapter  
2 83 of the laws of 1995, is amended to read as follows:  
3 S 221. Certificate of confirmation. 1. Except as provided in this  
4 section, no person shall exercise a franchise, and no such franchise  
5 shall be effective, [until the commission has confirmed such franchise.  
6 A person wishing to exercise a franchise shall file with the commission  
7 an application for a certificate of confirmation in such form and  
8 containing such information and supportive documentation as the commis-  
9 sion may require. The application shall be accompanied by proof of  
10 service thereof upon the franchisor and by such fee as the commission  
11 may set] UNLESS A COPY OF SUCH FRANCHISE HAS BEEN APPROVED BY THE MUNI-  
12 CIPALITY, AND PROPERLY FILED WITH THE COMMISSION WITHIN THIRTY DAYS OF  
13 MUNICIPAL APPROVAL. SUCH FRANCHISE SHALL BE SUBJECT, AT A MINIMUM, TO  
14 THE FRANCHISING STANDARDS SET FORTH IN THIS ARTICLE AND THE RULES AND  
15 REGULATIONS PROMULGATED THEREUNDER BY THE COMMISSION.

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets  
[ ] is old law to be omitted.

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1 2. A FRANCHISE SHALL BE DEEMED GRANTED FORTY-FIVE DAYS AFTER THE FRAN-  
2 CHISE IS FILED PURSUANT TO SUBDIVISION ONE OF THIS SECTION UNLESS THE  
3 COMMISSION, OR ITS DESIGNEE, DETERMINES WITHIN SUCH FORTY-FIVE DAY PERI-  
4 OD THAT THE PUBLIC INTEREST REQUIRES THE COMMISSION'S REVIEW AND WRITTEN  
5 ORDER.

6 [2.] 3. The commission may hold a public hearing on any application  
7 for a certificate of confirmation if it determines that such a hearing  
8 is in the public interest. The commission shall fix the time and place  
9 for such a hearing and cause notice thereof to be given to the appli-  
10 cant, the chief executive officer of the municipality issuing the fran-  
11 chise and such other persons as the commission may deem appropriate.  
12 Testimony may be taken and evidence received at such a hearing pursuant  
13 to such rules and procedures as the commission may establish.

14 [3. The commission shall issue a] 4. A certificate of confirmation of  
15 the franchise [unless it finds that (a) the applicant, (b) the proposed  
16 cable television system, or (c) the proposed franchise does not conform  
17 to the standards established in the regulations promulgated by the  
18 commission pursuant to subdivision two of section two hundred fifteen,  
19 or that operation of the proposed cable television system by the appli-  
20 cant under the proposed cable television system by the applicant under  
21 the proposed franchise would be in violation of law, any regulation or  
22 standard promulgated by the commission or the public interest.] SHALL BE  
23 DEEMED CONFIRMED FORTY-FIVE DAYS AFTER THE FRANCHISE IS FILED PURSUANT  
24 TO SUBDIVISION ONE OF THIS SECTION UNLESS THE COMMISSION, OR ITS DESIG-  
25 NEE, DETERMINES WITHIN SUCH FORTY-FIVE DAY PERIOD THAT THE PUBLIC INTER-  
26 EST REQUIRES THE COMMISSION'S REVIEW AND WRITTEN ORDER.

27 [4.] 5. The commission may issue a certificate of confirmation contin-  
28 gent upon compliance with standards, terms or conditions set by the  
29 commission which it determines would not have been met by the applicant,  
30 system or franchise as proposed.

31 [5.] 6. In the event the commission refuses to issue a certificate of  
32 confirmation, it shall set forth in writing the reasons for its deci-  
33 sion.

