LRB9204495MWdv

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AN ACT in relation to cable television.

Be it enacted by the People of the State of Illinois,represented in the General Assembly:

Section 5. The Counties Code is amended by changing
Section 5-1095 as follows:

6 (55 ILCS 5/5-1095) (from Ch. 34, par. 5-1095)

Sec. 5-1095. Community antenna television systems;
8 satellite transmitted television programming.

9 (a) The County Board may license, tax or franchise the 10 business of operating a community antenna television system 11 or systems within the County and outside of a municipality, 12 as defined in Section 1-1-2 of the Illinois Municipal Code.

13 When an area is annexed to a municipality, the annexing municipality shall thereby become the franchising authority 14 15 with respect to that portion of any community antenna 16 television system that, immediately before annexation, had provided cable television services within the annexed area 17 18 under a franchise granted by the county, and the owner of that community antenna television system shall thereby be 19 20 authorized to provide cable television services within the annexed area under the terms and provisions of the existing 21 22 franchise. In that instance, the franchise shall remain in effect until, by its terms, it expires, except that any 23 fees payable under the franchise shall be payable 24 franchise only to the county for a period of 5 years or until, by 25 its terms, the franchise expires, whichever occurs first. After 26 27 the 5 year period, any franchise fees payable under the franchise shall be paid to the annexing municipality. In any 28 29 instance in which a duly franchised community antenna television system is providing cable television services 30 within the annexing municipality at the time of annexation, 31

1 the annexing municipality may permit that franchisee to 2 extend its community antenna television system to the annexed area under terms and conditions that are no more burdensome 3 4 nor less favorable to that franchisee than those imposed under any community antenna television franchise applicable 5 to the annexed area at the time of annexation. 6 The authorization to extend cable television service to the 7 8 annexed area and any community antenna television system 9 authorized to provide cable television services within the annexed area at the time of annexation shall not be subject 10 11 to the provisions of subsection (e) of this Section.

(b) "Community antenna television system" as used in 12 this Section, means any facility which is constructed in 13 whole or in part in, on, under or over any highway or other 14 public place and which is operated to perform for hire the 15 16 service of receiving and amplifying the signals broadcast by one or more television stations and redistributing such 17 signals by wire, cable or other means to members of the 18 19 public who subscribe to such service except that such term does not include (i) any system which serves fewer than 50 20 21 subscribers or (ii) any system which serves only the 22 residents of one or more apartment dwellings under common 23 ownership, control or management, and commercial establishments located on the premises of such dwellings. 24

(c) The authority hereby granted does not include the authority to license or franchise telephone companies subject to the jurisdiction of the Illinois Commerce Commission or the Federal Communications Commission in connection with furnishing circuits, wires, cables or other facilities to the operator of a community antenna television system.

31 The County Board may, in the course of franchising such 32 community antenna television system, grant to such franchisee 33 the authority and the right and permission to use all public 34 streets, rights of way, alleys, ways for public service

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facilities, parks, playgrounds, school grounds, or other public grounds, in which such county may have an interest, for the construction, installation, operation, maintenance, alteration, addition, extension or improvement of a community antenna television system.

Any charge imposed by a community antenna television 6 7 system franchised pursuant to this Section for the raising or 8 removal of cables or lines to permit passage on, to or from a 9 street shall not exceed the reasonable costs of work reasonably necessary to safely permit such passage. Pursuant 10 11 to subsections (h) and (i) of Section 6 of Article VII of the Constitution of the State of Illinois, the General Assembly 12 declares the regulation of charges which may be imposed by 13 community antenna television systems for the raising or 14 15 removal of cables or lines to permit passage on, to or from 16 streets is a power or function to be exercised exclusively by the State and not to be exercised or performed concurrently 17 with the State by any unit of local government, including any 18 home rule unit. 19

The County Board may, upon written request by the 20 21 franchisee of a community antenna television system, exercise 22 its right of eminent domain solely for the purpose of 23 granting an easement right no greater than 8 feet in width, extending no greater than 8 feet from any lot line for 24 the 25 purpose of extending cable across any parcel of property in the manner provided for by the law of eminent domain, 26 provided, however, such franchisee deposits with the county 27 sufficient security to pay all costs incurred by the county 28 in the exercise of its right of eminent domain. 29

30 Except as specifically provided otherwise in this 31 Section, this Section is not a limitation on any home rule 32 county.

