

HOUSE RESEARCH

Bill Summary

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Authors: Westrom and others

Subject: Modifying cable regulations for additional franchises

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Overview

House File 2542 modifies regulations governing a municipality granting an additional franchise to a cable service provider in an area with an existing franchise, particularly with respect to local public, educational, and governmental access channels.

Section

- 1 Requirement; conditions.** Current law requires a municipality to require a cable communications system providing service within the municipality to obtain a franchise or extension permit. This bill mandates that a municipality's franchise authority must require such a franchise or permit as well.

Repeals current law prohibiting a municipality from granting an additional franchise for cable service in an area on terms or conditions more favorable or less burdensome than those granted to the existing franchise with respect to the area served or public, educational, or governmental access requirements. Repeals current law allowing a municipality to grant an additional franchise on more favorable or less burdensome terms when the existing franchise is not actually providing service in an area. The bill also repeals a municipality's current authority to impose additional terms and conditions to those enumerated in chapter 238 on additional franchises.

Section

Provides that that the grant of an additional franchise may include an area similar to that served in an existing franchise or another area that is deemed to be necessary or desirable to reasonably meet the needs of the municipality or its franchise authority. Additional franchises must be granted within 180 days of the publication of a notice of application in a local newspaper unless both parties agree to extend it.

2 Local public, educational, and governmental access channels. Creates a new subdivision 1a that sets forth several requirements of an additional franchise with respect to local public, educational, and governmental access channels.

(a) An additional franchise must ensure that all subscribers receive such channels within its franchise area.

(b) These channels must be as specified in the existing franchise or those actually used, and the additional franchise cannot be required to provide any such channels not specified in an existing franchise or in actual use.

(c) An existing franchise must allow an additional franchise to connect with its local public, educational, and governmental access and local origination channel feeds, and to provide the additional franchise with the programming on those channels. The parties must negotiate an agreement within three months specifying how this connection is to be made. The cost of the connection must be borne by the additional franchise provider. The municipality or franchise provider may require the connection to be made on government property or on public rights-of-way.

(d) An additional franchise provider shall make annual financial contributions equivalent, on a per customer basis, to the public, educational, and governmental access services, equipment, and facilities provided by the existing franchise provider.

(e) An additional franchise provider may satisfy its requirements regarding in-kind contributions, such as cameras and production studios, by negotiating with the existing franchise provider and the municipality or its franchise authority so that public, educational, and governmental access and local origination services are improved or increased.

(f) An additional franchise provider must comply with new public, educational, and governmental access and local origination obligations imposed by a cable franchise renewal. It must not be required to displace other programmers to accommodate such uses, but must comply whenever additional capacity becomes available.

(g) A municipality or its franchise authority may not impose public, educational, and governmental access and local origination obligations on the additional franchise provider exceeding those imposed on the existing franchise provider.

3 Effective date. This act is effective the day following final enactment.