



## 94TH GENERAL ASSEMBLY

### State of Illinois

# 2005 and 2006

#### SB0561

Introduced 2/17/2005, by Sen. James A. DeLeo

### SYNOPSIS AS INTRODUCED:

55 ILCS 5/5-1095

from Ch. 34, par. 5-1095

Amends the Counties Code. Makes a technical change in a Section concerning cable television.

LRB094 04222 BDD 34246 b

1

AN ACT concerning local government.

# 2 Be it enacted by the People of the State of Illinois, 3 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;
satellite transmitted television programming.

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

When an area is annexed to a municipality, the annexing 13 14 municipality shall thereby become the franchising authority 15 with respect to that portion of any community antenna television system that, immediately before annexation, had 16 17 provided cable television services within the annexed area under a franchise granted by the county, and the owner of that 18 19 community antenna television system shall thereby be 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 23 effect until, by its terms, it expires, except that any franchise fees payable under the franchise shall be payable 24 25 only to the county for a period of 5 years or until, by its 26 terms, the franchise expires, whichever occurs first. After the 5 year period, any franchise fees payable under the franchise 27 28 shall be paid to the annexing municipality. In any instance in 29 which a duly franchised community antenna television system is 30 providing cable television services within the annexing municipality at the time of annexation, the 31 annexing 32 municipality may permit that franchisee to extend its community - 2 - LRB094 04222 BDD 34246 b

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

SB0561

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

(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.

The County Board may, in the course of franchising such community antenna television system, grant to such franchisee the authority and the right and permission to use all public streets, rights of way, alleys, ways for public service facilities, parks, playgrounds, school grounds, or other public grounds, in which such county may have an interest, for the construction, installation, operation, maintenance, - 3 - LRB094 04222 BDD 34246 b

SB0561

alteration, addition, extension or improvement of a community
 antenna television system.

3 Any charge imposed by a community antenna television system franchised pursuant to this Section for the raising or removal 4 5 of cables or lines to permit passage on, to or from a street 6 shall not exceed the reasonable costs of work reasonably 7 necessary to safely permit such passage. Pursuant to subsections (h) and (i) of Section 6 of Article VII of the 8 9 Constitution of the State of Illinois, the General Assembly 10 declares the regulation of charges which may be imposed by 11 community antenna television systems for the raising or removal 12 of cables or lines to permit passage on, to or from streets is a power or function to be exercised exclusively by the State 13 and not to be exercised or performed concurrently with the 14 State by any unit of local government, including any home rule 15 16 unit.

17 The County Board may, upon written request by the franchisee of a community antenna television system, exercise 18 19 its right of eminent domain solely for the purpose of granting 20 an easement right no greater than 8 feet in width, extending no greater than 8 feet from any lot line for the purpose of 21 extending cable across any parcel of property in the manner 22 23 provided for by the law of eminent domain, provided, however, such franchisee deposits with the county sufficient security to 24 pay all costs incurred by the county in the exercise of its 25 26 right of eminent domain.

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

29 The General Assembly finds and declares (d) that 30 satellite-transmitted television programming should he 31 available to those who desire to subscribe to such programming 32 and that decoding devices should be obtainable at reasonable prices by those who are unable to obtain satellite-transmitted 33 television programming through duly franchised community 34 35 antenna television systems.

36

In any instance in which a person is unable to obtain

- 4 - LRB094 04222 BDD 34246 b

1 satellite-transmitted television programming through a duly 2 franchised community antenna television system either because 3 the municipality and county in which such person resides has not granted a franchise to operate and maintain a community 4 5 antenna television system, or because the duly franchised 6 community antenna television system operator does not make cable television services available to such person, any 7 company that delivers satellite-transmitted 8 programming 9 television programming in scrambled or encrypted form shall 10 ensure that devices for decryption of such programming are made 11 available to such person, through the local community antenna 12 television operator or directly, for purchase or lease at prices reasonably related to the cost of manufacture and 13 distribution of such devices. 14

15 (e) The General Assembly finds and declares that, in order 16 to ensure that community antenna television services are 17 provided in an orderly, competitive and economically sound 18 manner, the best interests of the public will be served by the 19 establishment of certain minimum standards and procedures for 20 the granting of additional cable television franchises.

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

27 (i) "Existing cable television franchise" means a 28 community antenna television franchise granted by a county 29 which is in use at the time such county receives an 30 application or request by another cable operator for a 31 franchise to provide cable antenna television services 32 within all or any portion of the territorial area which is or may be served under the existing cable television 33 34 franchise.

35 (ii) "Additional cable television franchise" means a36 franchise pursuant to which community antenna television

services may be provided within the territorial areas, or
 any portion thereof, which may be served under an existing
 cable television franchise.