33 (d) The General Assembly finds and declares that34 satellite-transmitted television programming should be

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1 available to those who desire to subscribe to such 2 programming and that decoding devices should be obtainable at 3 reasonable prices by those who are unable to obtain 4 satellite-transmitted television programming through duly 5 franchised community antenna television systems.

In any instance in which a person is unable to obtain 6 7 satellite-transmitted television programming through a duly 8 franchised community antenna television system either because 9 the municipality and county in which such person resides has not granted a franchise to operate and maintain a community 10 11 antenna television system, or because the duly franchised 12 community antenna television system operator does not make 13 cable television services available to such person, any programming company that delivers satellite-transmitted 14 15 television programming in scrambled or encrypted form shall 16 ensure that devices for decryption of such programming are made available to such person, through the local community 17 antenna television operator or directly, for purchase or 18 19 lease at prices reasonably related to the cost of manufacture and distribution of such devices. 20

(e) The General Assembly finds and declares that, in order to ensure that community antenna television services are provided in an orderly, competitive and economically sound manner, the best interests of the public will be served by the establishment of certain minimum standards and procedures for the granting of additional cable television franchises.

the provisions of this subsection, Subject to 28 the 29 authority granted under subsection (a) hereof shall include 30 the authority to license, franchise and tax more than one cable operator to provide community antenna television 31 32 services within the territorial limits of а single franchising authority. For purposes of this subsection (e), 33 34 the term:

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(i) "Existing cable television franchise" means a community antenna television franchise granted by a county which is in use at the time such county receives an application or request by another cable operator for a franchise to provide cable antenna television services within all or any portion of the territorial area which is or may be served under the existing cable television franchise.

9 (ii) "Additional cable television franchise" means 10 a franchise pursuant to which community antenna 11 television services may be provided within the 12 territorial areas, or any portion thereof, which may be 13 served under an existing cable television franchise.

14 (iii) "Franchising Authority" is defined as that
15 term is defined under Section 602(9) of the Cable
16 Communications Policy Act of 1984, Public Law 98-549.

17 (iv) "Cable operator" is defined as that term is
18 defined under Section 602(4) of the Cable Communications
19 Policy Act of 1984, Public Law 98-549.

Before granting an additional cable television franchise,the franchising authority shall:

22 (1) Give written notice to the owner or operator of 23 any other community antenna television system franchised to serve all or any portion of the territorial area to be 24 25 served by such additional cable television franchise, identifying the applicant for such additional franchise 26 and 27 specifying the date, time and place at which the franchising authority shall conduct public hearings to 28 consider and determine whether such additional cable 29 30 television franchise should be granted.

31 (2) Conduct a public hearing to determine the
 32 public need for such additional cable television
 33 franchise, the capacity of public rights-of-way to
 34 accommodate such additional community antenna television

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1 services, the potential disruption to existing users of 2 public rights-of-way to be used by such additional franchise applicant to complete construction and to 3 4 provide cable television services within the proposed franchise area, the long term economic impact of such 5 additional cable television system within the community, 6 7 and such other factors as the franchising authority shall 8 deem appropriate.

9 (3) Determine, based upon the foregoing factors, 10 whether it is in the best interest of the county to grant 11 such additional cable television franchise.

(4) If the franchising authority shall determine 12 that it is in the best interest of the county to do so, 13 it may grant the additional cable television franchise. 14 15 Except as provided in paragraph (5) of this subsection 16 (e), no such additional cable television franchise shall be granted under terms or conditions more favorable or 17 less burdensome to the applicant than those required 18 under the existing cable television franchise, including 19 but not limited to terms and conditions pertaining to the 20 21 territorial extent of the franchise, system design, 22 technical performance standards, construction schedules, 23 performance bonds, standards for construction and installation of cable television facilities, service to 24 25 subscribers, public educational and governmental access channels and programming, production 26 assistance, liability and indemnification, and franchise fees. 27

(5) Unless the existing cable television franchise
provides that any additional cable television franchise
shall be subject to the same terms or substantially
equivalent terms and conditions as those of the existing
cable television franchise, the franchising authority may
grant an additional cable television franchise under
different terms and conditions than those of the existing