34 [6. Any cable television company which, pursuant to any existing fran-  
35 chise, (i) was lawfully engaged in actual operations for (ii) had  
36 commenced substantial construction (as such term is defined by the  
37 commission) of a cable television system on January first, nineteen  
38 hundred seventy-two may continue to exercise said franchise pursuant to  
39 the terms thereof, provided such company files with the commission, on  
40 or before July first, nineteen hundred seventy-three an application in  
41 such form and containing such information and supporting documentation  
42 as the commission may require. The commission shall issue a certificate  
43 of confirmation to such a cable television company valid for five years  
44 without further proceedings, which certificate may be renewed by the  
45 commission on application for five year terms pursuant to the provisions  
46 of section two hundred twenty-two.

47 7. Notwithstanding any other provisions of this article, any cable  
48 television company engaged in actual and lawful nonfranchised cable  
49 television operations on April first, nineteen hundred seventy-three,  
50 that applied for a certificate of confirmation on or before September  
51 first, nineteen hundred seventy-four and received a certificate, valid  
52 for a five year period, may continue to operate within the limits of the  
53 area in which it was actually rendering service on April first, nineteen  
54 hundred seventy-three, as determined by the commission. Such a certif-  
55 icate of confirmation may be renewed by the commission on application  
56 for five year terms pursuant to the provisions of section two hundred

1 twenty-two of this article. Any such company which failed to file an  
2 application pursuant to this section on or before September first, nine-  
3 teen hundred seventy-four, shall thereafter be prohibited from continu-  
4 ing operation of a nonfranchised cable television system, provided  
5 however, that the commission may authorize such continued nonfranchised  
6 operation in extraordinary circumstances for such periods as the commis-  
7 sion may deem appropriate.

8 8. Nothing in this section shall be deemed to validate a franchise not  
9 granted in accordance with law or affect any claims in litigation on  
10 January first, nineteen hundred seventy-three. No confirmation under  
11 this section shall preclude invalidation of any franchise illegally  
12 obtained.

13 9.] 7. Confirmation by the commission and duties performed by the  
14 commission with respect to its regulation of cable television providers  
15 under this article shall not be deemed to constitute "supervision of the  
16 state department of public service" for the purpose of the meaning of  
17 such phrase as it is used in describing those utilities which are  
18 subject to tax on a gross income basis under section one hundred eight-  
19 y-six-a of the tax law or pursuant to section twenty-b of the general  
20 city law and subdivision one of section [five hundred thirty] 5-530 of  
21 the village law.

22 S 2. Section 222 of the public service law is REPEALED and a new  
23 section 222 is added to read as follows:

24 S 222. RENEWAL OR AMENDMENT OF FRANCHISES. 1. EXCEPT AS PROVIDED IN  
25 THIS SECTION, NO PERSON SHALL RENEW OR AMEND A FRANCHISE RENEWAL, AND NO  
26 SUCH RENEWAL OR AMENDMENT SHALL BE EFFECTIVE, UNLESS A COPY OF SUCH  
27 RENEWAL OR AMENDMENT HAS BEEN APPROVED BY THE MUNICIPALITY, AND PROPERLY  
28 FILED WITH THE COMMISSION WITHIN THIRTY DAYS OF MUNICIPAL APPROVAL. SUCH  
29 RENEWAL OR AMENDMENT SHALL BE SUBJECT, AT A MINIMUM, TO THE FRANCHISING  
30 STANDARDS SET FORTH IN THIS ARTICLE AND THE RULES AND REGULATIONS  
31 PROMULGATED THEREUNDER BY THE COMMISSION.

32 2. RENEWALS AND AMENDMENTS SHALL BE DEEMED GRANTED FORTY-FIVE DAYS  
33 AFTER THE RENEWAL OR AMENDMENT IS FILED PURSUANT TO SUBDIVISION ONE OF  
34 THIS SECTION UNLESS THE COMMISSION, OR ITS DESIGNEE, DETERMINES WITHIN  
35 SUCH FORTY-FIVE DAY PERIOD THAT THE PUBLIC INTEREST REQUIRES THE COMMIS-  
36 SION'S REVIEW AND WRITTEN ORDER.

37 S 3. This act shall take effect immediately; provided, however, that  
38 this act shall apply to franchises filed on or after the date this act  
39 shall have become a law.