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

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

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

12 (1) Give written notice to the owner or operator of any other community antenna television system franchised to 13 serve all or any portion of the territorial area to be 14 served by such additional cable television franchise, 15 16 identifying the applicant for such additional franchise 17 and specifying the date, time and place at which the franchising authority shall conduct public hearings to 18 consider and determine whether such additional cable 19 20 television franchise should be granted.

(2) Conduct a public hearing to determine the public 21 need for such additional cable television franchise, the 22 capacity of public rights-of-way to accommodate such 23 additional community antenna television services, the 24 25 disruption to existing users of public potential rights-of-way to be used by such additional franchise 26 27 applicant to complete construction and to provide cable 28 television services within the proposed franchise area, 29 the long term economic impact of such additional cable 30 television system within the community, and such other 31 factors as the franchising authority shall deem 32 appropriate.

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

36

(4) If the franchising authority shall determine that

1 it is in the best interest of the county to do so, it may grant the additional cable television franchise. Except as 2 provided in paragraph (5) of this subsection (e), no such 3 additional cable television franchise shall be granted 4 5 under terms or conditions more favorable or less burdensome to the applicant than those required under the existing 6 cable television franchise, including but not limited to 7 terms and conditions pertaining to the territorial extent 8 9 of the franchise, system design, technical performance 10 standards, construction schedules, performance bonds, 11 standards for construction and installation of cable television facilities, service to subscribers, public 12 13 educational and governmental access channels and programming, production assistance, liability 14 and indemnification, and franchise fees. 15

16 (5) Unless the existing cable television franchise 17 provides that any additional cable television franchise shall be subject to the same terms or substantially 18 equivalent terms and conditions as those of the existing 19 20 cable television franchise, the franchising authority may grant an additional cable television franchise under 21 different terms and conditions than those of the existing 22 franchise, in which event the franchising authority shall 23 enter into good faith negotiations with the existing 24 franchisee and shall, within 120 days after the effective 25 date of the additional cable television franchise, modify 26 27 the existing cable television franchise in a manner and to 28 the extent necessary to ensure that neither the existing cable television franchise nor the additional cable 29 30 television franchise, each considered in its entirety, 31 provides a competitive advantage over the other, provided 32 that prior to modifying the existing cable television franchise, the franchising authority shall have conducted 33 a public hearing to consider the proposed modification. No 34 modification in the terms and conditions of the existing 35 cable television franchise shall oblige the existing cable 36

1 television franchisee (1) to make any additional payment to the franchising authority, including the payment of any 2 additional franchise fee, (2) to engage in any additional 3 construction of the existing cable television system or, 4 5 (3) to modify the specifications or design of the existing cable television system; and the inclusion of the factors 6 identified in items (2) and (3) shall not be considered in 7 determining whether either franchise considered in its 8 9 entirety, has a competitive advantage over the other except 10 to the extent that the additional franchisee provides 11 additional video or data services or the equipment or facilities necessary to generate and or carry such service. 12 No modification in the terms and conditions of the existing 13 cable television franchise shall be made if the existing 14 cable television franchisee elects to continue to operate 15 16 under all terms and conditions of the existing franchise.

17 If within the 120 day period the franchising authority and the existing cable television franchisee are unable to 18 reach agreement on modifications to the existing cable 19 20 television franchise, then the franchising authority shall modify the existing cable television franchise, effective 21 45 days thereafter, in a manner, and only to the extent, 22 that the terms and conditions of the existing cable 23 television franchise shall no longer impose any duty or 24 obligation on the existing franchisee which is not also 25 imposed under the additional cable television franchise; 26 27 however, if by the modification the existing cable television franchisee is relieved of duties or obligations 28 imposed under the additional cable 29 television not. 30 franchise, then within the same 45 days and following a public hearing concerning modification of the additional 31 32 cable television franchise within that 45 day period, the franchising authority shall modify the additional cable 33 television franchise to the extent necessary to insure that 34 neither the existing cable television franchise nor the 35 additional cable television franchise, each considered in 36

1 2 its entirety, shall have a competitive advantage over the other.

No county shall be subject to suit for damages based upon the county'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 county to grant or refuse to grant such additional franchise, as the case may be.

10 It is declared to be the law of this State, pursuant to 11 paragraphs (h) and (i) of Section 6 of Article VII of the 12 Illinois Constitution, that the establishment of minimum 13 standards and procedures for the granting of additional cable 14 television franchises as provided in this subsection (e) is an 15 exclusive State power and function that may not be exercised 16 concurrently by a home rule unit.

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