1 franchise, in which event the franchising authority shall 2 enter into good faith negotiations with the existing franchisee and shall, within 120 days after the effective 3 4 date of the additional cable television franchise, modify the existing cable television franchise in a manner and 5 to the extent necessary to ensure that neither the 6 existing cable television franchise nor the additional 7 8 cable television franchise, each considered in its 9 entirety, provides a competitive advantage over the 10 other, provided that prior to modifying the existing 11 cable television franchise, the franchising authority shall have conducted a public hearing to consider the 12 proposed modification. No modification in the terms and 13 conditions of the existing cable television franchise 14 15 shall oblige the existing cable television franchisee (1) 16 to make any additional payment to the franchising 17 authority, including the payment of any additional franchise fee, (2) to engage in any additional 18 construction of the existing cable television system or, 19 (3) to modify the specifications or design of the 20 21 existing cable television system; and the inclusion of 22 the factors identified in items (2) and (3) shall not be considered in determining whether either franchise 23 considered in its entirety, has a competitive advantage 24 over the other except to the extent that the additional 25 franchisee provides additional video or data services or 26 the equipment or facilities necessary to generate and or 27 carry such service. No modification in the terms and 28 29 conditions of the existing cable television franchise shall be made if the existing cable television franchisee 30 elects to continue to operate under all terms and 31 conditions of the existing franchise. 32

33 If within the 120 day period the franchising34 authority and the existing cable television franchisee

1 are unable to reach agreement on modifications to the 2 existing cable television franchise, then the franchising authority shall modify the existing cable television 3 4 franchise, effective 45 days thereafter, in a manner, and only to the extent, that the terms and conditions of 5 the existing cable television franchise shall no longer 6 7 impose any duty or obligation on the existing franchisee 8 which is not also imposed under the additional cable 9 television franchise; however, if by the modification the existing cable television franchisee is relieved of 10 11 duties or obligations not imposed under the additional cable television franchise, then within the same 45 days 12 and following a public hearing concerning modification of 13 additional cable television franchise within that 45 14 the 15 day period, the franchising authority shall modify the 16 additional cable television franchise to the extent insure that neither the existing cable 17 necessary to television franchise nor the additional cable television 18 franchise, each considered in its entirety, shall have a 19 20 competitive advantage over the other.

21 No county shall be subject to suit for damages based upon 22 the county's determination to grant or its refusal to grant 23 additional cable television franchise, provided that a an public hearing as herein provided has been held and 24 the 25 franchising authority has determined that it is in the best interest of the county to grant or refuse to grant such 26 27 additional franchise, as the case may be.

It is declared to be the law of this State, pursuant to paragraphs (h) and (i) of Section 6 of Article VII of the Illinois Constitution, that the establishment of minimum standards and procedures for the granting of additional cable television franchises as provided in this subsection (e) is an exclusive State power and function that may not be exercised concurrently by a home rule unit.

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1 (f) If the county has granted a franchise to a community 2 antenna television company under this Section, the community 3 antenna television company may not impose a rate increase 4 unless the company has given its customers not less than 60 day's notice of the increase. A community antenna television 5 company that has been granted a franchise under this Section 6 must maintain a toll-free telephone number in order to 7 8 respond to customer questions regarding the increase. The 9 telephone number must be provided to customers at the same time as the notice of the rate increase. 10

11 (Source: P.A. 90-14, eff. 7-1-97; 90-285, eff. 7-31-97.)

Section 10. The Illinois Municipal Code is amended by changing Section 11-42-11 as follows:

14 (65 ILCS 5/11-42-11) (from Ch. 24, par. 11-42-11)

Sec. 11-42-11. Community antenna television systems;
satellite transmitted television programming.

17 (a) The corporate authorities of each municipality may license, franchise and tax the business of operating a 18 19 community antenna television system as hereinafter defined. In municipalities with less than 2,000,000 inhabitants, the 20 21 corporate authorities may, under the limited circumstances set forth in this Section, own (or lease as lessee) and 22 23 operate a community antenna television system; provided that 24 a municipality may not acquire, construct, own, or operate a community antenna television system for the use or benefit of 25 26 private consumers or users, and may not charge a fee for that 27 consumption or use, unless the proposition to acquire, 28 construct, own, or operate a cable antenna television system has been submitted to and approved by the electors of the 29 30 municipality in accordance with subsection (f). Before acquiring, constructing, or commencing operation 31 of а community antenna television system, the municipality shall 32

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comply with the following:

2 (1) Give written notice to the owner or operator of any other community antenna television system franchised 3 4 to serve all or any portion of the territorial area to be served by the municipality's community antenna television 5 system, specifying the date, time, and place at which the 6 municipality shall conduct public hearings to consider 7 8 and determine whether the municipality should acquire, 9 construct, or commence operation of a community antenna The public hearings 10 television system. shall be 11 conducted at least 14 days after this notice is given.

(2) Publish a notice of the hearing in 2 or more 12 13 newspapers published in the county, city, village, incorporated town, or town, as the case may be. If there 14 15 is no such newspaper, then notice shall be published in 16 any 2 or more newspapers published in the county and having a general circulation throughout the community. 17 The public hearings shall be conducted at least 14 days 18 after this notice is given. 19

20 (3) Conduct a public hearing to determine the means
21 by which construction, maintenance, and operation of the
22 system will be financed, including whether the use of tax
23 revenues or other fees will be required.

(b) The words "community antenna television system" 24 25 shall mean any facility which is constructed in whole or in part in, on, under or over any highway or other public place 26 and which is operated to perform for hire the service of 27 receiving and amplifying the signals broadcast by one or more 28 television stations and redistributing such signals by wire, 29 30 cable or other means to members of the public who subscribe to such service; except that such definition shall not 31 include (i) any system which serves fewer than 32 fifty 33 subscribers, or (ii) any system which serves only the 34 residents of one or more apartment dwellings under common

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ownership, control or management, and commercial
 establishments located on the premises of such dwellings.

authority hereby granted does not include 3 (c) The 4 authority to license, franchise or tax telephone companies 5 subject to jurisdiction of the Illinois Commerce Commission 6 or the Federal Communications Commission in connection with furnishing of circuits, wires, cables, and other 7 the facilities to the operator of a community antenna television 8 9 system.

The corporate authorities of each municipality may, in 10 11 the course of franchising such community antenna television system, grant to such franchisee the authority and the right 12 and permission to use all public streets, rights of way, 13 for public service facilities, parks, 14 alleys, ways playgrounds, school grounds, or other public grounds, 15 in 16 which such municipality may have an interest, for the installation, 17 construction, operation, maintenance, 18 alteration, addition, extension or improvement of a community 19 antenna television system.

Any charge imposed by a community antenna television 20 21 system franchised pursuant to this Section for the raising or 22 removal of cables or lines to permit passage on, to or from a 23 shall not exceed the reasonable costs of work street reasonably necessary to safely permit such passage. 24 Pursuant 25 to subsections (h) and (i) of Section 6 of Article VII of the Constitution of the State of Illinois, the General Assembly 26 27 declares the regulation of charges which may be imposed by community antenna television systems for the raising or 28 29 removal of cables or lines to permit passage on, to or from 30 streets is a power or function to be exercised exclusively by the State and not to be exercised or performed concurrently 31 32 with the State by any unit of local government, including any home rule unit. 33

34 The municipality may, upon written request by the

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1 franchisee of a community antenna television system, exercise 2 its right of eminent domain solely for the purpose of granting an easement right no greater than 8 feet in width, 3 4 extending no greater than 8 feet from any lot line for the 5 purpose of extending cable across any parcel of property in 6 the manner provided by the law of eminent domain, provided, 7 however, such franchisee deposits with the municipality 8 sufficient security to pay all costs incurred by the 9 municipality in the exercise of its right of eminent domain.

(d) The General Assembly finds and declares 10 that 11 satellite-transmitted television programming should be available to those who desire to subscribe to 12 such programming and that decoding devices should be obtainable at 13 by those who are unable to obtain 14 reasonable prices 15 satellite-transmitted television programming through duly 16 franchised community antenna television systems.

In any instance in which a person is unable to obtain 17 satellite-transmitted television programming through a duly 18 19 franchised community antenna television system either because the municipality and county in which such person resides has 20 21 not granted a franchise to operate and maintain a community 22 antenna television system, or because the duly franchised 23 community antenna television system operator does not make cable television services available to such person, any 24 25 programming company that delivers satellite-transmitted television programming in scrambled or encrypted form shall 26 ensure that devices for description of such programming are 27 made available to such person, through the local community 28 29 antenna television operator or directly, for purchase or 30 lease at prices reasonably related to the cost of manufacture and distribution of such devices. 31

32 (e) The General Assembly finds and declares that, in
33 order to ensure that community antenna television services
34 are provided in an orderly, competitive and economically

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sound manner, the best interests of the public will be served
 by the establishment of certain minimum standards and
 procedures for the granting of additional cable television
 franchises.

5 Subject to the provisions of this subsection, the 6 authority granted under subsection (a) hereof shall include 7 the authority to license, franchise and tax more than one 8 cable operator to provide community antenna television 9 services within the corporate limits of a single franchising 10 authority. For purposes of this subsection (e), the term:

11 (i) "Existing cable television franchise" means a community antenna television franchise granted by a 12 13 municipality which is in use at the time such municipality receives an application or request 14 by 15 another cable operator for a franchise to provide cable 16 antenna television services within all or any portion of the territorial area which is or may be served under the 17 existing cable television franchise. 18

19 (ii) "Additional cable television franchise" means 20 a franchise pursuant to which community antenna 21 television services may be provided within the 22 territorial areas, or any portion thereof, which may be 23 served under an existing cable television franchise.

(iii) "Franchising Authority" is defined as that
term is defined under Section 602(9) of the Cable
Communications Policy Act of 1984, Public Law 98-549, but
does not include any municipality with a population of
1,000,000 or more.

29 (iv) "Cable operator" is defined as that term is
30 defined under Section 602(4) of the Cable Communications
31 Policy Act of 1984, Public Law 98-549.

32 Before granting an additional cable television franchise,33 the franchising authority shall:

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(1) Give written notice to the owner or operator of

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1 any other community antenna television system franchised 2 to serve all or any portion of the territorial area to be served by such additional cable television franchise, 3 4 identifying the applicant for such additional franchise and specifying the date, time and place at which the 5 franchising authority shall conduct public hearings to 6 7 consider and determine whether such additional cable television franchise should be granted. 8

9 (2) Conduct a public hearing to determine the public need for such additional cable 10 television 11 franchise, the capacity of public rights-of-way to accommodate such additional community antenna television 12 services, the potential disruption to existing users of 13 public rights-of-way to be used by such additional 14 15 franchise applicant to complete construction and to 16 provide cable television services within the proposed franchise area, the long term economic impact of such 17 additional cable television system within the community, 18 19 and such other factors as the franchising authority shall deem appropriate. 20

(3) Determine, based upon the foregoing factors,
whether it is in the best interest of the municipality to
grant such additional cable television franchise.

(4) If the franchising authority shall determine 24 25 that it is in the best interest of the municipality to do it may grant the additional cable television 26 so, franchise. Except as provided in paragraph (5) of this 27 subsection (e), no such additional cable television 28 29 franchise shall be granted under terms or conditions more 30 favorable or less burdensome to the applicant than those required under the existing cable television franchise, 31 including but not limited to terms and conditions 32 pertaining to the territorial extent of 33 the franchise, 34 system design, technical performance standards,

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1 construction schedules, performance bonds, standards for 2 construction and installation of cable television 3 facilities, service to subscribers, public educational 4 and governmental access channels and programming, 5 production assistance, liability and indemnification, and 6 franchise fees.

7 (5) Unless the existing cable television franchise 8 provides that any additional cable television franchise 9 shall be subject to the same terms or substantially equivalent terms and conditions as those of the existing 10 11 cable television franchise, the franchising authority may grant an additional cable television franchise under 12 13 different terms and conditions than those of the existing franchise, in which event the franchising authority shall 14 15 enter into good faith negotiations with the existing 16 franchisee and shall, within 120 days after the effective date of the additional cable television franchise, modify 17 the existing cable television franchise in a manner and 18 to the extent necessary to ensure that neither the 19 existing cable television franchise nor the additional 20 21 cable television franchise, each considered in its 22 entirety, provides a competitive advantage over the other, provided that prior to modifying the existing 23 cable television franchise, the franchising authority 24 shall have conducted a public hearing to consider the 25 proposed modification. No modification in the terms and 26 conditions of the existing cable television franchise 27 shall oblige the existing cable television franchisee (1) 28 29 to make any additional payment to the franchising authority, including the payment of any additional 30 31 franchise fee, (2) to engage in any additional construction of the existing cable television system or, 32 (3) to modify the specifications or design of the 33 existing cable television system; and the inclusion of 34

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1 the factors identified in items (2) and (3) shall not be 2 considered in determining whether either franchise considered in its entirety, has a competitive advantage 3 4 over the other except to the extent that the additional franchisee provides additional video or data services or 5 the equipment or facilities necessary to generate and or 6 7 carry such service. No modification in the terms and 8 conditions of the existing cable television franchise 9 shall be made if the existing cable television franchisee elects to continue to operate under all terms and 10 11 conditions of the existing franchise.

If within the 120 day period the franchising 12 13 authority and the existing cable television franchisee are unable to reach agreement on modifications to the 14 15 existing cable television franchise, then the franchising 16 authority shall modify the existing cable television franchise, effective 45 days thereafter, in a manner, and 17 only to the extent, that the terms and conditions of the 18 existing cable television franchise shall no longer 19 impose any duty or obligation on the existing franchisee 20 21 which is not also imposed under the additional cable 22 television franchise; however, if by the modification the existing cable television franchisee is relieved of 23 duties or obligations not imposed under the additional 24 cable television franchise, then within the same 45 days 25 and following a public hearing concerning modification of 26 the additional cable television franchise within that 45 27 day period, the franchising authority shall modify the 28 additional cable television franchise to the extent 29 necessary to insure that neither the existing cable 30 television franchise nor the additional cable television 31 franchise, each considered in its entirety, shall have a 32 competitive advantage over the other. 33

34 No municipality shall be subject to suit for damages

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based upon the municipality's determination to grant or its refusal to grant an additional cable television franchise, provided that a public hearing as herein provided has been held and the franchising authority has determined that it is in the best interest of the municipality to grant or refuse to grant such additional franchise, as the case may be.

7 It is declared to be the law of this State, pursuant to paragraphs (h) and (i) of Section 6 of Article VII of 8 the 9 Illinois Constitution, that the establishment of minimum standards and procedures for the granting of additional cable 10 11 television franchises by municipalities with a population less than 1,000,000 as provided in this subsection (e) is an 12 exclusive State power and function that may not be exercised 13 concurrently by a home rule unit. 14

(f) No municipality may acquire, construct, own, or operate a community antenna television system unless the corporate authorities adopt an ordinance. The ordinance must set forth the action proposed; describe the plant, equipment, and property to be acquired or constructed; and specifically describe the manner in which the construction, acquisition, and operation of the system will be financed.

22 The ordinance may not take effect until the question of 23 acquiring, construction, owning, or operating a community antenna television system has been submitted to the electors 24 25 of the municipality at a regular election and approved by a majority of the electors voting on the question. 26 The corporate authorities must certify the question to the proper 27 election authority, which must submit the question at an 28 election in accordance with the Election Code. 29

30 The question must be submitted in substantially the 31 following form:

32 Shall the ordinance authorizing the municipality to 33 (insert action authorized by ordinance) take effect? 34 The votes must be recorded as "Yes" or "No".

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If a majority of electors voting on the question vote in
 the affirmative, the ordinance shall take effect.

Not more than 30 or less than 15 days before the date of the referendum, the municipal clerk must publish the ordinance at least once in one or more newspapers published in the municipality or, if no newspaper is published in the municipality, in one or more newspapers of general circulation within the municipality.

9 (g) If the municipality has granted a franchise to a 10 community antenna television company under this Section, the 11 community antenna television company may not impose a rate 12 increase unless the company has given its customers not less than 60 day's notice of the increase. A community antenna 13 television company that has been granted a franchise under 14 this Section must maintain a toll-free telephone number in 15 order to respond to customer questions regarding the 16 increase. The telephone number must be provided to customers 17 at the same time as the notice of the rate increase. 18

19 (Source: P.A. 90-285, eff. 7-31-97; 91-648, eff. 1-1-00.)

20 Section 99. Effective date. This Act takes effect upon 21 becoming law.

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